



**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. /s/  
Manager

**SUBJECT:** Board Memorandum No. 750  
Docket No. CI-AGR-Lite-04-01  
AGR-Lite Expansion to Alaska, Idaho, Oregon, and Washington-Submitted by  
Pennsylvania Department of Agriculture and Washington State University  
Extension Western Center for Risk Management Education, Beginning with the  
2005 Crop Year

There is submitted for your consideration the subject docket regarding your request for expansion of the Adjusted Gross Revenue-Lite (AGR-Lite) policy into all counties in Alaska, Idaho, Oregon, and Washington, beginning with the 2005 crop year as submitted by the Pennsylvania Department of Agriculture and the Washington State University Extension Western Center for Risk Management Education, 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-04-01.

**FINAL RESOLUTION**

**Northwest Expansion of AGR-Lite Plan of Insurance  
Docket No. CI-AGR-Lite-04-01**

**RESOLVED, that Docket No. CI-AGR-Lite-04-01 (Exhibit No. 2731), authorizing the expansion of the Adjusted Gross Revenue-Lite (AGR-Lite) Plan of Insurance to all counties in Alaska, Idaho, Oregon, and Washington, 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 Washington State University Extension Western Center for Risk Management Education, beginning with the 2005 crop year, as authorized under section 508(h) of the Federal Crop Insurance Act, is hereby approved.**

Adopted by the Board of Directors on: 05/06/04

/signed/  
Byron Anderson, Secretary  
Federal Crop Insurance Corporation

[SEAL]

Approved by:

/signed/  
Keith Collins  
Chairman of the Board

05/11/04  
Date