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/ 05/11/04
Keith Collins
Chairman of the Board