A meeting of the Board of Directors (Board) of the Federal Crop Insurance Corporation (FCIC) was held on July 29, 2004, in room 104-A of the Whitten Building, U.S. Department of Agriculture, Washington, D.C. The public was invited to attend the Open Session portions of the meeting.

The meeting was called to order at 10:46 a.m., in Open Session.

Present were Keith Collins, Chief Economist, USDA and Chairperson; Susan Fitzsimmons, John Askew, and Frank Jones, constituting a statutory quorum; Ross Davidson, Manager, FCIC; and Byron Anderson, Secretary, Vondie O’Conner, Deputy Secretary.

Also present were Floyd Gaibler, Butch May, Farm and Foreign Agricultural Services (FFAS); David Grahn, Kim Arrigo and Don Brittenham, Office of the General Counsel (OGC); Jim Callan, Alan Ott, Tim Hoffmann, Brent Doane, Savonne Caughey, Cindy Spoor, Lydia Astorga, Eric Henry, Bob Vollmert, Bill Zillman, Craig Witt, Ryan Edmondson, and George Harris of the Risk Management Agency (RMA); Sara Tyree, Agrilogic Inc.; Roger Swartz, American Farm Bureau Insurance Services, Inc.; Stephen Frerichs, Rain and Hail LLC; David Bossman, Peter Griffin, and Ken Ackerman, Applied Analytics; Roger Swartz, American Farm Bureau Insurance Services, Inc.; Paul Rodgers, American Sheep Industry Association, Inc.; and Roy Mulera, Rural Community Insurance Services.

The Manager’s Report prepared by FCIC Manager Davidson was submitted for the record. No action was taken on this report. (Board Memorandum No. 758; Exhibit No. 2741)

David Grahn read a recitation to all members of the Board.

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 July 1, 2004.

The motion carried. (Exhibit No. 2740)
A motion was made and seconded to adopt the following resolution:

RESOLVED, that the Board is providing its intent to disapprove Docket No. CI-Hybrid Seed Price Endorsement Program Revision-04-01, Exhibit No. 2742, revising the Hybrid Seed Price Endorsement, on the basis that the Board has been unable to make a determination that the interests of producers are adequately protected and that the integrity of the crop insurance program is protected.

The Board voted unanimously to adopt the resolution.

A motion was made and seconded to adopt the following resolution

RESOLVED, that Docket No. CI-Livestock Risk Protection Pilot Program Expansion-04, Exhibit No. 2743, authorizing expansion of all the LRP plans of insurance for Swine, Feeder Cattle and Fed Cattle in the states of Colorado, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, Nevada, North Dakota, Oklahoma, Ohio, South Dakota, Texas, Utah, West Virginia, Wisconsin and Wyoming 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 2005 crop year as authorized under sections 523 and 508(h) of the Federal Crop Insurance Act, is hereby approved. 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 legally sufficient.

The Board voted unanimously to adopt the resolution.

A motion was made and seconded to adopt the following resolution

RESOLVED, that Docket No. CI-Coverage Enhancement Option Termination-04-01, Exhibit No. 2744, authorizing termination for the 2006 and succeeding crop years of the Pilot Coverage Enhancement Option in Apples and Grapes in Pennsylvania and Washington; Canola in North Dakota; Cranberries in Massachusetts; Citrus Fruit in Florida; Potatoes in Idaho, Maine and Pennsylvania; Rice in Arkansas, Louisiana, and Mississippi; Stone Fruit in California; and Walnuts in California and authorizing termination for the 2007 and succeeding crop years of the Pilot Coverage Enhancement Option for Citrus Fruit in Texas is hereby approved. FURTHER RESOLVED that Docket No. CI-Coverage Enhancement Option Termination-04-01, authorizing the continuation of CEO as a pilot program for Texas Citrus Trees through the 2008 crop year is hereby approved.
The Board voted unanimously to adopt the resolution.

A motion was made and seconded to adopt the following resolution

RESOLVED, That Docket No. CI-Mustard Pilot Conversion-04-01, Exhibit No. 2745, authorizing the Federal Crop Insurance Corporation to convert the Mustard insurance pilot program to a permanent crop insurance program effective for the 2006 and succeeding crop years in all areas where the crop is produced and to continue to operate the program as a pilot until conversion is complete and expand the Mustard insurance pilot program to counties where actuarially sound rates can be established in Montana, Idaho, Oregon and Washington effective for 2005 and succeeding crop years is hereby approved AND BE IT FURTHER RESOLVED that the Board delegates authority to the Manager to approve final policy terms and procedural requirements.

The Board voted unanimously to adopt the resolution.

A motion was made and seconded to adopt the following resolution

RESOLVED, That Docket No. CI-Crambe Pilot Termination-04-01, Exhibit No. 2746, authorizing the Federal Crop Insurance Corporation to terminate the Crambe Pilot Crop Insurance Program is hereby approved.

The Board voted unanimously to adopt the resolution.

There being no further business to come before the Board, the meeting adjourned at 11:26 a.m. to meet again in early September 2004 in Washington, D.C.

____________________________
July 29, 2004  Byron Anderson, Secretary

Federal Crop Insurance Corporation