



**United States
Department of
Agriculture**

Federal Crop
Insurance
Corporation

1400 Independence
Avenue, SW
Stop 0801
Washington, DC
20250-0801

TO: Board of Directors
Federal Crop Insurance Corporation

FROM: Ross J. Davidson, Jr.
Manager

SUBJECT: Board Memorandum No. 782
Docket No. CI-AGR-Lite Expansion to VA-04-02
AGR-Lite Expansion to Virginia-Submitted by Pennsylvania Department
of Agriculture and the Virginia Department of Agriculture and Consumer
Services, Beginning with the 2006 Crop Year

There is submitted for your consideration the subject docket which would authorize Adjusted Gross Revenue-Lite (AGR-Lite) expansion into all counties and independent cities in Virginia, beginning with the 2006 crop year as submitted by the Pennsylvania Department of Agriculture and the Virginia Department of Agriculture and Consumer Services, with reinsurance, risk subsidy, and administrative and operating subsidy.

Under section 508(h) of the Federal Crop Insurance Act (Act), the Board shall approve a submission if the interests of producers are protected and the premium rates are actuarially appropriate. While section 508(h) of the Act states that submissions may be prepared without regard to the limitations in the Act, it is not unrestricted. The coverage level and price elections have been specifically referenced as examples of the limitations that do not apply. All other provisions of the Act, such as prohibitions, are applicable to the submission. If the submission violates one of these other provisions, then the Board does not have the authority to approve the submission. Since the Act also requires the agency to take such action to make the program actuarially sound and protect the integrity of the program, the Board does not have the authority to approve submissions that contain program vulnerabilities or adversely affect program integrity.

It is necessary for the Board of Directors to select one of the following options to either approve or disapprove Docket No. CI-AGR-Lite Expansion to VA-04-02.

FINAL RESOLUTION

**Virginia Expansion of AGR-Lite Plan of Insurance
Docket No. CI-AGR-Lite Expansion to VA-04-02**

RESOLVED, that Docket No. CI-AGR-Lite Expansion to VA-04-02 (Exhibit No. 2766), authorizing the expansion of the Adjusted Gross Revenue-Lite (AGR-Lite) Plan of Insurance to all counties and independent cities in Virginia is hereby approved beginning with the 2006 crop year, provided that actuarially appropriate premium rates, as approved by the Manager of the Federal Crop Insurance Corporation (FCIC), are provided by the Pennsylvania Department of Agriculture and the Virginia Department of Agriculture and Consumer Services, as authorized under section 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 implement the changes described herein and to make the policy legally sufficient.

Adopted by the Board of Directors on: 10/28/04

/signed/
Vondie O'Conner, Deputy Secretary
Federal Crop Insurance Corporation

[SEAL]

Approved by:

/signed/
Keith Collins
Chairman of the Board

11/02/04
Date