

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

<p>A meeting of the Board of Directors (Board) of the Federal Crop Insurance Corporation (FCIC) was held on November 20-21, 2013, in Washington, DC. The public was invited to attend the open session portion of the meeting.</p>	<p>Meeting November 20-21, 2013</p>
<p>The meeting was called to order at 2:15 pm, November 20, in Room 6610, South Agriculture Building, U.S. Department of Agriculture, Washington, DC, in open session.</p>	<p>Call to Order Open Session</p>
<p>The Board immediately went into executive session to discuss confidential matters with Risk Management Agency (RMA) staff and submitters of private products under the Federal Crop Insurance Act (Act).</p>	<p>Executive Session</p>
<p>The open session of the Board reconvened at 1:30 pm on November 21, in Room 108A, Jamie Whitten Building, Washington, DC.</p>	<p>Reconvene Open Session</p>
<p>David Grahn 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.</p>	<p>Recitation</p>
<p>The Chairman requested Board members to introduce themselves. Present were Joe Glauber, Chief Economist, USDA; James Bardenhagen, Iris Saenz, John Finston, Margaret Goode, Ellen Linderman, and Kenneth Sneed and Brandon Willis, Manager, FCIC, constituting a statutory quorum and Cindy Spoor, Secretary, FCIC.</p>	<p>Present</p>
<p>Also present were Acting Associate Administrator, Michael Alston, Tim Witt, Thomas Worth, Tim Hoffmann, Richard Flournoy and Tammy Jackson of RMA; David Grahn, Kim Arrigo, Michael Knipe and Steven Gusky, Office of the General Counsel; Rob Johansson, Deputy Chief Economist; Steve Edwardson, ND Barley Council; and Judd Gardner, Crop Insurance Professionals Association.</p>	

Chairman Glauber asked Brandon Willis for the Manager's Report (the Manager's Report is available on line at www.rma.usda.gov). Mr. Willis noted that RMA added a new Special Provision statement to clarify acreage that is physically available for planting in regions of Iowa, Minnesota, Montana, North Dakota and South Dakota (Prairie Pothole National Priority Area) for the 2014 crop and succeeding crop years.

Manager's Report

Hearing no objection, Dr. Glauber agreed to dispense with a reading of the Manager's Report. (Exhibit 4172)

A motion was made and seconded to dispense with the reading of the Minutes and to approve the Minutes of the meeting of the Board held on September, 18, 2013.

Dispense with Reading – Minutes

The motion carried. (Exhibits 4173)

Approved

Chairman Glauber offered the following resolution for Docket No. CI – Section 522(b) Concept Proposal 129 11-21-13 03, which was seconded:

Concept Proposal 129

WHEREAS, Section 522(b) of the Federal Crop Insurance Act (Act) requires the Board to consider paying an advance payment of up to 50 percent for research and development costs of a concept proposal that will be developed in to a complete and of sufficient quality 508(h) submission, NOW THEREFORE BE IT

RESOLVED: That pursuant to the information contained in Docket No. CI – Section 522(b) Concept Proposal 129 11-21-13 03, Exhibit 4173, the Board approves the advance payment of \$250,000 for Concept Proposal 129, as authorized under Section 522(b) of the Federal Crop Insurance Act.

By approving the advance payment of estimated research and development expenses, the Board is not approving or endorsing the estimated hours, wage rates, or costs requested by the submitter. The submitter will be required to prove that all costs are necessary and reasonable.

By accepting the advance payment, the applicant agrees to provide a submission consistent with Section 508(h) of the Act to the Board in the July, 2014 submission period.

There being no discussion the Board voted to approve the resolution. (Exhibit 4173)

Approved

Docket No. CI–Confidential Submission Section 522(b) Concept Proposal 131 11-21-13 02 was the next action item before the Board. The Chair offered the following resolution which was seconded:

Concept Proposal
131

WHEREAS, Section 522(b) of the Federal Crop Insurance Act (Act) requires the Board to consider paying an advance payment of up to 50 percent for research and development costs of a concept proposal that will be developed in to a complete and of sufficient quality 508(h) submission, NOW THEREFORE BE IT

RESOLVED: That pursuant to the information contained in Docket No. CI–Confidential Submission Section 522(b) Concept Proposal 131 11-21-13 02, Exhibit 4174, the Board approves the advance payment of \$67,068.90 for Concept Proposal 131 as authorized under section 522(b) of the Federal Crop Insurance Act.

By approving the advance payment of estimated research and development expenses, the Board is not approving or endorsing the estimated hours, wage rates, or costs requested by the submitter. The submitter will be required to prove that all costs are necessary and reasonable.

By accepting the advance payment, the applicant agrees to provide a submission consistent with section 508(h) of the Act to the Board in the July, 2014 submission period.

There being no discussion the Board voted to approve the resolution (5-yes and 1-no votes). (Exhibit 4174)

Approved

Chairman Glauber offered the following resolution for Docket No. CI – Section 508(h) Confidential Submission 0042 11-21-13 02, which was seconded:

Confidential
Submission 0042

RESOLVED, that pursuant to the information contained in Docket No. CI – Section 508(h) Confidential Submission 0042 11-21-13 02, Exhibit 4175, as well as other materials that were submitted to the Board on this matter, the Board hereby approves Confidential Submission 0042 beginning with the 2014 crop year, with the revisions presented to the Board in

Executive Session and agreed to by the submitter, with reinsurance and administrative and operating subsidy in amounts and under such terms and conditions as determined appropriate by the Manager as authorized under sections 508(h) of the Federal Crop Insurance Act. AND BE IT FURTHER RESOLVED, That the Board delegates to the Manager the authority to make such technical policy changes as are necessary to make the policy legally sufficient.

There being no discussion the Board voted to approve the resolution. (Exhibit 4175)

Approved

Confidential Submission 0042 refers to modifications for the Louisiana Sweet Potato (LSP) plan of insurance submitted to the FCIC Board by the Louisiana Farm Bureau Federation and the Louisiana Sweet Potato Association in conjunction with Crop Insurance Systems.

The next item before the Board was Docket No. CI- Section 508(h) Confidential Submission 0044 11-21-13 01. The following resolution was offered and seconded.

Confidential
Submission 0044

WHEREAS, The Federal Crop Insurance Act (Act) 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 Act, NOW THEREFORE BE IT

RESOLVED: That pursuant to the information contained in Docket No. CI- Section 508(h) Confidential Submission 0044 11-21-13 01, Exhibit 4176, the Board approves expert review for Confidential Submission 0044 and directs that: 1) the Manager of the Corporation be authorized to take such action as necessary to enter in to and execute contracts with the persons or entities on the attached list, or the alternates in case the proposed persons are not available, to review the Confidential Submission 0044 prior to Board action; and 2) the attached task order statement of work be used to execute the contracts.

There being no discussion the Board voted to approve the resolution. (Exhibit 4176)

Approved

Chairman Glauber offered the following resolution for Docket No. CI- Section 508(h) Confidential Submission 0045 11-21-13 01, Exhibit 4177, which was seconded:

Confidential
Submission 0045

WHEREAS, Section 505(e) of the Federal Crop Insurance Act (Act) 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 Act, NOW THEREFORE BE IT

RESOLVED: That pursuant to the information contained in Docket No. CI- Section 508(h) Confidential Submission 0045 11-21-13 01, Exhibit 4177, the Board approves expert review for Confidential Submission 0045 and directs that: 1) the Manager of the Corporation be authorized to take such action as necessary to enter in to and execute contracts with the persons or entities on the attached list, or the alternates in case the proposed persons are not available, to review the Confidential Submission 0045 prior to Board action; and 2) the attached task order statement of work be used to execute the contracts.

There being no discussion the Board voted to approve the resolution. (Exhibit 4177)

Approved

Chairman Glauber offered the following resolution for Docket No. CI – Hybrid Sweet Corn Seed Pilot 11-21-13 02:

Hybrid Sweet
Corn Seed Pilot

WHEREAS, Section 505(e) of the Federal Crop Insurance Act (Act) requires the Board to approve the implementation 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, NOW THEREFORE BE IT

RESOLVED: That pursuant to the information contained in Docket No. CI – Hybrid Sweet Corn Seed Pilot 11-21-13 02, Exhibit 4179, the Board approves the implementation of the Hybrid Sweet Corn Seed Pilot Program as soon as practicable, subject to Pay-Go and directs that the Manager of the Corporation be authorized to take such action as necessary to ensure the implementation of the Hybrid Sweet Corn Seed Pilot Program.

There was no discussion and no second. (Exhibit 4179)

Resolution Failed

The next item before the Board was Docket No. CI-Area Risk Protection Insurance (ARPI) Rice Pilot Program 11-21-13 02. The following resolution was offered and seconded.

ARPI Rice

WHEREAS, Section 505(e) of the Federal Crop Insurance Act (Act) requires the Board to approve the implementation 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, NOW THEREFORE BE IT

RESOLVED: That pursuant to the information contained in Docket No. CI-Area Risk Protection Insurance (ARPI) Rice Pilot Program 11-21-13 02, Exhibit 4178, the Board approves the ARPI-Rice Pilot Program, as soon as practicable, subject to Pay-go and directs that the Manager of the Corporation be authorized to take such action as necessary to ensure the implementation of the ARPI-Rice Pilot Program.

There being no discussion the Board voted to approve the resolution. (Exhibit 4178)

Approved

Docket No. CI – Quarantine Endorsement Pilot 11-21-13 01, Exhibit 4180 was then brought to the floor by Chair Glauber. He offered the following resolution which was seconded.

Quarantine
Endorsement

RESOLVED, that pursuant to the information contained in Docket No. CI – Quarantine Endorsement Pilot 11-21-13 01, Exhibit 4180, as well as other material that were submitted to the Board on this matter, the Board hereby approves an extension of the Quarantine Endorsement Pilot through the 2015 Crop Year.

There being no discussion the Board voted to approve the resolution. (Exhibit 4180)

Approved

Chairman Glauber then offered the following resolution for Docket No. CI Reimbursement Request – Crop Insurance System Inc. Correction of Reimbursement 11-21-13 02 which was seconded.

Reimbursement
Correction

RESOLVED, that pursuant to the information contained Docket No. CI Reimbursement Request – Crop Insurance System Inc. Correction of Reimbursement 11-21-13 02, Exhibit 4181, as well as other material that were submitted to the Board on this matter, the Board hereby approves the reimbursement of maintenance costs in the amount of \$8,299.00 for the Fresh Market Beans and Louisiana Sweet Potatoes plans of insurance, using established guidelines in the Approved Procedures for Determining Reasonableness of Reimbursement Expenses for 508(h) and Concept Proposal Submissions as

authorized under section 522(b) of the Federal Crop Insurance Act.

There being no discussion the Board voted to approve the resolution. (Exhibit 4181)

Approved

The next item before the Board was a resolution to expand the pool of expert reviewers. The following resolution was offered and seconded.

Expert Reviewer Expansion

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 add Dr. Joshua D. Woodard as an underwriter expert reviewer.

There being no discussion the Board voted to approve the resolution. (Exhibit 4182)

Approved

There being no further business to come before the Board voted to adjourn and to meet again February 4-6, 2014, in Washington, DC.

Adjourn

November 21, 2013

/signed/
Cindy Spoor, Secretary
Federal Crop Insurance Corporation