

**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 October 29, 2003, in room 104-A, Jamie L. Whitten Federal Office Building, U.S. Department of Agriculture, Washington, D.C. The public was invited to attend the Open Session portions of the meeting.

Meeting  
October 29, 2003

The meeting was called to order at 10:15 a.m., in Open Session.

Present were Keith Collins, Chief Economist, USDA and Chairperson; J. B. Penn, Under Secretary, Roger Swartz, Susan Fitzsimmons, John Askew, Frank Jones, Tim Kelleher, and Chris Watt, constituting a statutory quorum; Ross Davidson, Manager, FCIC; David C. Hatch, Deputy Manager FCIC; Byron Anderson, Secretary; and Vondie O'Conner, Deputy Secretary.

Call to Order  
Open Session

Also present were Floyd Gaibler, and Butch May, Farm and Foreign Agricultural Services (FFAS); David Grahn and Kim Arrigo, Office of the General Counsel (OGC); Alan Ott, Tim Witt, Ron Lundine, Tom Worth, Nelson Maurice, Eric Edgington, Shirley Pugh, Jim Callan, Ann Jorgenson, Shannon Percetic, Dave Paul, Leiann Nelson, Brent Doane, and Raegan Weber, David Fulk, Eric Henry of the Risk Management Agency (RMA), Russell Redding (PA Dept. of Agriculture), Charles Weller, Sr. (National Corn Growers Association),

Present

The Open Session adjourned at 10:20 a.m., to reconvene in Executive Session. Executive Session commenced at 10:20 a.m. and was recessed at 10:30 a.m. due to a fire drill in the Whitten Building. At 10:45 a.m. the Executive Session reconvened. At 1:20 p.m. the Executive Session concluded. Open Session of the FCIC Board of Directors commenced at 2:00 p.m.

Ross Davidson, FCIC Manager, presented his Manager's Report to the Board that covered an update on a variety of topics, including Cost Of Production (COP), Grain Sorghum/CRC Price Election, and a status report on American Growers rehabilitation. Mr. Davidson also provided some highlights on recent RMA awards for education partnerships and agreements for community outreach, and research and development.

Manager's Report

David Grahn read a recitation to all members of the Board.	Recitation
The FCIC Board Minutes from the September 24, 2003 meeting were read, a motion to approve the minutes was made and seconded and the Board unanimously approved the minutes.	Dispense with Reading – Minutes Accepted
The FCIC Board Minutes from the October 9, 2003 meeting were read, a motion to approve the minutes was made and seconded and the Board unanimously approved the minutes.	Dispense with Reading – Minutes Accepted
A motion was made and seconded to adopt the resolution contained in Board Memorandum N. 729 (see attached) regarding the Policy Provisions and Rate Changes for Coffee Crop and Coffee Trees submitted by the Puerto Rico Corporacion De Seguros Agricolas. The Board voted unanimously to adopt the resolution.	Policy Provisions and Rate Changes for Coffee Crop and Coffee -- Approved
RMA staff informed the Chair that the Corn Silage Price Election Enhancement Endorsement Option Pilot Program had been withdrawn from consideration by the submitter.	Corn Silage Price Election Enhancement Withdrawn
A motion was made and seconded to adopt the resolution contained in Board Memorandum N. 731 (see attached) regarding the Group Risk Income Protection-Harvest Revenue Option (GRIP-HRO). The Board voted unanimously to adopt the resolution.	Group Risk Income Protection-Harvest Revenue Option Approved
The Board then considered the resolution on Livestock Risk Protection Revision for Feeder Cattle, Fed Cattle and Swine. There was a discussion about whether all weights were included or if there were weight limits. After a discussion, unanimous consent was given by the Board to amend the resolution to reflect the different weight categories. The resolution was then approved by unanimous vote.	Livestock Risk Protection Revision for Feeder Cattle, Fed Cattle and Swine -- Approved
A motion was made and seconded to adopt a resolution to approve a Whole Farm Revenue Protection Plan. This motion was rejected by a unanimous vote. A motion was made and seconded to adopt the resolution in Board Memorandum No. 733, reflecting the Board’s intent to disapprove this submission. The resolution was adopted by unanimous vote.	Whole Farm Revenue Protection Plan Intent to Disapprove
The Board then received a briefing by Tim Hoffman (RMA) on the proposed expansion of the Group Risk Income Protection (GRIP) plan of Insurance. Upon receiving the briefing, a motion was made and seconded to adopt the resolution in Board Memorandum #734 (see attached). The resolution was adopted by a unanimous vote.	Expansion of the Group Risk Income Protection Approved
Tim Witt (RMA) provided the Board with the background on a	Continue Specified

submission to Continue Specified Pilot Crop Insurance Programs. A motion was made and seconded to adopt the resolution in Board Memorandum No. 735 (see attached). The resolution was adopted by unanimous vote.

Pilot Crop  
Insurance Programs  
Approved

The Board then received a presentation by Tim Witt and Nelson Maurice (RMA) on whether the Sweetpotato Pilot Insurance Program should be continued (with or without limitations), suspended or terminated based on concerns regarding the high loss ratios in certain counties. After discussion of the options, a motion was made and seconded to adopt the resolution in Board Memorandum No. 736 (see attached). The board then adopted the resolution with one vote in the negative.

Continuance of  
Sweetpotato Pilot  
Insurance Program  
Approved with  
modifications

A briefing was give by Tim Witt on the CRC Grain Sorghum price. At the conclusion of the briefing, a motion was made and seconded to adopt the resolution in Board Memorandum No. 738 (see attached). The resolution was adopted by unanimous vote.

CRC Grain  
Sorghum price  
Approved

The Board then received a report on the Sugar Beet Stage Removal Option Pilot Program from Tim Hoffman. Mr. Hoffman requested that the submission be approved for expert review. A motion was made and seconded to adopt the resolution in Board Memorandum No. 737 (see attached). The resolution to send this submission to expert review was adopted by unanimous vote.

Expert Review for  
Sugar Beet Stage  
Removal Option  
Pilot Program  
Approved

There being no further business to come before the Board, the meeting adjourned at 5:00 p.m. to meet again in mid-December, 2003 in Washington, D.C.

Adjourn

October 29, 2003

/signed/  
Byron Anderson, Secretary  
Federal Crop Insurance Corporation