



Tom Zacharias, NCIS President

Not only are we observing changes and transitions within the daily and seasonal operation of the program, we are also in the middle of a multiyear Farm Bill deliberation and, and, and a Presidential election around the corner.

Changes and Transitions...

Or what do David Bowie, Zen Golf, and Crop Insurance have in common?

To be honest, it sometimes becomes a bit difficult to come up with material each quarter for this piece, which again, in all honesty, explains why this issue of TODAY® is behind schedule. My bad. At the same time, the crop insurance world is not standing still. Plenty of activity on all fronts, as it were. So much so, that I landed on two “themes” for this President’s Message: “Changes and Transitions.”

Now there tend to be plenty of homilies, sermons, podcasts, opines, etc. using “change” as the focal point. And for sure, there are ample anecdotes, “The only thing constant is change,” or song lyrics, “The Times They Are A-Changin’” (Bob Dylan) to use as the “hook.” Not that long ago, yours truly went with Boz Scaggs, “Some Change,” in the 2022 Fourth Quarter issue of TODAY. As a close friend of mine would say, “Some Change” is a “gooder.”

Okay, “change” it is. Now we need some lyrics. Let’s go with David Bowie, “Changes,” an old fave of mine.

“...Ah, changes are taking the pace I’m goin’ through...”

Starting with the content in this issue, simply take a “gander” at Table 4 of the Year in Review 2023 article in this issue. Table 4 is a snapshot of the major revenue crop policy base prices for the period 2017-2024. Hard not to find changes in that exhibit.

For corn, the base revenue price was \$3.96 per bushel in 2017 and “changed” to \$5.91 per bushel for 2023. Rice price was \$10.40 per hundred weight in 2017 and “changed” to \$16.90 per hundred weight in 2023. The “interested” reader can peruse the table in the article and find other examples of fairly significant “changes” in the

“commodity-price space.” Point being, commodity price *changes* translate to premium *changes* that translate to *changes* in the economics of the program. To quote the Rock Star...

“Turn and face the strange

Ch-ch-changes

Ooh, look out, you rock ‘n’ rollers...”

Also memorialized in this issue’s “Year in Review” article is a fairly thorough discussion of all the changes that have taken place in the crop insurance program for 2023. First of all, it takes a concerted effort to maintain and improve the 134 various crops and livestock programs available to our nation’s farmers and ranchers. This is accomplished utilizing the expertise and experience of the AIPs, RMA, and the various NCIS Committee structures, along with their boots-on-the-ground interaction with farmers, adjusters and agents. These efforts have resulted in programs that represent over 640 crop-livestock related types and varieties insured through 36 different plans of insurance in 2023. This translates into more than 181,000 different county crop programs available across the country.

Now Some Specifics

In 2023 the NCIS Underwriting and Operations Committee spent a considerable amount of time working with RMA in the review of approximately 70 policy provision *changes* including new programs like Weaned Calf, Controlled Environment and Shellfish. Due to increased *changes* in input cost, a bipartisan request from the Senate Ag Committee resulted in the expansion of the Margin Protection program. RMA added more than 1,255 counties for soybeans and

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1,729 counties for corn to this insurance option for farmers in a total of 34 states (see Figure 10). (Sounds like a change to me.) The HIP-WI plan added a Tropical Storm Option for 2023 providing coverage for losses attributable to damage from named tropical storms. This coverage was added to over 1000 counties in states primarily along the Atlantic Coast, Gulf States, Arkansas, and Texas.

Wait, There's More...

The Federal Crop Insurance Corporation (FCIC) Board approved new programs in 2023 including grapevine coverage, a kiwifruit program in 12 California counties, and a new Shellfish program in 12 States and 28 counties. The Board also approved a Controlled Environment program for producers who grow crops in fully enclosed controlled environments in 25 States and 127 counties. Livestock programs experienced another year of tremendous growth as a result of continued efforts to improve the livestock product mix. Livestock policies earning premium increased from approximately 10,000 in 2022 to in excess of 16,000 in 2023. Lastly, modifications were made to both Whole Farm Revenue Protection (WFRP) and the Micro Farm policy after RMA received input from stakeholders on needed improvements.

Zen Crop Insurance

Several years ago, I penned "Zen Crop Insurance" in the August 2016 issue of *TODAY* magazine. As I stated then, my acquaintance with "Zen" has been fairly pedestrian. I read *Zen Golf* by Joseph Parent several years ago and refer back to it from time to time.

For me, the most salient quote is the following...

Beware of the Transitions

"Watch out for the transitions. They are times of great danger; when the present situation is ending and the next situation hasn't yet begun. Those gaps are the places where awareness can most easily be lost. It's like going through a doorway. If you barge through without caution, you open yourself to disruption on the other side. In fact, you invite chaos."—Vajra Regent Osal Tendzin (*Zen Golf* by Joseph Parent)

I believe the preceeding paragraphs make the case that our industry is *changing* in a very dynamic and fluid environment. Changes in and of



themselves are transitions. And as the *Zen Master* so eloquently states, "...Those gaps are the places where awareness can most easily be lost."

Not only are we observing *changes* and *transitions* within the daily and seasonal operation of the program, we are also in the middle of a multiyear Farm Bill deliberation and, and, and a Presidential election around the corner. "...the present situation is ending and the next situation hasn't yet begun..."

So, where should we focus our awareness. Probably best to focus on the fundamentals:

- 1) Customer service—servicing the farmers and ranchers who provide the affordable abundance of food and fiber we have access to on a daily basis;
- 2) Program soundness and integrity—being mindful that taxpayer, shareholder, and farmer interests and dollars are at stake with every *change* and *transition* that occur within the program.; and
- 3) External awareness—crop insurance has experienced tremendous growth. Many eyes are upon our industry and these eyes are "aware" of the *changes* and *transitions* that have taken place over the recent years. As an industry we must be "mindful" of others' "awareness" and behave as stewards of the program.

Certain of life's *changes* and *transitions* can leave us somber and reflective, as is the case with the loss of a close friend or loved one. NCIS and the crop insurance family were saddened to hear of the loss of our dear friend, Ben (Benjamin) Latham, who passed away a few weeks ago. Ben was a stalwart of the crop insurance indus-

try, who devoted his entire career to supporting and serving America's farmers and ranchers. He was a huge advocate of NCIS and served on our Board of Directors for many years before turning the reigns over to the "next generation" of crop insurance leaders. To his family, we give our deepest sympathies as you mourn a great man who treated everyone with kindness and respect. Ben, you are missed already. To read more about Ben's legacy, please turn to page 35.

In This Issue

As I mentioned earlier, this issue contains our annual Year in Review article. I encourage you to read it and see for yourself how much has actually changed in this business the last few years. This piece is a great review of the commodity prices, weather events, and policy and procedural improvements made to this program. And it also shows how very important it is as a risk management tool to America's farmers and ranchers.

We also highlight the Regional/State Committee chairs and the training they receive each year to help them fulfill the vital role of leading the NCIS "grassroots" committees that are found throughout the U.S. We are very grateful to them, and the AIPs they work for, for all of the extra work they do for this industry. In addition, we highlight the NCIS Standing Committees, another group of member company personnel who are experts in their field who devote countless hours to ensure that this program is a success.

Thank you for reading this issue and we'll see you in the Fall.