

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 September 18-20, 2018, in room G28D, 6501 Beacon Drive, Kansas City, MO. The public was invited to attend the open session portion of the meeting.

Meeting  
September 18-20,  
2018

The meeting was called to order from 10:30–11:30 am on September 18, 2018, and then called back to order at 10:30 on September 19, 2018.

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 September 20, 2018, at 10:45 am.

Reconvene Open  
Session

Kim Arrigo 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 Rob Johansson, Chief Economist, USDA; James Bardenhagen, Iris Saenz, John Finston, Mike Clemens, Rickey Bearden, Kenneth Sneed, and Martin Barbre, Manager, FCIC, constituting a statutory quorum, and Robin Anderson, Secretary, FCIC.

Present

Also present were Richard Flournoy, Tom Worth, Ron Lundine, Robert Ebel, Chandra Mason, Margo Erny, Tara Ponds, Molly Rew, Michael Ciliage, Chris Aulbur, Jody Bailey, and RJ Layher, from RMA; Kim Arrigo and Maureen James from the Office of the General Counsel; Ashley Hungerford, Office of the Chief Economist; Clif Parks, AgriLogic LLC; and Rob Cerda, CIS.

Present by phone were: Nicole Gueck, AgriLogic; Alex Offerdahl and Tim Watts, Watts and Associates; Ken Harrison, Sheer

Simplexity; Alan Yeats, American Farm Bureau Insurance Services; and Mark Lehman.

Chairman Johansson asked Martin Barbre for the Manager's Report. Mr. Barbre stated that the [Manager's Report](#) is available on line.

Manager's Report

Hearing no objection, Dr. Johansson agreed to dispense with a reading of the Manager's Report. (Exhibit 4490 )

Dispense with Reading Report

A motion was made and seconded to dispense with the reading of the Minutes and to approve the Minutes (Exhibit 4491) of the meeting of the Board held on August 15, 2018.

Dispense with Reading Minutes

The motion carried. (Exhibit 4490 and 4491)

Approved

The Chairman brought to the floor the following dockets:

Docket No. CI-Section 508(h) Submission Margin Protection - Maintenance Reimbursement Request 09-20-18, Exhibit 4492;

Margin Protection

Docket No. CI-Section 508(h) Submission Malting Barley Endorsement - Maintenance Reimbursement Request 09-20-18, Exhibit 4493;

Malting Barley

Docket No. CI-Section 508(h) Submission ARPI Popcorn - Maintenance Reimbursement Request 09-20-18, Exhibit 4494;

ARPI Popcorn

Docket No. CI-Section 508(h) Submission Hybrid Rice Seed - Maintenance Reimbursement Request 09-20-18, Exhibit 4495;

Hybrid Rice Seed

Docket No. CI-Section 508(h) Submission High Amylose Corn - Maintenance Reimbursement Request 09-20-18, Exhibit 4496;

High Amylose Corn

Docket No. CI-Section 508(h) Submission APH Caneberry - Research and Development Reimbursement Request 09-20-18, Exhibit 4497;

Caneberry

Docket No. CI-Section 508(h) Submission Macadamia Tree - Research and Development Reimbursement Request 09-20-18, Exhibit 4498;

Macadamia Tree

Docket No. CI-Section 508(h) Submission Pecan Tree - Maintenance Reimbursement Request 09-20-18, Exhibit 4499;

Pecan Tree

Docket No. CI-Section 508(h) Submission Triticale - Maintenance Reimbursement Request 09-20-18, Exhibit 4500;	Triticale
Docket No. CI-Section 508(h) Submission Peanut Revenue - Maintenance Reimbursement Request 09-20-18, Exhibit 4501;	Peanut Revenue
Docket No. CI-Section 508(h) Submission Sugarcane - Maintenance Reimbursement Request 09-20-18, Exhibit 4502;	Sugarcane
Docket No. CI-Section 508(h) Submission Clary Sage - Maintenance Reimbursement Request 09-20-18, Exhibit 4503; and	Clary Sage
Docket No. CI-Section 508(h) Submission Dairy Revenue Protection - Research and Development Reimbursement Request 09-20-18, Exhibit 4504.	Dairy Revenue

The Chairman offered the following resolution, which was seconded, for adoption:

RESOLVED, that pursuant to the information contained in the dockets listed herein, as well as other materials that were submitted to the Board on this matter, contingent upon the submitter providing supporting documentation that meets the legal requirement of 7 C.F.R. 400.712(f) within 30 days of the date of this resolution, the Board hereby approves the requested or adjusted amounts for the reimbursement of research and development or maintenance costs using established guidelines in the APPROVED PROCEDURES FOR REIMBURSEMENTS & DETERMINATION OF REASONABLENESS RELATED TO REIMBURSEMENT EXPENSES FOR CONCEPT PROPOSALS, 508(h) SUBMISSIONS & USER FEE REQUESTS as authorized under section 522(b) of the Federal Crop Insurance Act not to exceed the following amounts:

\$ 467,464.78 for third-year maintenance expenses for Docket No. CI-Section 508(h) Submission Margin Protection - Maintenance Reimbursement Request 09-20-18, Exhibit 4492, if all supporting documentation is provided; \$5,041.52 if no additional supporting documentation is provided; or the amount supported by any additional documents provided, not to exceed the amount determined reasonable by the Board;

\$112,418.25 for third-year maintenance expenses for Docket No. CI-Section 508(h) Submission Malting Barley Endorsement - Maintenance Reimbursement Request 09-20-18, Exhibit 4493, if all supporting documentation is provided; \$4,222.87 if no additional

supporting documentation is provided; or the amount supported by any additional documents provided, not to exceed the amount determined reasonable by the Board;  
\$16,238.74 for third-year maintenance expenses for Docket No. CI-Section 508(h) Submission ARPI Popcorn - Maintenance Reimbursement Request 09-20-18, Exhibit 4494, if all supporting documentation is provided; \$3,604.86 if no additional supporting documentation is provided; or the amount supported by any additional documents provided, not to exceed the amount determined reasonable by the Board;

\$15,485.00 for second-year maintenance expenses for Docket No. CI-Section 508(h) Submission Hybrid Rice Seed - Maintenance Reimbursement Request 09-20-18, Exhibit 4495;

\$49,537.88 for second-year maintenance expenses for Docket No. CI-Section 508(h) Submission High Amylose Corn - Maintenance Reimbursement Request 09-20-18, Exhibit 4496;

\$252,578.49 for research and development expenses for Docket No. CI-Section 508(h) Submission APH Caneberry - Research and Development Reimbursement Request 09-20-18, Exhibit 4497, if all supporting documentation is provided; \$31,297.98 if no additional supporting documentation is provided; or the amount supported by any additional documents provided, not to exceed the amount determined reasonable by the Board;

\$225,267.94 for research and development expenses for Docket No. CI-Section 508(h) Submission Macadamia Tree - Research and Development Reimbursement Request 09-20-18, Exhibit 4498, if all supporting documentation is provided; \$13,817.64 if no additional supporting documentation is provided; or the amount supported by any additional documents provided, not to exceed the amount determined reasonable by the Board;

\$93,449.77 for first-year maintenance expenses for Docket No. CI-Section 508(h) Submission Pecan Tree - Maintenance Reimbursement Request 09-20-18, Exhibit 4499, if all supporting documentation is provided; \$2,315.76 if no additional supporting documentation is provided; or the amount supported by any additional documents provided, not to exceed the amount determined reasonable by the Board;

\$53,263.03 for first-year maintenance expenses for Docket No. CI-Section 508(h) Submission Triticale - Maintenance Reimbursement Request 09-20-18, Exhibit 4500, if all supporting documentation is

provided; \$492.65 if no additional supporting documentation is provided; or the amount supported by any additional documents provided, not to exceed the amount determined reasonable by the Board;

\$52,634.56 for fourth-year maintenance expenses for Docket No. CI-Section 508(h) Submission Peanut Revenue - Maintenance Reimbursement Request 09-20-18, Exhibit 4501, if all supporting documentation is provided; \$3,971.03 if no additional supporting documentation is provided; or the amount supported by any additional documents provided, not to exceed the amount determined reasonable by the Board;

\$88,925.22 for second-year maintenance expenses for Docket No. CI-Section 508(h) Submission Sugarcane - Maintenance Reimbursement Request 09-20-18, Exhibit 4502;

\$24,273.78 for third-year maintenance expenses for Docket No. CI-Section 508(h) Submission Clary Sage - Maintenance Reimbursement Request 09-20-18, Exhibit 4503; and

\$316,133.03 for research and development expenses for Docket No. CI-Section 508(h) Submission Dairy Revenue Protection - Research and Development Reimbursement Request 09-20-18, Exhibit 4504.

Approved

The Chairman offered the following resolution, which was seconded, for adoption:

Expert Reviewer

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 actuary reviewers, Mr. Christopher Burkhalter, and Mr. Carl Ashenbrenner.

Approved

The Chairman recognized Ron Lundine as he gets ready to retire after many years of dedicated service. The Board expressed a heart felt thank for all of his hard work and help over the years.

Other Business

