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75 Years In . . .

" . . . where does the time go . . . "

Welcome to the first quarter issue of Crop Insurance TODAY® for 2023. Last year we moved our first quarter issue to follow our Industry Annual Convention in order to highlight the event. We will continue to do so going forward. Highlighting the convention this year is even more appropriate given its significance. This year our industry celebrated its 75th annual convention.

That is an incredible milestone. How so? The Industry's 75th Annual Convention represents industry leaders working together to improve the risk management tools available to America's farmers and ranchers and to provide a forum for addressing the critical issues facing our industry.

In this issue we will also observe and highlight another incredible milestone taking place within our industry. This year represents the 100th year anniversary of the crop insurance industry's investment in agronomic research.

This investment in agronomic research, done in conjunction with the nation's land grant universities, has formed the basis of the crop insurance industry's loss adjustment procedures. These research-based procedures are fundamental to our industry's commitment to accurate and impartial settlement of claims on crop insurance policies. More on this later.

The Alliterative: Common Purpose, Collaborative Effort, and Commitment

Common Purpose

Why did the industry's founding members come together in the first place? Common purpose. Early on in the development of the U.S. crop insurance market, prior to the introduction of Federally regulated crop insurance, industry leaders came together with a common purpose to build the necessary infrastructure required to support crop insurance on a national level.

First, as just mentioned, industry recognized the importance of industry-wide standards and procedures for crop loss adjustment. Second, industry recognized that as individual companies they did not possess sufficient data

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and statistics to properly rate and price crop insurance policies.

Collaborative Effort

With respect to common purpose, industry recognized that no single company had the wherewithal to fully develop and support the infrastructure necessary to provide crop insurance on a regional basis, let alone at the national level. Hence, *collaborative effort* and the long-standing investment in industry associations and service organizations, such as National Crop Insurance Services (NCIS), began. Ultimately, NCIS is the product of its predecessor organizations Western Hail and Adjustment Association, Hail Insurance Adjustment and Research Association, Crop Hail Insurance Actuarial Association (CHIAA), and the National Crop Insurance Association (NCIA). This history can be traced back to 1915. Prior to the formation of NCIS, NCIA was responsible for the loss adjustment “side of the house,” while CHIAA’s primary functions were the collection of industry Crop-Hail actuarial data and statistical analytical support to develop premium estimates on an industry level.

Commitment

Well, you would think 75 years would account for something. More impressive than the longevity of the crop insurance trade associations is the longevity of the industry itself. At least a few of the crop insurance companies currently in the business can trace their involvement back more than

one hundred years. One of these century-plus companies still maintains its family operation and management of the business. Over the years, the crop insurance industry has demonstrated its commitment to serving its farmer customers.

Where are we now?

Before proceeding to the next 75 years, let’s take stock of where we are now and where common purpose, collaborative effort, and commitment have led us to today. Dialing back a bit, the entry of the private sector in the early 1980s into the delivery and service of Federal crop insurance is a prime example of working together. Following the devastating floods and excessive moisture conditions of 1993, the 1994 Crop Insurance Reform Act was enacted and implemented successfully. And although seemingly recent, the collaborative efforts on the 2014 and 2018 Farm Bills solidified crop insurance’s role as the cornerstone of the farm safety net. Lastly, managing through the pandemic represents yet another example of industry working with USDA and RMA to keep crop insurance functioning smoothly in a time of great uncertainty. In each instance there was a common purpose, a collaborative effort, and a commitment to improve crop insurance.

The Next 75

No doubt, any discussion of the “Next 75” starts with the current focus on reauthorization of the Farm Bill. Listening sessions and congressional hearings are well underway. Everything we are hearing during this process is that crop

insurance is a fundamental priority for farm and commodity groups across the country. The crop insurance industry greatly appreciates this support. We are also hearing that crop insurance should be strengthened and enhanced as we go forward. So, in terms of the Farm Bill, any new initiatives or proposals should not disincentivize crop insurance participation or roll back the improvements to the program that have been made in recent years, but rather build on the essential strengths and inherent flexibilities of the crop insurance program.

Through the years our industry has demonstrated its willingness and ability to find common purpose, work collaboratively, and commit to completing the tasks at hand. As successful as the past 75 years have been, the next 75 represent an even greater challenge and opportunity to improve our industry for the next generation.

In This Issue

As mentioned above, NCIS and its predecessors have been conducting agronomic research on crops for 100 years. Dr. James Houx takes a look back on the history of the research program beginning on page 5.

Celebrating its 75th anniversary, the crop insurance industry gathered in early February for its annual convention. There were many great speakers and panel presentations throughout the three-day event. Pictures from the convention begin on page 10. On the last day of the event, three individuals were recognized for their service and support of the crop insurance industry. Jami Wells and John McDermott were presented an Industry Leadership Award for their work on the NCIS Committees, and Jules Hendrix was given the Outstanding Outreach Award for her work as a crop insurance agent by educating small and minority producers about the importance of crop insurance.

During the NCIS Board of Directors meeting in February, Scott Arnold, Rain and Hail, became the 17th Chair of the NCIS Board of Directors. He succeeds Kendall Jones who served in that roll since 2020. We introduce you to Scott and highlight the leadership Kendall provided in the article “Passing the Gavel” on page 17.

Finally, the NCIS Claims Manager Conference was held in-person in mid-January for the first time since 2020. Lynnette Dillion’s article on page 22 highlights the important information given to the company claims managers during this event.

We hope that you enjoy all of the articles in this issue.

