

Another Successful Year *Serving the Crop Insurance Industry*

By Laurie Langstraat, NCIS

While 2016 didn't have many major weather events or ground-breaking agricultural legislation introduced, there were still hundreds, if not thousands of minor tweaks, changes and improvements made to crop insurance throughout the year. Revised policies, updated procedures, streamlined processing, and clarified underwriting rules and regulations were just a few of the things that NCIS staff and our members had to handle over the last year. While most were fairly minor, when you add them all together, you still have a very busy year providing a high quality product for America's farmers and ranchers.

The meetings, presentations, conferences, and activities highlighted in the next few pages are important, but they don't reflect all of the services that NCIS provides to its members and the entire industry. Here are just a few of the daily tasks staff had to focus on this year:

- Lingering drought in California and flooding in the Southeast and the Carolinas had staff communicating with the Risk Management Agency (RMA) and the respective Regional/State Committees often to ensure that farmers were receiving the best possible service;
- RMA released the Limited English Proficiency Plan requirements that all AIPs must follow and there were many discussions at the committee level to ensure this was implemented in the most efficient manner;
- Several insurance products converted from pilot status to permanent status;

- There were new or revised procedures and handbooks released throughout the year, with staff and companies providing input prior to their publication;
- Staff worked with members on several IT issues such as ACRSI and CIMS, as well as crop-hail data processing;
- Hundreds of changes were made to special provisions and actuarial documents;
- The Crop Insurance Handbook, Loss Adjustment Manual, General Standards Handbook and other loss adjustment handbooks had revisions throughout the year;
- More than 2,080 adjuster proficiency and agent or adjuster competency exam questions were reviewed and updated. Staff also created 102 competency exams for 17 members in 2016, compared to 38 exams for 11 members in 2015.
- Crop-hail underwriting forms were filed in 48 states and final average loss costs (FALCs) were filed in 22 states;
- There were eight underwriting guidelines for perennial crops released by RMA;



Adjusters catch a ride to the next field at the Crop-Hail Corn, Soybean, and Wheat and MPCF Forage School/Field Day in Beresford, South Dakota.

- Six Federal Register Final Rules with proposed policy provisions or changes to existing policies were published for comment; and,
- The RMA released 18 Final Agency Determinations for clarifying underwriting or loss adjustment procedures.

This list is far from exhaustive but it does give you a glimpse into what the days at NCIS are filled with. We work hard to provide the best service to our members so they can provide an excellent product for America's farmers and ranchers.

MEETINGS, CONFERENCES & PRESENTATIONS

NCIS Regional/State Crop Insurance Committees

NCIS regional/state crop insurance committees are an integral part of ensuring the success of crop insurance. The 18 committees meet at various times throughout the year and are responsible for providing input and/or making recommendations for changes to improve crop insurance policies and/or procedure. All of the committees gather annually in the first quarter to discuss upcoming program changes, hear results of NCIS agronomic research projects, make recommendations, and begin planning for summer loss adjuster schools, along with other topics that might be of interest in their respective states.

Here are a few highlights from some of the 2016 regional/state annual meetings:

- Topics discussed at the Colorado/Wyoming Regional/State Committee meeting included the Whole Farm Revenue Protection policy, the new malting barley pilot endorsement, and insurability potential for industrial hemp production.
- NCIS' chile pepper research results were shared with the attendees of the Southwest Regional/State Committee meeting in New Mexico.
- The Illinois/Wisconsin Regional/State Committee began preparations for their annual crop-hail school held in Champaign, Illinois, in early August. This event always has excellent training and is one of the largest schools each summer, with more than 100 adjusters attending in 2016.
- Todd Barrows with the Kansas State Farm Service Agency provided information on the



Staff and members of the Communications & Outreach Committee meet with representatives of limited resource farmer organizations at their meeting in Washington, D.C.

Comprehensive Information Management System (CIMS) data and ARC/PLC payments to those attending the Kansas/Oklahoma meeting.

- Mario Santoyo, a member of the California Water Commission and Chair of the Latino Water Coalition was a guest speaker at the Arizona/California/Nevada Regional/State Committee annual meeting. He addressed the current water supply issues in California, as well as discussing current water projects and the state's political climate.
- The joint meeting of the Montana and Northwest Regional/State Committees had several guest speakers including Ben Thiel from the Risk Management Agency's Spokane Regional Office. Mr. Thiel provided the attendees with 2015 crop insurance statistics for the region, 2016 program filings and possible changes for the 2017 crop year, and informational updates on uploading documents for large claims and the Idaho ground water curtailment.

NCIS Standing Committees

After the regional/state committees wrap up

The industry and NCIS worked diligently in 2016 to provide quality risk management tools for America's farmers and ranchers.

their annual meetings and submit any recommended policy or procedure changes to NCIS, the seven NCIS standing committees meet. Members of these committees are selected by their respective companies as subject matter experts and are tasked with discussing and moving recommendations through to the NCIS Program Development Committee, or sending them back to the respective regional/state committee for more information. These committees also discuss other issues at these meetings, and most have monthly or quarterly conference calls to stay on top of changes or problems as they arise.

Upon approval of the NCIS Board of Directors, these committees can meet off-site every two years to meet with farmers, visit NCIS research projects, tour processing facilities, etc. These meetings then become educational sessions, allowing for the opportunity to hear or see first-hand why crop insurance is so important to America's farmers and ranchers.

In 2016, four of the seven standing committees held off-site meetings. Here are some highlights from those sessions:

- The NCIS Communications and Outreach Committee met in April in Washington D.C. The Committee spent the first morning reviewing recent public relations and outreach activities as well as preparing for sessions with invited guests that took place later in the meeting. Representatives from limited resource/socially disadvantaged farmer groups, and later representatives from the Maine, Pennsylvania and Maryland state departments of agriculture, joined the Committee to discuss how crop insurance is working for their constituents and how the crop insurance industry

and their organizations can work together to better educate farmers about crop insurance. The Committee later met with representatives from several commodity organizations and the crop insurance industry government relations representatives.

- Fifteen company representatives participated in the Crop Hail Policy, Procedure, and Loss Adjustment (CHPPLA) Committee meeting held in Lexington, KY, in early September. Staff reviewed the status of the 2017 form filings, and the committee discussed some potential future form changes, including one regional/state committee recommendation. Dr. Bob Pearce, University of Kentucky, presented a summary of the research study conducted for NCIS on burley tobacco and answered questions from the group about tobacco production and the tobacco industry. Dr. Pearce also led the group on an excellent tour of the Spindletop Research Farm near Lexington. A tobacco facility tour included seeding, harvesting, and transportation, as well as other aspects of the tobacco production process.
- Members of the MPCl Policy, Procedure, and Loss Adjustment (MPPPLA) Committee met in September in Yakima, WA. Guest speakers included Jonquil Henderson and Mary Lou Casey, from the Spokane RMA Regional Office; Jim LaPointe, ProAg Insurance and Northwest Regional/State Committee Chair-

man; and, Dave Paul and Mark Masters, NAU Country Insurance. Jonquil, Mary Lou and Jim each provided a regional update. Dave and Mark gave a presentation on Whole Farm Revenue Protection (WFRP) changes for 2017 and current issues. A tour of agriculture products grown in the state included a visit to a hops production farm where harvesting and processing of the current crop was taking place and a tour of a modernized apple cold storage and packing facility.

- The NCIS Crop-Hail Actuarial & Statistics Committee held their fall meeting in Savannah, GA, in late October. The Committee reviewed 2018 Final Average Loss Cost (FALC) filing methodologies for the following states: Arizona, New Mexico, Texas, Iowa, Kansas, Kentucky, Tennessee, Minnesota, North Dakota, South Dakota, Nebraska, Oklahoma, and the Northeast States. National Association of Insurance Commissioners reporting requirements, Production Plan methodology and rain insurance were also discussed at the meeting. The group toured a nearby farm which produced cotton, peanuts and pecans.

Crop Insurance Annual Convention

The 2016 Crop Insurance Annual Convention was held in California in mid-February.

There were more than 400 registered attendees, plus speakers, guests and staff bringing the number close to 500 participants. Speakers included Brandon Willis, RMA Administrator, and Senator Pat Roberts, R-KS. There were also two panels: an agricultural economist panel with Drs. T. Randall Fortenberry, Joe Outlaw, Mechel Paggi, and Tom Zacharias; and, an agricultural journalist panel with Jerry Hagstrom, The Hagstrom Report, Sara Wyant, Agri-Pulse Communications, and Mike Hergert, Red River Farm Network. Other presenters included Philip Brasher, Agri-Pulse Communications; Marji-Guyler-Alaniz, FarmHer; Jim Cantore, The Weather Channel; and, David Wasserman, The Cook Political Report.

Training Conferences

NCIS also held three training conferences for member company trainers, underwriters, and supervisors to learn about new or changing policies and procedure for the upcoming crop year. These individuals take what they've learned and teach others in their companies and their crop insurance agents. A training session on Whole Farm Revenue rounded out the NCIS training for 2016.

- **2016 NCIS Claims Managers' Conference**

More than 155 claims and compliance managers and RMA and NCIS staff, met to discuss the latest crop insurance loss adjustment and compliance changes at the Claims Managers' Conference in Overland Park, Kansas, on January 20. Guest speakers included Heather Manzano, RMA Compliance, who addressed the improper payment rate, National Program Operations Reviews, and the 2015 monitoring program results; Chris Daly, Oregon State University, introduced a severe weather prototype along with short-term weather conditions reports and gave a detailed report on the PRISM climate and weather system; and, Jeff Lanza, a retired FBI agent, addressed fraud detection issues and cybersecurity. Presentations and training materials on Crop Hail and MPCl Loss Handbooks, LAM updates, research results, and adjuster licensing were also included in the one-day conference.

- **NCIS Fall Train the Trainer Conference**

The 2017 NCIS Fall Train the Trainer Conference was held July 19-20 in Overland Park, KS, with more than 250 participants in attendance for the two-day session. Updated technical information and training materials needed to prepare and conduct company fall training for the 2017 crop year was provided.



Members of the CHPPLA Committee tour a tobacco facility in Kentucky.



Sara Wyant, Agri-Pulse Communications, addressing the attendees at the 2017 Spring Train the Trainer Conference in November.

• **NCIS Spring Train the Trainer Conference**

NCIS welcomed more than 250 attendees to the 2017 NCIS Train the Trainer Spring Conference November 2-3. The overall objective of this session was to provide trainers with updated training materials and related topics needed to prepare and conduct their agent training for the 2017 crop year. Sara Wyant, Agri-Pulse Communications, presented current farm policy issues and an overview of the election season. RMA guest speakers included Richard Flournoy, new Deputy Administrator, and William Bing, April Gilmore and Mike Davis who updated attendees on Subpart V-General Administrative Regulations, the current ITS draft handbook, and Planting Date Administration. A panel discussion on ACRSI included Steve Peterson, FSA, and David Zanoni, RMA, and moderated by Jessica Trites-Rolle, NCIS. Additional conference topics included Whole Farm WFRP, handbook update, actuarials and a policy update.

• **2016 Whole-Farm Revenue Protection Adjustment Training**

As adjusters and RMA agents geared up for 2016, Dave Paul from Watts and Associates, Inc., and Dean Strasser from NCIS helped train on one of the newest products on the market, Whole-Farm Revenue Protection (WFRP). On January 21, more than 160 adjusters gathered for the first NCIS Whole-Farm Revenue Protection Adjustment Training Conference. Following an overview of the policy, attendees worked through several scenarios and examples and asked questions.

Other Meetings

• **Streamlining Procedure Via Technology Workgroup**

The Streamlining Procedures Workgroup, a subgroup of the MPPPLA Committee, met in March. The goal of the workgroup is to streamline, modify, improve and/or delete procedure as a result of current technological advances (i.e. — precision farming technology systems, UAVs, ACRSI, etc.). The workgroup discussed how such advances have impacted production reporting, acreage reporting, crop inspections and loss inspections and determinations. Discussions of the workgroup will be raised on a short-term vs. long-term basis at the upcoming MPCIPPLA Committee meeting.

• **Crop Adjuster Proficiency Program Task Force**

Approved Insurance Provider (AIP) volunteers and NCIS training staff met to review and rework examination questions pertaining to the Crop Adjuster Proficiency Program (CAPP) Basic Provisions and Loss Adjustment Manual (LAM) exam. The Training and Education Committee provided AIP technical expert volunteers to serve on the CAPP Exam Task Force. The task force evaluated those questions having low success rates. In addition, the committee evaluated each the General Standards Handbook questions that were recently added to the LAM exam.

RISK MANAGEMENT EDUCATION & PRESENTATIONS

Working at times in partnership with RMA and at times by itself, NCIS conducts seminars on risk management for limited resource and socially disadvantaged farmers and others interested in better managing risk. The goal is that helping farmers develop better risk management tools will ensure their long-term viability.

Extension Risk Management Education Advisory Council

NCIS participated in the Advisory Council Meeting of the Extension Risk Management Education — North Central Center (ERME-NCC) in Kansas City, January 20-21. Laurence Crane is a member of the Advisory Council and helped review proposals that were submitted for funding. The goal of the Center is to give farmers and ranchers the tools to improve their risk management skills and capabilities. The Center is funded by USDA's National Institute of Food and Agriculture (NIFA), and provides funding through a



Members of the Crop Adjuster Proficiency Task Force were: **Mollie Dvorak**, NCIS; **Chris Fisher**, AmTrust Ag; **Jamie Hageman**, ProAg; **Ray Farmer**, ARMtech Insurance; **Lynnette Dillon**, NCIS; **Dean Strasser**, NCIS; **Mark Spletstazer**, Great American Insurance; and, **Larry Ruwe**, Internal Ag Solutions.

competitive grants process for 18-month education projects to help farmers learn new strategies to manage the risks they face.

Risk Management Workshop Rhode Island Vegetable Growers

NCIS participated in a risk management workshop for vegetable growers organized by the University of Rhode Island (URI) Cooperative Extension, in Narragansett, RI, on March 2. Topics included understanding pest management and pesticide resistance, responding to climate change and integrated risk management. Laurence Crane helped teach the workshop and provided an overview of risk identification, assessment, prioritization, and treatment. He also discussed the crop insurance products available to vegetable farmers in Rhode Island. Participation in this URI sponsored workshop is a component of the Risk Management Education and Outreach that NCIS was conducting to deliver crop insurance education and information to farmers in states where there traditionally is a low level of Federal crop insurance participation and availability.

Extension Risk Management Education National Conference

NCIS participated in the 2016 Extension Risk Management Education National Conference in Fort Worth, TX, April 27-28, which brings together more than 200 private and public sector educators, crop insurance agents,

lenders, and other agricultural professionals. This annual conference allows this diverse group to share ongoing and emerging successful risk management education efforts which target agricultural producers and their families. The risk management education project, directed by Laurence Crane in South Carolina last year, which helped limited resource farmers develop personal risk management plans, was selected for presentation. He also provided an overview of other current outreach efforts NCIS is conducting to help limited resource and socially disadvantaged farmers manage risk.

World Farmers Harvest Gala

World Farmers provides land, support and technical assistance in agricultural production and marketing to under-served small farmers. Laurence Crane and other allied professionals who provide education and training to small farmers, joined with the farmers belonging to World Farmers in their Annual Harvest Gala in Hudson, MA. World Farmers works with and supports more than 250 beginning, immigrant, and refugee farmers each year through technical assistance on sustainable growing and marketing techniques. World Farmers' Executive Director and founder, Maria Moreira, was an invited guest at the NCIS Communications and Outreach Committee meeting in April, where she participated on a panel providing input to the Committee on the risk management needs of small and beginning socially disadvantaged farmers.



Members of the CIRB Emerging Leaders program who visited NCIS included: **Tara Smith**, CIRB; **Aaron Rutledge**, Farmers Mutual Hail Insurance; **Jim Konstanty**, Partner Re; **Nikki Harrod**, ADM; **Sarah Hubbard**, CIRB; **Kerry Lynch**, CIRB; **Weston Burcham**, ADM; and, **Eric Swanson**, COUNTRY Financial.

Oklahoma Black Farmers Small Farm Conference

The Oklahoma Black Farmers Association held its 18th Annual Small Farm Conference in Oklahoma City, OK, November 18-19. NCIS helped to sponsor the conference, and Laurence Crane presented on using crop insurance to help manage risk and protect revenue to more than 100 farmers and professionals in attendance. Several USDA agencies were in attendance, including the Oklahoma City RMA Regional Office who discussed Written Agreements with the group.

Rhode Island Nursery Conference

NCIS participated as an exhibitor at the Rhode Island Nursery and Landscape Association Winter Meeting and Expo in West Kingston on January 27. More than 350 growers and allied professionals from the green industry attended the conference. Laurence Crane visited with interested attendees about nursery insurance and Whole Farm Revenue Protection. Participation in this conference is a component of the Risk Management Education and Outreach that NCIS is conducting for the University of Rhode Island Cooperative Extension as part of the Targeted States Program funded by RMA. The purpose of the Targeted States Program is to deliver crop insurance education and information to farmers in states where there traditionally is, and continues to be, a low level of Federal crop insurance participation and availability.

Rhode Island Women in Agriculture Conference

The University of Rhode Island (URI), in conjunction with Farm Bureau and FSA, organized a day-long conference in Cranston in March. More than 150 women attended the conference where they discussed a variety of topics on contemporary issues including risk and financial management, marketing and food safety, soil health and crop production, and leadership skills. This biannual conference is designed to inform and inspire women in agriculture and to provide networking opportunities. Laurence Crane participated in



Members of the Canadian Crop Hail Association visited NCIS and also met with the NCIS Crop-Hail Policy, Procedure, and Loss Adjustment Committee in April.

the conference and discussed the crop insurance products available to farmers in Rhode Island. NCIS' participation in the conference is a component of the Risk Management Education and Outreach that NCIS is conducting for URI as part of the Targeted States Program funded by RMA.

Rural Coalition Spring Forum

NCIS participated in the Rural Coalition 2016 Spring Forum in Washington, D.C., April 20-21. The Forum was a meeting of the Rural Coalition leaders to discuss current issues of interest to their members and to set priorities for farm policy advocacy going forward. Laurence Crane participated in the discussions and presented an update on current crop insurance programs and activities that NCIS engages in to reach small, limited resource and socially disadvantaged farmers. The Rural Coalition is a grassroots-oriented and culturally diverse alliance of farmers and farmworkers.

National Small Farm Conference

NCIS participated as a sponsor in the 7th National Small Farm Conference in Virginia Beach, VA, September 20-22. The conference is held every four years. This year's theme, "Creating and Sustaining Small Farmers and Ranchers," provided a forum to discuss programs and services and share strategies that have been created to sustain an increasing number of small farms. Laurence Crane made a presentation summarizing the outcomes and impacts of recent NCIS projects for farmers in the Strike Force counties of North and South Carolina to develop personal risk management plans. He also discussed crop insurance as a risk management tool to interested farmers who perused the exhibit hall.

NCIS VISITORS

Several times a year, NCIS receives requests to host visitors from other organizations, representatives from countries hoping to develop their own crop insurance systems, and others who want to learn more about NCIS services and the U.S. crop insurance program. NCIS is honored to have guests from various backgrounds visit as we tend to learn just as much from them as they do from us.



NCIS staff and Chinese visitors.

Crop Insurance and Reinsurance Bureau (CIRB) Emerging Leaders

NCIS met with the CIRB Emerging Leaders Program participants in early January. The six members of this program were recognized within their organizations as the next generation of leaders within the industry. NCIS staff introduced them to the various functions and departments of NCIS including research and product development, training and education, technology and information processing, communications and outreach, crop-hail actuarial and statistical efforts, crop insurance policy, procedure and loss adjustment efforts, and legal affairs.

Canadian Crop Hail Association

Members of the Canadian Crop Hail Association (CCHA) visited NCIS in April to hold their annual meeting, as well as to meet with the NCIS Crop-Hail Policy, Procedure and Loss Adjustment Committee. The Canadian crop hail program, which has been in existence since the 1960s, offers farmers various options to protect their crops from a variety of weather perils.

National FFA Officers

Two of the National FFA officers visited NCIS to thank the industry for its 22 years of support of the National FFA Organization. Sydney Snider, Eastern Region Vice President and Abbey Gretsche, Southern Region Vice President, were the national officers who attended. The officers

gave a presentation on the mission and values of FFA as well as a look at the growing numbers of students involved in the 85-year-old organization. More than 629,000 students are now involved in 7,757 chapters in all 50 states, Puerto Rico and the U.S. Virgin Islands. Also attending the session were Kansas State FFA Officers, Karl Wilhelm, President, and Lane Coberly, Treasurer.

Agriculture Future of America

Members of the Agriculture Future of America's (AFA) Student Advisory Team visited NCIS to learn more about our organization and to share about their roles as student advisory team members and AFA. AFA celebrated its 20th anniversary in 2016 and NCIS has been a proud supporter for all of those years. The organization focuses on leadership development, providing internships, and awarding scholarships to students majoring in all aspects of agriculture. Those in attendance included Brandon Brunt, an agribusiness management and agricultural education major at Purdue University, Layton Hrubec, an animal science major at Montana State University, Savannah Vickery, an agricultural education major at Clemson University, and Annie Storey, Director of Programs for AFA.

Chinese Delegation

In August, NCIS welcomed a delegation from the Dalian Commodity Exchange, Dalian, China. The primary focus of the meeting was a general discussion of the crop insurance industry, including the types of crop insurance and participation of U.S. farmers.

PARTICIPATION IN PROFESSIONAL SOCIETIES & OTHER CONFERENCES

NCIS staff regularly participate in various professional organizations and meetings to exchange information with other agricultural economists and academia about the importance of crop insurance.

NCIS Staff Presents at SCC-76 Convention

Tom Zacharias, Frank Schnapp, and Harun Bulut attended the SCC-76 convention, “Economics and Management of Risk in Agriculture and Natural Resources,” held in Pensacola, Florida, March 17-19. Participants at this conference include top agricultural economists in the areas of risk and environmental management, including university researchers, USDA economists and administrators, private sector economists and graduate students. Formal research presentations are made as well as abstracts of papers presented at this convention. Tom made a presentation providing an industry overview and discussed current crop insurance issues. Harun made a presentation on managing catastrophic risk in agriculture through ex-ante subsidized insurance or ex-post disaster aid.

ABA Section of Antitrust Law Spring Meeting

NCIS General Counsel, Chuck Lee, attended the annual spring meeting of the ABA Section of Antitrust Law — the premier event of the year for antitrust professionals worldwide. The event drew nearly 3,000 people, including 600 government enforcers and practitioners from 60 countries outside the United States. This meeting is the world’s largest gathering of antitrust professionals.

Sessions attended by Chuck included “Agency Update with the Deputy Assistant Attorneys General,” “Antitrust Economic Concepts,” “The FTC and the New Frontier of Privacy,” “The Enforcers’ Roundtable,” and programs on current hot topics and the status of the Department of Justice leniency program. Presenters at the sessions included the Deputy Assistant Attorneys General of the Justice Department’s Antitrust Division; a member of the Federal Trade Commission; a former Solicitor General; the Director General of the European Commission’s Directorate General for Competition; and a former

member of the President’s Council of Economic Advisers.

International Agricultural Insurance Symposium

Harun Bulut presented at the International Agricultural Insurance Symposium organized by the Turkish Agricultural Insurance Pool (TAR-SIM). The symposium was held in Istanbul, Turkey, on June 2-3. His presentation was titled, “U.S. Experience in Providing Agricultural Insurance through Private-Public Partnership.”

USDA Ag Outlook Meeting

The USDA held its 92nd Agricultural Outlook meeting in Washington, D.C., February 25-26 with the theme, “Transforming Agriculture: Blending Technology and Tradition.” Tom Zacharias, Laurence Crane, and Harun Bulut attended the conference. The forum is USDA’s largest annual meeting and included remarks and presentations by the Secretary of Agriculture, Tom Vilsack, and the USDA Chief Economist, Robert Johansson, as well as other agricultural leaders.

2016 National Postsecondary Agriculture Student Conference

NCIS staff attended the 2016 National Postsecondary Agriculture Student (PAS) Organization Conference in March in Kansas City. The conference had more than 600 participants in attendance who had earned their way through

the industry-focused competitive events and competed at the national level. All of the participants are members of PAS and have been involved with specific educational training related to the agricultural industry as part of the college curriculums. PAS was officially founded in 1980 in Kansas City, and has 11,500 members from 49 chapters located in 12 states. Membership is available to students enrolled in agriculture/agribusiness/natural resources postsecondary programs in approximately 550 institutions in all 50 states.

Ratemaking and Product Management Seminar

Frank Schnapp attended a Ratemaking and Product Management seminar organized by the Casualty Actuarial Society in Orlando, FL, in March. The primary topic of the conference was the use of predictive modeling for ratemaking as well as the application of these methods to other functional areas of insurance company operations. An on-going controversy carried over from prior meetings was the use of demand-based pricing for insurance, similar to how certain airlines adjust ticket prices in response to demand. Discussions included proposed modifications to actuarial standards of practice to allow consideration of factors other than the prospective loss experience of the insured, whether the approach is consistent with state legislation, and the responses of various state insurance departments to the concept.



Dr. Harun Bulut, NCIS, presenting at the SCC-76 Convention.

Minorities in Agriculture, Natural Resources and Related Sciences Conference

NCIS participated in the 31st Annual Career Fair and Training Conference of the Minorities in Agriculture, Natural Resources and Related Sciences (MANRRS) in Jacksonville, FL. MANRRS is a non-profit organization that promotes and fosters the inclusion of underrepresented minorities in agriculture, natural resources and related disciplines. The conference provided a forum for student and professional members from private industry, government, and academia to interact and promote scholarly excellence, professional development, networking and career placement. More than 1,000 individuals participated in the conference. Laurence Crane represented the crop insurance industry and discussed opportunities for MANNRS members to pursue careers in the crop insurance industry.

American Bankers Association / American Bankers Insurance Association Webinar

Tom Zacharias was a presenter for the ABA / ABIA webinar on agriculture and crop insurance. Tom discussed current issues facing the crop insurance industry.

2016 Agribank Annual Meeting

Tom Zacharias provided an industry update at the 2016 AgriBank annual meeting held in Scottsdale, AZ. 2016 marks the 100th anniversary

when Congress established Agribank, the largest bank in the Farm Credit System, which provides financial products and services to help farmers, ranchers, and agribusinesses succeed. AgriBank provides funding through the 17 local-based Farm Credit Associations encompassing 15 states to approximately 238,000 borrowers.

2016 AIR Worldwide Presentation

Harun Bulut gave a presentation regarding three ongoing research papers on various aspects of the Federal crop insurance program at the AIR Crop Insurance Symposium organized by AIR Worldwide in Boston, MA, May 11-13. Other guest speakers included Dr. Robert Johansson, Chief Economist at the U.S. Department of Agriculture; Dr. Tom Worth, Acting Chief Actuary of the Risk Management Agency; Brian Young, President of ADM Crop Risk Services; Dr. Keith Coble, Mississippi State University; Dr. Gary Schnitkey, University of Illinois; and, Dr. Rod Rejesus, North Carolina State University.

NEASDA Annual Meeting

NCIS was represented by Laurence Crane at the Northeastern Association of State Departments of Agriculture (NEASDA) annual meeting in Rockport, ME, June 12-15. Their annual meeting provides an opportunity to discuss current trends and issues in agriculture in the region and review new policy solutions and regulations in their respective states. More than 120 agriculture policy professionals at the state and Federal levels attended and provided input. The NEASDA states (Connecticut, Delaware, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island and Vermont) are classi-

fied as Targeted States by RMA for special emphasis in risk management education. The 2016 President of NEASDA, Maine Commissioner of Agriculture, Walt Whitcomb, was a guest at the NCIS Communications and Outreach Committee meeting in April where he participated on a panel providing input to the Committee on risk management needs in the region.

2016 AgGateway Mid-Year Meeting

Jessica Trites-Rolle participated in the 2016 AgGateway Mid-Year Meeting in Bloomington, MN, June 13-16. The meeting consisted of a series of committee and task team meetings that provided project updates and face-to-face work time on in-process projects. More than 250 attendees took part in council and committee sessions related to seed, grain and feed, specialty chemicals, crop nutrition, crop protection, data privacy, precision agriculture, allied providers, standards and guidelines, education, and communications. AgGateway is a non-profit consortium of more than 230 member businesses serving the agriculture industry, with a mission to promote, enable and expand eBusiness in agriculture (eAgriculture).

National County Agent Personal Improvement Conference

NCIS participated in the 2016 National Association of County Agricultural Agents (NAACA) Professional Improvement Conference, in Little Rock, AR, in July. NCIS sponsored a three-hour "Issues in Agricultural Economics Super Seminar" focused on providing extension educators with information that will strengthen their ability to help farmers and ranchers prepare for and manage risk. Laurence Crane reviewed implementation of crop insurance changes in the 2014 Farm Bill and discussed using crop insurance as an effective tool to prepare for and economically survive crop failures due to insurable causes of loss. More than 1,300 Extension professionals from across the country attended the four-day conference.

AAEA Meetings

Tom Zacharias, Harun Bulut, and Laurence Crane represented NCIS at the 2016 Agricultural and Applied Economics Association (AAEA) annual meeting held in Boston, MA. The AAEA

NCIS staff and members of the Crop-Hail Actuarial & Statistics Committee on their tour of a Georgia farm.



is a forum for scholarly work in agricultural economics with more than 1,300 agricultural and applied economists routinely attending. Tom participated in a session entitled, “Crop Insurance: Challenges and Opportunities Facing the Industry.” Harun presented two papers, “Economic Design for the Supply Side of Agricultural Insurance Markets” and “U.S. Farmers’ Choices Under Expected Utility Theory and Cumulative Prospect Theory.” Harun also accepted to serve as Incoming Chair-Elect for the Applied Risk Analysis (ARA) section within the AAEA Laurence accepted an award recognizing his long-standing participation in COSBAE (Committee on the Opportunities and Status of Blacks in Agricultural Economics) and NCIS’ ongoing support of COSBAE activities.

Securities and Insurance Licensing Association (SILA) National Education Conference

Dean Strasser and Janet Straley attended the SILA National Education Conference held in San Antonio, TX, in September. The conference included forums and presentations covering all aspects of licensing and registrations. The National Education Conference is attended by licensing professionals, regulators and technology providers. Conference topics included technology, best practices, state regulation, federal legislation, market conduct and regulatory compliancy.

Pennsylvania Crop Insurance Conference

NCIS participated in the 16th Annual Pennsylvania Crop Insurance Conference, held September 27, in Harrisburg at the Pennsylvania State Farm Complex. The purpose of the conference was to provide crop insurance agents and other allied professionals with updated information on the crop insurance program, agricultural policy and risk management. Laurence Crane participated in the discussions on risk management planning, and emerging trends in agriculture.

2016 Women in Agribusiness Summit

Jessica Trites-Rolle attended the 5th annual Women in Agribusiness (WIA) Summit in Chicago in late September. Approximately 600 attendees from 197 companies participated in ac-



Tom Zacharias being interviewed by **Mike Hergert** of the Red River Farm Network during NAFB’s Trade Talk.

tivities, including breakout sessions, an executive roundtable, a sustainable agriculture sector innovation hour, networking, industry tours, and plenary sessions. Plenaries included Future Faces of Farming: Embracing the Importance of Diversity; Turning Market Volatility into a Competitive Advantage; The Race for the White House and What it Means for Agriculture; The Confidence Effect; and, The Changing Consumer and Implications for the Supply Chain. The WIA Summit creates an interactive platform for women in the agri-food sector to convene, learn, and support one another and to offer content around industry trends and personal skill development.

NCIS Guest Lecture at Texas A&M

Tom Zacharias was invited to teach a section of the “Agricultural and Food Policy” class at Texas A&M University on October 18. The class instructor Dr. Joe Outlaw, is Co-Director of the Agricultural and Food Policy Center at Texas A&M. The class is comprised primarily of juniors and seniors learning about the farm safety net and its role in agricultural policy.

Agriculture Future of America Leaders Conference

Laurie Langstraat participated in the Agriculture Future of America (AFA) Leaders Conference and Opportunity Fair on November 4. AFA Leaders Conference provides support for college students who are preparing for careers in agriculture-related fields, while at the same time supporting the development of human capital for the agriculture and food industry. The conference also assists students in developing personal and professional skills necessary for lifelong success. The Opportunity Fair provides student with



Phyllis Parks, 980 WITY Radio (Illinois) interviews **Mechel Paggi** during Trade Talk at NAFB’s convention.

the chance to network and learn from industry professionals, and search out opportunities for internships, full-time employment, additional leadership organizations, graduate studies, and international travel. All of these opportunities help create a personal and professional portfolio of experiences. The more than 730 students who attended the conference went through an extensive application process in order to be selected to attend and are considered some of the best and brightest agriculture students in the country.

National Association of Agricultural Educators Convention

NCIS participated in the National Association of Agricultural Educators (NAAE) Annual Professional Development Convention in Las Vegas, NV, with more than 750 educators attending. The NAAE is a federation of state agricultural educator associations. Members are involved in school-based agricultural education at all levels from middle school through postsecondary and is composed of state and national agricultural education leaders. Laurence Crane discussed how crop insurance can be used to manage risk, as well as careers in crop insurance, encouraging participants to include crop insurance as a potential career path for their students.

74th Professional Agricultural Worker’s Conference

NCIS helped sponsor the 74th Annual Professional Agricultural Worker’s Conference (PAWC) at Tuskegee University, December 4-6, in Tuskegee, AL, and displayed an exhibit promoting crop insurance. Laurence Crane interacted with the more than 350 participants, providing answers on crop insurance and how crop

insurance can be used to effectively manage risk. PAWC began in 1942 with Tuskegee University and local and state support and participation. Now international in scope, there are representatives from several African countries, the national land grant community, and state, federal, and the private sector. Its mission is to enhance the skills and contributions of agricultural and related professionals involved in discovery, dissemination and use of emerging technologies, information, problem solving, policy formation and strategy development for the advancement of people and communities.

National Farmers Union Online Conference

NCIS participated in an online virtual conference for Beginning Farmers and Ranchers sponsored by National Farmers Union (NFU). The conference theme was “Growing for the Future,” and covered a range of topics including: risk management, USDA programs for beginning farmers, women and veterans in agriculture, and policy and mentorship. Presenters were from government, academia and industry. Laurence Crane presented an overview of crop insurance

and encouraged participants to make an informed crop insurance decision by visiting with a crop insurance agent.

National Association of Insurance Commissioners Spring Meeting

Tom Zacharias and Dean Strasser attended the National Association of Insurance Commissioners (NAIC) spring meeting held in New Orleans to update the Crop Insurance Working Group on issues affecting the crop insurance industry. Information provided to the Commissioners included MPCI and Crop-Hail premium and loss totals for 2015 and an update on the Crop Adjuster Proficiency Program (CAPP). Dave Miller, Director Reinsurance Services Division, RMA, provided the RMA update.

COMMUNICATIONS ACTIVITIES

Through e-newsletters, opinion-editorials, interviews with reporters, farmer testimonials, and a variety of other tools, NCIS effectively demonstrates the importance of crop insurance as the



Vernon Williams was one of the farmers NCIS visited in Washington. He and his wife, **Shelley**, grow wheat, barley and canola near Medical Lake.

linchpin of the farm safety net. Here are a few of the communications activities from 2016:

NAFB Convention

Tom Zacharias, Mechel Paggi and Laurie Langstraat attended the 73rd National Association of Farm Broadcasting (NAFB) Convention and Trade Talk on November 10 in Kansas City. Trade Talk, the centerpiece event of the NAFB Convention, connects the ag industry with member broadcasters to discuss issues and topics important to their organizations, associations and companies. More than 100 broadcasters attended the event and NCIS participated in more than a dozen interviews throughout the day to discuss topics such as how American voters support crop insurance, the industry’s appreciation of Congressional and farmer support, and what farmers need to know before they sign-up for crop insurance in the spring.

NCIS Visits Washington State

In late July, just as the sprawling wheat fields were being harvested, Sherri Scharff and Laurie Langstraat visited several farmers and crop insurance agents in the eastern two-thirds of Washington. As third and fourth generation farmers, crop insurance has protected their livelihood many times and they were eager to share their stories as part of the “Real Stories” videos on the Crop Insurance in America website. “It’s an essential tool I have to have,” was just one way these

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farmers expressed their need for crop insurance protection. “It’s a security blanket,” said another. When asked how they would respond to critics who are opposed to crop insurance, one farmer said “...take one year in my shoes, on a bad year, and see if you like crop insurance or not.”

Survey on Crop Insurance

NCIS commissioned a public opinion poll of 1,000 registered voters in early April. Nearly 90 percent of Americans have a favorable view of farmers, and 92 percent said it was important to provide them with Federal funding. Furthermore, positive marks cut across party lines, showing that a strong farm policy is a bipartisan issue. More than 70 percent of voters also said they believed that farmers should help fund part of their own safety net. This cost-sharing structure is at the heart of America’s crop insurance policy, with farmers paying a portion of their insurance premiums and shouldering, on average, 25 percent of crop losses through deductibles. Those polled were impressed with nearly 80 percent saying they supported giving farmers discounts on insurance premiums. The vast majority agreed that the current premium and deductible amounts absorbed by farmers were appropriate.

Americans also weighed in on the delivery of crop insurance. When asked who should implement the system, voters agreed by a 20-point margin that farmers and taxpayers were better served by private companies delivering crop insurance instead of the government.

ADJUSTER CONTINUING EDUCATION

NCIS loss adjuster schools and field days have been an important part of adjuster training for more than 60 years. Some of the earliest schools date back to the 1950s, and thousands of loss adjusters been trained on hundreds of crops in just about every state in the country. A full update on the 2016 schools can be found in the November 2016 edition of this publication but here are a few important facts from last year’s schools:

- There were 18 schools/field days in 16 states;
- 1,398 adjusters attended one or more of the schools;
- There were 201 plot leaders who led training through hands-on field exercises;
- 63 continuing education hours were provided to 174 adjusters for credit in Montana, Texas,

Oklahoma, and Wyoming; and,

- 22 crop policies and loss procedures were studied by adjusters for both MPCCI and Crop-Hail.

The industry and NCIS worked diligently and tirelessly in 2016 to provide quality risk management tools for America’s farmers and ranchers. As you can see from this article highlighting just a few of our activities, NCIS was involved in many events, symposiums, meetings, and training sessions. We held dozens of meetings to discuss data mining, regional crop issues, state regulatory matters, adjuster certification and training, and other pertinent topics. And we did all of this while continuing our “day jobs” of membership support, loss adjuster schools, IT and processing support, state insurance department filings, policy and procedure analysis, and a myriad of other valuable services. NCIS staff is proud of what we do to serve our membership and the entire industry. As we begin 2017, we remain committed to participating in activities that provide value to our members and educate the general public about the importance of crop insurance. We appreciate the support of our members and thank you for your commitment to our organization.