

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 February 16 and February 17, 2023, via videoconference and phone. The public was invited to attend the open session portion of the meeting.

Meeting
February 16 and
17, 2023

The meeting was called to order at 9:30 am on February 16, 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 February 17, 2023, at 1:30 pm.

Reconvene Open
Session

Sam Pogue 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 Marcia Bunger, Manager, FCIC, constituting a statutory quorum, and Robin Anderson, Secretary, FCIC.

Present

Also present by phone were David Zaroni, Shaun Collins, Xuan Pham, Toby Cain, Francie Tolle, Delores Dean, Michael Ciliege, Shawn Beach, Mandy Welton, Ammon Williams, Jason Oliver, Kay Hedrick, Jonquil Henderson, Mark Griffin, Kristen Gallagher, and Timothy Jacobs, RMA; Maureen James and Sam Pogue, Office of the General Counsel; Alex Offerdahl and Kyle Jore, Watts and Associates; Clif Parks and Ethan Bredemeyer, AgriLogic; and Serena Sowers, JP Morgan Chase.

Chairman Meyer asked Administrator Marcia Bunger for the Manager's Report. Mrs. Bunger 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 4694)

A motion was made and seconded to dispense with the reading of the November Minutes and to approve the Minutes (Exhibit 4695) of the meeting of the Board held on November 17, 2022. The motion carried.

Chairman Meyer offered the following resolution Docket No. CI-Section 508(h) Submission Livestock Risk Protection (LRP) Fed Cattle, Feeder Cattle and Swine Modification 02-17-23 01.

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 02-17-23 01 Exhibit 4696, as well as other material submitted to the Board on this matter, the Board hereby approves Livestock Risk Protection (LRP) Fed Cattle, Feeder Cattle and Swine 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 4696)

Chairman Meyer offered the following resolution Docket No. CI-Section 508(h) Submission Livestock Gross Margin (LGM) for Cattle, Swine, and Dairy Modification 02-17-23 01.

WHEREAS, Section 505(e) of the Federal Crop Insurance Act (FCIA) requires the Board to enter into contracts with persons

Minutes

Livestock Risk Protection (LRP) Fed Cattle, Feeder Cattle and Swine Modification

Approved

Livestock Gross Margin (LGM) for Cattle, Swine, and Dairy Modification

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-Section 508(h) Submission Livestock Gross Margin for Cattle, Swine, and Dairy Modification 02-17-23 01, Exhibit 4697, as well as other material submitted to the Board on this matter, the Board approves expert review for Livestock Gross Margin for Cattle, Swine, and Dairy 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 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 4697)

Approved

Chairman Meyer offered the following resolution Docket No. CI-Section 522(b) Concept Proposal 167 02-17-23 01.

Concept Proposal
167

RESOLVED, that pursuant to the information contained in Docket No. CI-Section 522(b) Concept Proposal 167 02-17-23 01, Exhibit 4698, as well as other material submitted to Board on this matter, the Board approves the advance payment of \$323,528 for Concept Proposal 167 as authorized under section 522(b) of the Federal Crop Insurance Act. (FCIA).

NOW THEREFORE BE IT FURTHER RESOLVED that the Board delegates to the Manager authority to obligate funds and administer the approved advance payment. By accepting the advance payment or additional advance payment, the applicant agrees to provide a submission consistent with section 508(h) of the FCIA to the Board in the January 2024, submission period. If the applicant fails to meet this deadline, the applicant shall return to the Board the amount of the advance payment plus interest.

There being no discussion, the Board voted to approve the resolution. (Exhibit 4698)

Approved

Chairman Meyer offered the following resolution Docket No. CI-Section 522(b) Concept Proposal 168 02-17-23 01.

Concept Proposal
168

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 168 02-17-23 01, Exhibit 4699, as well as other material submitted to the Board on this matter, the Board approves expert review of Concept Proposal 168 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 4699)

Approve

Chairman Meyer offered the following resolution Docket No. CI-Section 508(h) Confidential Submission 0118 02-17-23 01.

Confidential
Submission 0118

RESOLVED, that pursuant to the information contained in Docket No. CI-Section 508(h) Confidential Submission 0118 02-17-23 01, Exhibit 4700, as well as other material submitted to the Board on this matter, the Board disapproves expert review for Confidential Submission 0118, as authorized under section 508(h) of the Federal Crop Insurance Act and will provide the applicant with an explanation of the reasons for its decision.

There being no discussion, the Board voted to approve the resolution. (Exhibit 4700)

Approved

Chairman Meyer offered the following resolution Docket No. CI-Section 508(h) Confidential Submission 0117 02-17-23 01.

Confidential
Submission 0117

RESOLVED, that pursuant to the information contained in Docket No. CI-Section 508(h) Confidential Submission 0117 Modification 02-17-23 01, Exhibit 4701, as well as other material submitted to the Board on this matter, the Board hereby approves Confidential Submission 0117 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 4701)

Approved

Chairman Meyer offered the following resolution Docket No. CI-Section 508(h) Confidential Submission 0115 02-17-23 01.

Confidential
Submission 0115

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-Section 508(h) Confidential Submission 0115 02-17-23 01, Exhibit 4702, as well as other material submitted to the Board on this matter, the Board approves expert review for Confidential Submission 0115, 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 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 4702)

Approved

Chairman Meyer offered the following resolution Docket No. CI-Section 508(h) Confidential Submission 0113 02-17-23 01.

Confidential
Submission 0113

RESOLVED, that pursuant to the information contained in Docket No. CI-Section 508(h) Confidential Submission 0113 02-17-23 01, Exhibit 4703, as well as other material submitted to the Board on this matter, the Board hereby approves Confidential Submission 0113, 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 4703)

Approved

Chairman Meyer offered the following resolution Docket No. CI-Section 508(h) Confidential Submission 0119 02-17-23 01.

Confidential
Submission 0119

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-Section 508(h) Confidential Submission 0119 Modification 02-17-23 01, Exhibit 4704, as well as other material submitted to the Board on this matter, the Board approves expert review for Confidential Submission 0119 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 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 4704)

Approve

Chairman Meyer offered the following resolution Docket No. CI-Section 508(h) Submission Hybrid Vegetable Seed User Fee Request 02-17-23 01.

Hybrid Vegetable
Seed User Fee
Request

RESOLVED, that pursuant to the information contained in Docket No. CI-Section 508(h) Submission Hybrid Vegetable Seed User Fee Request 02-17-23 01, Exhibit 4705, as well as other material submitted to the Board on this matter, the Board hereby approves the user fee of 4.0 percent per premium dollar earned up to an annual maximum of \$57,000, as submitted for Hybrid Vegetable Seed beginning with the 2024 reinsurance year, which was determined by the Board to be reasonable and to not inhibit the use of the policy as authorized under section 522(b) of the Federal Crop Insurance Act.

NOW THEREFORE BE IT FURTHER RESOLVED that the Board delegates to the Manager the authority to take such actions necessary to facilitate communication with the affected parties regarding roles and responsibilities in the charging and collection of the user fee.

There being no discussion, the Board voted to approve the resolution. (Exhibit 4705)

Approved

Chairman Meyer offered the following resolution Docket No. CI-Submission Actual Revenue History Citrus Pilot Crop Insurance Program Modification 02-17-23 01.

Actual Revenue
History Citrus
Pilot Crop
Insurance
Program
Modification

RESOLVED, that pursuant to the information contained in Docket No. CI-Submission Actual Revenue History (ARH) Citrus Pilot Crop Insurance Program Modification 02-17-23-01, Exhibit 4706, as well

as other material submitted to the Board on this matter, the Board hereby approves the Actual Revenue History (ARH) Citrus Pilot Crop Insurance Program Modification, beginning with the crop year the Manager determined 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 4706)

Approved

Chairman Meyer offered the following resolution Docket No.CI Submission Controlled Environment 02-17-23 01.

Controlled Environment

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 Controlled Environment 02-17-23 01, Exhibit 4707, the Board approves expert review for the Controlled Environment 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 4707)

Approved

Chairman Meyer offered the following resolution.

Expand Expert
Reviewer List

WHEREAS, Section 505(e) of the Federal Crop Insurance Act (Act) requires the Board to enter into contracts 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 Act by persons experienced as actuaries and in underwriting, NOW THEREFORE BE IT RESOLVED:

That the list of approved expert reviewers be amended to replace retiring Board Approved Expert Reviewer for Oliver Wyman with Ms. Robin Fitzgerald.

There being no discussion, the Board voted to approve the resolution. (Exhibit 4708)

Approved

Chairman Meyer offered the following resolution.

Concept Proposal
166

At the November 2022 Federal Crop Insurance Corporation (FCIC) Board of Directors (Board) meeting, the FCIC Board approved an advance payment for Concept Proposal 166 and established the April 2023 submission period as the deadline for providing a complete 508(h) submission. In consideration of the request submitted by the applicant, the Board hereby extends the deadline to the July 2023 submission period for a complete 508(h) submission.

There being no discussion, the Board voted to approve the resolution. (Exhibit 4709)

Approved

Chairman Meyer offered the following resolution.

Dry Bean

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 the Board approves expert review of the Dry Bean 508(h) fallback pricing mechanism, as authorized under section 505(e) of the FCIA.

