

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 August 14-15, 2019, in Washington, DC. The public was invited to attend the open session portion of the meeting.

Meeting
August 15, 2019

The meeting was called to order at 2:00 am on August 14, 2019.

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 August 15, 2019, at 2:00 pm.

Reconvene Open
Session

Maureen James 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, Kenneth Sneed, John Finston, Iris Saenz, Michael Clemens, Rickey Bearden and Martin Barbre, Manager, FCIC, constituting a statutory quorum, and Robin Anderson, Secretary, FCIC.

Present

Also present were Delores Dean, Richard Flournoy, Tom Worth, Francie Tolle, Isac Shelton, David Zaroni, and RJ Layher, RMA; Maureen James from the Office of the General Counsel; Ashley Hungerford, Office of the Chief Economist; Robbie Minnich, National Cotton Council, Clif Parks and Keith Schumann, AgriLogic, LLC.

Present by phone were: Tara Ponds, Jay Hunnicutt, Sarah Thomas, Chandra Mason, Scott Merryman, Trina Weilert and, Claire White RMA; Nichole Gueck, AgriLogic, LLC; Deborah

Atwood, Maridian; Rex Raimond, Maridian; Bruce Sherrick, University of Illinois; and Josh Woodard, Ag-Analytics.

Chairman Johansson asked Administrator Martin Barbre for the Manager's Report. Mr. Barbre stated that the [Manager's Report](#) is available on line and he highlighted that all of the Farm Bill requirements for RMA are complete.

Manager's Report

Hearing no objection, Dr. Johansson agreed to dispense with a reading of the Manager's Report. (Exhibit 4542)

Dispense with Reading Report

A motion was made and seconded to dispense with the reading of the Minutes and to approve the Minutes (Exhibit 4543) of the meetings of the Board held on June 5, 2019.

Approved

The motion carried. (Exhibit 4543)

Chairman Johansson offered the following resolution for Docket No. CI-Section 508(h) Submission Specialty Trait Soybeans Modification 08-15-19 01, which was seconded:

Specialty Trait Soybeans Modification

RESOLVED, that pursuant to the information contained in Docket No. CI-Section 508(h) Submission Specialty Trait Soybeans Modification 08-15-19 01, Exhibit 4545, as well as other materials that were submitted to the Board on this matter, the Board hereby approves Specialty Trait Soybeans 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 508(h) of the Federal Crop Insurance Act. NOW THEREFORE 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 4545)

Approved

Chairman Johansson offered the following resolution for Docket No. CI-Section 508(h) Confidential Submission 0081 08-15-19 01, which was seconded:

Confidential Submission 0081

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 0081 08-15-19 01, Exhibit 4544, the Board approves expert review for Confidential Submission 0081, and directs that the Manager of the Corporation 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 4544) (One member abstained)

Approved for
Expert Review

Chairman Johansson offered the following resolution for Docket No. CI-Section 522(b) Concept Proposal 152 08-15-19 01, Exhibit 4550, which was seconded:

Concept Proposal
152

WHEREAS, Section 522(b) of the Federal Crop Insurance Act (Act) requires 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 proposed to be developed under section 508(h) of the Act, NOW THEREFORE BE IT RESOLVED:

That pursuant to the information contained Docket No. CI-Section 522(b) Concept Proposal 152 08-15-19 01, Exhibit 4550, the Board approves expert review for Concept Proposal 152, and directs that the Manager of the Corporation 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 4550) (One member abstained)

Approved for
Expert Review

The next agenda item was Concept Proposal 151 08-15-19 01, Exhibit 4552, which was seconded:

Concept Proposal
151

WHEREAS, Section 522(b) of the Federal Crop Insurance Act (Act) requires 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 proposed to be developed under section 508(h) of the Act, NOW THEREFORE BE IT RESOLVED:

That pursuant to the information contained Docket No. CI-Section 522(b) Concept Proposal 151 08-15-19 01, Exhibit 4552, the Board approves expert review of Concept Proposal 151, and directs that the Manager of the Corporation 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 4552) (One member abstained)

Approved for
Expert Review

Chairman Johansson offered the following resolution for Docket No. CI-Section 522(b) Concept Proposal 146, Exhibit No. 4546, which was seconded:

Concept Proposal
146

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 146 08-15-19 03, Exhibit 4546, the Board approves the advance payment of \$150,000, as discussed in Executive Session, for Concept Proposal 146 as authorized under section 522(b) of the Federal Crop Insurance Act, the regulations published at 7 C.F.R. part 400, Subpart V, and the Approved Procedures for Reimbursements and Determination of Reasonableness Related to Reimbursement Expenses for Concept Proposals, 508(h) Submissions and User Fee Requests.

By accepting the advance payment or additional advance payment, the applicant agrees to provide a submission consistent with section 508(h) of the Act to the Board in the July 2020 submission period.

There being no discussion, the Board voted to approve the resolution. (Exhibit 4546)

Approved for
Advance Payment

Chairman Johansson offered the following resolution for Docket No. CI-Section 508(h) Confidential Submission 0079 Modification 08-15-19 02, Exhibit No. 4533, which was seconded:

Confidential
Submission 0079

RESOLVED, that pursuant to the information contained in Docket No. CI-Section 508(h) Confidential Submission 0079 Modification 08-15-19 02, Exhibit 4547, as well as other materials that were submitted to the Board on this matter, the Board hereby approves Confidential Submission 0079 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 508(h) of the Federal Crop Insurance Act. NOW THEREFORE 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 4547) (One member abstained)

Approved

The next agenda item was Docket No. CI-Section 508(h) Confidential Submission 0080 08-15-19 02, Exhibit 4548, which was seconded

Confidential
Submission 0080

RESOLVED, that pursuant to the information contained in Docket No. CI-Section 508(h) Confidential Submission 0080 08-15-19 02, Exhibit 4548, as well as other materials that were submitted to the Board on this matter, the Board hereby approves Confidential Submission 0080, 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 508(h) of the Federal Crop Insurance Act. NOW THEREFORE 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 4548) (One member abstained)

Approved

Chairman Johansson offered the following resolution for Docket No. CI-Section 522(b) Concept Proposal 150 08-15-19 02, Exhibit 4549, which was seconded:

Concept Proposal
150

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 into 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 150 08-15-19 02, Exhibit 4549, the Board approves the advance payment of \$84,000, for Concept Proposal 150 as authorized under section 522(b) of the Federal Crop Insurance Act, the regulations published at 7 C.F.R. part 400, Subpart V, and the Approved Procedures for Reimbursements and Determination of Reasonableness Related to Reimbursement Expenses for Concept Proposals, 508(h) Submissions and User Fee Requests.

By accepting the advance payment or additional advance payment, the applicant agrees to provide a submission consistent with section 508(h) of the Act to the Board in the October, 2020 submission period.

There being no discussion, the Board voted to approve the resolution. (Exhibit 4549) (One member abstained)

Approved for
Advance Payment

Chairman Johansson offered the following resolution for Docket No. CI-Section 508(h) Confidential Submission 0082 08-15-19 01, Exhibit 4551, which was seconded:

Confidential
Submission 0082
Modification

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 0082 Modification 08-15-19 01, Exhibit 4551, the Board approves expert review for the modification to Confidential Submission 0082, and directs that the Manager of the Corporation 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.

NOW THEREFORE BE IT FURTHER RESOLVED: That pursuant to the information contained in Docket No. CI-Section 508(h) Confidential Submission 0082 Modification 08-15-19 01, Exhibit 4551, as well as other materials that were submitted to the Board on this matter, the Board hereby approves the proposed expansion of Confidential Submission 0082 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 508(h) of the Federal Crop Insurance Act.

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 4551) (One member abstained)

Approved

Chairman Johansson offered the following resolution for Docket Docket No. CI-Section 508(h) Submission Nursery Value Select Insurance Program 08-15-19 01, Exhibit 4553, which was seconded:

Nursery Value
Select Insurance
Program

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) Submission Nursery Value Select Insurance Program 08-15-19 01, Exhibit 4553, the Board approves expert review for the Nursery Value Select Insurance Program, and directs that the Manager of the Corporation 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 4553)

Approved for
Expert Review

Chairman Johansson offered the following resolution for Docket Docket Actual Revenue History Sweet/Tart Cherry Pilot Insurance Program 08-15-19 01, Exhibit 4554, which was seconded:

Actual Revenue
History
Sweet/Tart Cherry
Pilot Insurance
Program

Resolved, that pursuant to the information contained in the Docket Actual Revenue History Sweet/Tart Cherry Pilot Insurance Program 08-15-19 01, Exhibit No. 4554, as well as other materials that were submitted to the Board for consideration and discussion on this matter, the Board hereby approves the continuation of the ARH Sweet/Tart Cherry Pilot Insurance Program with modifications for the 2020 and succeeding crop years with reinsurance, risk subsidy, and administrative and operating subsidy in amounts and under such terms and conditions as determined appropriate by the Manager as authorized section 522(c) and 523(a)(4) of the Federal Crop Insurance Act (7 U.S.C. 1523(a)(4)). NOW THEREFORE BE IT 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 4554)

Approved

Chairman Johansson offered the following resolution for Docket No. CI-Section 508(h) Submission Hurricane Insurance Protection Endorsement Pilot 08-15-19 01, Exhibit 4555, which was seconded:

Hurricane
Insurance
Protection
Endorsement

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) Submission Hurricane Insurance Protection Endorsement Pilot 08-15-19 01, Exhibit 4555, the Board approves

expert review for the Hurricane Insurance Protection Endorsement Pilot and directs that the Manager of the Corporation 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 4555)

Approved

There being no further business the Board voted to adjourn and to meet again August 13-15, 2019, in Washington, D.C.

Adjourn

August 15, 2019

/signed/

Robin Anderson, Secretary
Federal Crop Insurance Corporation