

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 June 5, 2007, in Room 6610 of the USDA South Building, 1400 Independence Avenue, Washington, D.C. The public was invited to attend the open session portion of the meeting.

Meeting
June 5, 2007

The meeting was called to order at 2:25 p.m. in open session.

Call to Order
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. No issues were identified that would require recusal of any members of the Board for this meeting.

Recitation

The Board then immediately went into executive session to discuss confidential matters with Risk Management Agency (RMA) staff and submitters.

Executive Session

The open session of the Board reconvened at 5:00 p.m.

Reconvene Open
Session

The Chairman requested Board members to introduce themselves. Present or participating by phone were Keith Collins, Chief Economist USDA and Chairperson; Dr. Mark Keenum Under Secretary Farm and Foreign Agricultural Services (FFAS); Bill Classen (phone); Tim Kelleher (phone); and Frank Jones (phone) and Curt Sindergard (phone), constituting a statutory quorum; Eldon Gould, Manager, FCIC; Brent Doane, Secretary, FCIC and James Callan, Deputy Manager, FCIC.

Present

Floyd Gaibler, Deputy Under Secretary, FFAS; Butch May, FFAS; Kim Arrigo and Don Brittenham, Office of the General Counsel (OGC); Alan Ott, William Murphy, Tim Witt (phone), Tim Hoffman (phone), Tom Worth (phone), Amy Roeder (phone), Kent Lanclos (phone), Bill Bing (phone), Vondie O'Conner (phone), Cindy Spoor, Velerie Eddelman (phone) and Bridger Roy of RMA; Jim Staiert, Office of Budget Planning and Analysis; Jason Schickedanz (phone) and Kerry Shropshire (phone), AgForce; Don Armstrong, Rob Cerda and Linda Ekern, Crop Insurance Services; Ken Ackerman, Olsen, Frank and Weeda; and Kent Wilson, Crop Insurance Research Bureau.

Dr. Collins asked Eldon Gould, FCIC Manager for the Manager's Report (the Manager's Report is available on line at

Manager's Report

www.rma.usda.gov). Recognizing that the Board meeting was running longer than expected, Mr. Gould dispensed with his review of the Manager's Report.

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 April 26, 2007.

Dispense with
Reading –
Minutes

The motion carried. (Exhibit No. 2898)

Approved

The Board took up the matter of the 508(h) submission. Due to the confidentiality of business information, the Chair would not mention the names of the product or submitters. The Chair offered the following resolution, which was seconded, for adoption:

508(h)
Submission 002-
07-02

RESOLVED, that Docket No. CI-Section 508(h) Submission 002-07-02, Exhibit No. 2900, is tabled, and the deadlines contained in section 508(h)(4)(c) of the Federal Crop Insurance Act and 7 C.F.R. part 400, subpart V are tolled, until the regularly scheduled Board meeting in September 2007 to allow the Risk Management Agency and the submitter to resolve the remaining issues identified by the Board.

Approved

The Board voted to approve the resolution. (Exhibit 2900)

PRF Expansion

Next, the Board took up the matter of expansion of the Pasture Rangeland Forage plans of insurance. The Chair offered the following resolution, which was seconded, for adoption:

RESOLVED, that pursuant to the information contained in Docket No. CI-PRF Expansion-07-01, Exhibit No. 2901, Pasture, Rangeland, Forage Rainfall Index (PRF-RI) and Pasture, Rangeland, Forage Vegetation Index (PRF-VI) Pilot Programs, as well as other related materials that were presented to the Board on this matter, the Board hereby approves RMA proposed expansion of the pilot areas, and for the specified crop years if funds for pay-go offset become available as follows:

For the 2008 crop year:

All counties in Colorado, Oregon, South Carolina, Pennsylvania, South Dakota, North Dakota, Oklahoma, Idaho, New York, Alabama, Montana, Wyoming and Texas;

For the 2009 crop year:

All counties in Utah, Kansas, Nebraska, Missouri, Georgia, North Carolina, and Virginia

For the 2010 crop year:

All counties in California, New Mexico, Florida, and Arizona.

The board hereby approves expansion of the pilot area with reinsurance, risk subsidy, and administrative and operating subsidy in amounts and under such terms and conditions as determined appropriate by the Manager beginning with the 2008 crop year through the 2010 crop year as authorized under section 522(c) and 523(a)(4)(b) 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 technically and legally sufficient.

The Board voted to approve the resolution. (Exhibit 2901)

Approved

Chairman Collins stated that the next action item on the agenda, Expansion of Expert Reviewers, would be deferred until the next Board meeting.

Expansion of
Expert Reviewers
Deferred

Chairman Collins then thanked the Board members and staff for their participation and efforts.

There being no further business to come before the Board the meeting adjourned to meet again in July 2007.

Adjourn
Next Meeting

June 5, 2007

/signed/
Brent Doane, Secretary
Federal Crop Insurance Corporation