

MINUTES  
OF THE  
MEETING OF THE BOARD OF DIRECTORS  
OF THE  
FEDERAL CROP INSURANCE CORPORATION

A meeting of the Board of Directors (Board) of the Federal Crop Insurance Corporation (FCIC) was held on November 14-16, 2023, via in-person, and videoconference. The public was invited to attend the open session portion of the meeting.

Meeting  
November 14-16,  
2023

The meeting was called to order at 2:30 pm on November 14, 2023, and again at 9:30 am on November 15, 2023.

Call to Order  
Open Session

The Board immediately went into executive session to discuss confidential matters with Risk Management Agency (RMA) staff and submitters of private products under section 508(h) of the Federal Crop Insurance Act (Act).

Executive Session

Open session of the Board reconvened on November 16, 2023, at 12:30 pm.

Reconvene Open  
Session

Colby Duren read the recitation to all members of the Board to advise the Board of its responsibilities in representing the interests of the FCIC and USDA and advised each member to act accordingly.

Recitation

The Chairman requested Board members to introduce themselves. Present were Seth Meyer, Chief Economist; Nicole Berg, Ken Selzer, Scott Silveus, Pat Swanson, and Howard James. Chris Bardenhagen was on video conference constituting a statutory quorum, and Robin Anderson, Secretary, FCIC was on video conference.

Present

Present were Heather Manzano, Richard Flournoy, France Tolle, David Zaroni, Xuan Pham, and Shaun Collins, RMA.

Present via videoconference were Mike Ciliege, RMA; Steven Gusky and Colby Duren, Office of the General Counsel. Also present via video conference were Clif Parks, AgriLogic; Marin Bozic and Shaina Bullock, Bozic LLC; David Gibson, Texas Corn Producer; Alex Offerdahl, Jay Yates, Kyle Jore, Eric Henry, Mark

Boyd and Alyssa Alvarez, Watts & Associates; and Ken Ackerman, OFW Law.

Chairman Meyer asked Heather Manzano for the Manager's Report. Ms. Manzano stated that the [Manager's Report](#) is available on-line.

Manager's Report

Hearing no objection, Dr. Meyer agreed to dispense with a reading of the Manager's Report. (Exhibit 4754)

A motion was made and seconded to dispense with the reading of May 2023 Minutes and to approve the Minutes of the meeting of the Board held on September 20, 2023. The motion carried. (Exhibit 4755)

Minutes

Chairman Meyer offered the following resolution for Docket No. CI-Section 508(h) Submission - LRP for Fed Cattle, Feeder Cattle and Swine Modification 11-16-23 01, which was seconded.

LRP for Fed Cattle, Feeder Cattle and Swine Modification

RESOLVED, that pursuant to the information contained in Docket No. CI-Section 508(h) Submission Livestock Risk Protection (LRP) Fed Cattle, Feeder Cattle, and Swine Modification 11-16-23 01 , Exhibit 4756, as well as other material submitted to the Board on this matter, the Board hereby approves LRP Fed Cattle, Feeder Cattle, and Swine Modification, with revisions as discussed in Executive Session, beginning with the crop year the Manager determines is practicable with actuarially appropriate rates, reinsurance, and administrative and operating subsidy in amounts and under such terms and conditions as determined appropriate by the Manager as authorized under section 508(h) of the Federal Crop Insurance Act.

NOW THEREFORE BE IT FURTHER RESOLVED that the Board delegates to the Manager the authority to take the actions necessary to implement the product for the appropriate crop year. This delegation includes the authority to implement changes, including those discussed in executive session, and to make other revisions to conform the product to RMA standards, ensure compliance with the law, and other revisions to efficiently implement the product.

There being no discussion, the Board voted to approve the resolution. (Exhibit 4756)

Approved

Chairman Meyer offered the following resolution for Docket No. CI-Section 508(h) Submission - Dairy Revenue Protection Modification 11-16-23 01.

Dairy Revenue Protection Modification

Docket No. CI-Section 508(h) Submission - Dairy Revenue Protection Modification 11-16-23 01 is on time delay. (Exhibit 4747)

Time Delay

Chairman Meyer offered the following resolution for Docket No. CI-Section 522(b) Concept Proposal 169 11-16-23 03, which was seconded.

Concept Proposal 169

WHEREAS, Section 522(b) of the Federal Crop Insurance Act (FCIA) authorizes the Board to enter into contracts with persons with qualifications appropriate to review the type of concept proposal submitted for reviews of a concept proposal that meets the applicable requirements proposed to be developed under section 508(h) of the FCIA;

NOW THEREFORE BE IT RESOLVED that pursuant to the information contained in Docket No. CI-Section 522(b) Concept Proposal 169 11-16-23 03, Exhibit 4758, as well as other material submitted to the Board on this matter, the Board approves expert review of Concept Proposal 169 as authorized under section 522(b) of the FCIA.

NOW THEREFORE BE IT FURTHER RESOLVED that the Board delegates to the Manager the authority to take such action as necessary to enter into and execute contracts with the Board approved persons or entities, or the alternates in case the proposed persons are not available.

There being no discussion, the Board voted to approve the resolution. (Exhibit 4758)

Approved

Chairman Meyer offered the following resolution for Docket No. CI-Section 508(h) Confidential Submission 0127 11-16-23 01, which was seconded.

Confidential Submission 0127

WHEREAS, Section 505(e) of the Federal Crop Insurance Act (FCIA) requires the Board to enter into contracts with persons experienced as actuaries and in underwriting for reviews of any policy or plan of insurance, or any related material or modification of a policy or plan of insurance proposed to be offered under the of the Federal Crop Insurance Act (FCIA).

NOW THEREFORE BE IT RESOLVED that pursuant to the information contained in Docket No. CI-Section 508(h) Confidential Submission 0127 Modification 11-16-23 01, Exhibit 4759, as well as other material submitted to the Board on this matter, the Board approves expert review for Confidential Submission 0127 Modification as authorized under section 505(e) of the FCIA.

NOW THEREFORE BE IT FURTHER RESOLVED that the Board delegates to the Manager the authority to take the actions necessary to enter into and execute contracts with the Board approved persons or entities, or the alternates incase the proposed persons are not available.

There being no discussion, the Board voted to approve the resolution. (Exhibit 4759)

Approved

Chairman Meyer offered the following resolution for Docket No. CI-Section 508(h) Confidential Submission 0125 11-16-23 02.

Confidential  
Submission 0125

Docket No. CI-Section 508(h) Confidential Submission 0125 11-16-23 02 is on time delay. (Exhibit 4760)

Time Delay

Chairman Meyer offered the following resolution for Docket No. CI-Section 508(h) Pulse Crop Revenue Modification 11-16-23 02, which was seconded.

Pulse Crop  
Revenue  
Modification

RESOLVED, that pursuant to the information contained in Docket No. CI-Section 508(h) Pulse Crop Revenue Modification 11-16-23 02, Exhibit 4761, as well as other material submitted to the Board on this matter, the Board hereby approves the Pulse Crop Revenue Modification, beginning with the crop year the Manager determines is practicable with actuarially appropriate rates, reinsurance, and administrative and operating subsidy in amounts and under such terms and conditions as determined appropriate by the Manager as authorized under section 508(h) of the Federal Crop Insurance Act.

NOW THEREFORE BE IT FURTHER RESOLVED that the Board delegates to the Manager the authority to take the actions necessary to implement the product for the appropriate crop year. This delegation includes the authority to implement changes, including those discussed in executive session, and to make other revisions to conform the product to RMA standards, ensure

compliance with the law, and other revisions to efficiently implement the product.

There being no discussion, the Board voted to approve the resolution. (Exhibit 4761)

Approved

Chairman Meyer offered the following resolution for Docket No. CI-Section 508(h) Submission Enhanced Coverage Option Modification 11-16-23 01, which was seconded.

Enhanced Coverage Option Modification

RESOLVED, that pursuant to the information contained in Docket No. CI-Section 508(h) Submission Enhanced Coverage Option Modification 11-16-23 01, Exhibit 4762, as well as other material submitted to the Board on this matter, the Board hereby approves the Enhanced Coverage Option Modification, beginning with the crop year the Manager determines is practicable with actuarially appropriate rates, reinsurance, and administrative and operating subsidy in amounts and under such terms and conditions as determined appropriate by the Manager as authorized under section 508(h) of the Federal Crop Insurance Act.

NOW THEREFORE BE IT FURTHER RESOLVED that the Board delegates to the Manager the authority to take the actions necessary to implement the product for the appropriate crop year. This delegation includes the authority to implement changes, including those discussed in executive session, and to make other revisions to conform the product to RMA standards, ensure compliance with the law, and other revisions to efficiently implement the product.

There being no discussion, the Board voted to approve the resolution. (Exhibit 4762)

Approved

Chairman Meyer offered the following resolution for Docket No. CI-Submission Sesame Modification 11-16-23 01, which was seconded.

Sesame Modification

RESOLVED, that pursuant to the information contained in Docket No. CI-Submission Sesame Modification 11-16-23 01, Exhibit 4763, as well as other material submitted to the Board on this matter, the Board hereby approves the Sesame Modification, beginning with the crop year the Manager determines is practicable with reinsurance and administrative and operating subsidy in amounts and under such terms and conditions as determined appropriate by

the Manager as authorized under section 522(c) and 523(a) of the Federal Crop Insurance Act.

NOW THEREFORE BE IT FURTHER RESOLVED that the Board delegates to the Manager the authority to take the actions necessary to implement the product for the appropriate crop year. This delegation includes the authority to implement changes, including those discussed in executive session, and to make other revisions to conform the product to RMA standards, ensure compliance with the law, and other revisions to efficiently implement the product.

There being no discussion, the Board voted to approve the resolution. (Exhibit 4763)

Approved

Chairman Meyer offered the following resolution for Docket No. CI-Submission PRF Hawaii 11-16-23 01, which was seconded.

PRF Hawaii

WHEREAS, Section 505(e) of the Federal Crop Insurance Act (FCIA) requires the Board to enter into contracts with persons experienced as actuaries and in underwriting for reviews of any policy or plan of insurance, or any related material or modification of a policy or plan of insurance proposed to be offered under the FCIA.

NOW THEREFORE BE IT RESOLVED that pursuant to the information contained in Docket No. CI-Submission PRF Hawaii 11-16-23 01, Exhibit 4764, the Board approves expert review for the PRF Hawaii submission, and directs that the Manager be authorized to take such action as necessary to enter into and execute contracts with the Board approved persons or entities, or the alternates in case the proposed persons are not available.

There being no discussion, the Board voted to approve the resolution. (Exhibit 4764)

Approved

Chairman Meyer offered the following resolution for Written Agreements, which was seconded.

Written Agreements

RESOLVED, that pursuant to the material submitted to the Board entitled Guidance for Written Agreements on 508(h) Products, the Board hereby approves this guidance to become effective immediately. The guidance document will be posted on the FCIC

website or successor page and will remain applicable until such time that the guidance is rescinded, amended, or incorporated into an FCIC Board approved handbook.

There being no discussion, the Board voted to approve the resolution. (Exhibit 4765)

Approved

Chairman Meyer offered the following Sense of the Board.

Sense of the Board

Communication and collaboration between the Federal Crop Insurance Corporation (FCIC) Board of Directors (Board) and submitters of privately developed crop insurance products is critical to the success of the 508(h) process. To ensure proper communication is maintained, FCIC approved "Procedures for Reimbursements & Determination of Reasonableness Related to Reimbursement Expenses for Concept Proposals, 508(h) Submissions & User Fee Requests" on July 13, 2017.

Paragraph 4(5)(h) of these approved procedures, requires submitters to notify the Board in writing when 90 percent of the estimated costs in the Estimated Cost Budget provided in the concept proposal, submission, or maintenance request have been expended and costs are expected to exceed the original approved cost budget. This 90 percent cost notification requirement is intended to ensure submitters inform the Board of any expected cost over-runs before they are incurred, so the FCIC Board is aware and has ample opportunity to provide feedback and guidance.

The notification must include: (1) a new Estimated Cost Budget, if necessary, for completion of the work; and (2) a detailed justification of why the total costs will exceed the original Estimated Cost Budget if additional funding is required to bring the product to completion. The FCIC Board will review the notice and provide feedback as appropriate.

When costs are expected to exceed the original estimate, it does not necessarily mean those costs are not reasonable or justified. However, the FCIC Board must approve a revised budget to ensure that unauthorized expenses will not be incurred. Failure of the submitter to provide the required notice to FCIC may result in the denial of reimbursement amounts that exceed the amount contained in the original approved cost budget.

The FCIC Board hereby reaffirms the applicability and importance of the 90 percent cost notification requirement.

With no further business the Board voted to adjourn and to meet again February 20-22, 2024, location to be determined.

Adjourn

November 16, 2023

**/signed/**

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Robin Anderson, Secretary  
Federal Crop Insurance Corporation