

AACI in Action: Annual Report

American Association of Crop Insurers Annual Report 2019





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MESSAGE FROM THE CHAIR AND VICE CHAIR

In the midst of a difficult year with losses and financial concerns across the countryside, it is gratifying to know that crop insurance has delivered to farmers. We have helped farmers and ranchers manage a challenging year by processing claims and getting payments out the door quickly. It underscores why private sector delivery is such an integral part of the program and it demonstrates that crop insurance works.

Additionally, we are proud of AACI's efforts in launching the bipartisan Congressional Crop Insurance Caucus. We must always stay in front of Members of Congress and their staff, and this caucus will serve as a meaningful resource in communicating the importance of the program and growing champions in support of it.

We can reasonably expect this coming year to be dominated by politics. To that end, it is vital that we continue outreach and advocacy efforts that are comprehensive and bipartisan to ensure there is a solid level of support for production agriculture.

We look forward to working with you in 2020.



Muliael / Caverort

MICHAEL DAVENPORT

Chairman



GRANT ADAMS
Vice Chairman

MESSAGE FROM THE PRESIDENT

AACI continued to make positive strides in expanding the scope and purpose of its mission and services this past year. Importantly, we worked to build lasting relationships on Capitol Hill, within the Administration, and among like-minded counterparts in-and-around the agriculture and conservation industries.

By the end of the first quarter, AACI staff had met with over half of the new House offices and all nine of the new Senate offices. By the third quarter, every new office had been visited or contacted at least once. AACI is now a top resource on matters relating to crop insurance or agriculture.

We were proud to help launch the new Congressional Crop Insurance Caucus with more than two dozen bipartisan members representing 15 different states. We were also proud to have AACI Chairman Mike Davenport testify before a House Agriculture Subcommittee on the impact of several natural disasters and how farm programs and crop insurance did or did not work as intended for producers.

Together, these efforts increased our visibility and helped enhance our effectiveness in Washington, D.C.

Looking ahead to 2020, AACI will:

- Continue to grow the PAC to support pro-crop insurance candidates especially during this election year;
- Launch our new leadership program, "Seeding the Future" to grow the next generation of crop insurance leaders;
- Work with our Congressional Crop Insurance Caucus co-chairs to develop quarterly educational briefings for Members of Congress and their staff;
- And, launch our new "Member of Congress Connect" program to help foster relationships inside and outside of Washington.

I look forward to working with you throughout another productive year.

SCOTT GRAVES

President

Leadership

Michael Davenport

Chairman

Rain & Hail LLC

Scott Graves

President

Grant Adams

Vice Chairman

Producers Agriculture Insurance Company

Board of Directors

AACI Board of Directors includes representatives from all categories of its membership – a hallmark value of the association.

Grant Adams

Producers Agriculture Insurance Company

Michael Coleman

Rain & Hail, LLC

Larry Heitman

QBE NAU Country Insurance

Benson Latham

Crop Risk Services

Ron Miiller

CGB Diversified Services

Tim Weber

Great American Insurance Company

Kelly Deterding

Windmark Crop Division, City Bank of Texas

Ralph Bone

Guy Carpenter & Company, LLC

Todd Snider

Western Ag Crop Insurance Services, LLC





"The bottom line is that the crop insurance program is successfully meeting the needs of thousands of farmers who can tailor their risk management needs to serve them best with the help of a local agent. This protection represents a good value for America's taxpayers when compared to other alternatives for addressing shortfalls in agriculture production."

MICHAEL DAVENPORT AACI Chairman

Mission

AACI's mission is to advocate on behalf of all segments of the private sector crop insurance industry with a unified voice in an effort to promote and protect a viable, affordable, and diverse crop insurance program.

Values

To fulfill this mission, AACI holds the following core values as the foundational principles of the organization.

- We support American farmers and ranchers in their pursuit to provide our nation and the world with an affordable, abundant, and secure food, fiber, and feed supply.
- We support expanding the crop insurance program so that farmers, ranchers, and growers all across the country have access to this essential risk management tool regardless of their farm size, background, location, or method of production.
- We support partnering with industry leaders to foster vibrant rural communities.
- We support promoting the stewardship of our nation's natural resources.
- We support protecting the integrity of the crop insurance program by continually working to identify and correct inefficiencies and abuses of current policies.

Goals

AACI has identified the following strategic goals to align both its organizational mission and values.





- Maintain and advance strong policies that support the effective and efficient private sector delivery of the federal crop insurance program.
- 2 Continue to expand coverage of crop insurance to reach a diverse range of farmers, ranchers, and growers across the country.
- ncrease awareness of the value and cost-effectiveness of crop insurance and work to ensure adequate resources are available to maintain the viability of the program.
- Foster strong, purposeful relationships within the legislative and executive branches of government in a proactive manner by promoting the critical role that crop insurance plays in contributing to a safe, abundant, and affordable domestic food and fiber supply.
- Build upon existing relationships within the agricultural, conservation, and wildlife communities and identify opportunities to expand support for the federal crop insurance program.

Annual Convention

February 17-20, 2019 | San Diego, CA

At the annual NCIS-AACI convention, we highlighted successes of the previous year, such as passage of the 2018 farm bill with a strong crop insurance title.



Rep. Dan Kildee (D-MI) and Rep. Richard Hudson (R-NC) were presented with AACI's Champion of Crop Insurance Award. In video remarks, Hudson stated he looked "forward to continuing our partnership to support American agriculture." Kildee, who was able to attend the convention, thanked the industry in his address for "what you do" and warned of the challenges ahead stating, "as we go through the appropriations process, some members will take a run at crop insurance."

AACI also released a short video during the convention that described the importance of maintaining a strong presence and meaningful political engagement in Washington to protect the program from attacks.

Fast Facts



334+ million acres protected

More than 334 million acres of farmland were protected by crop insurance in 2018 – a historical high.



1.1+ million policies sold

More than 1.1 million crop insurance policies were sold to farmers across the nation.



\$2 billion under projections

Crop insurance came in \$2 billion under original federal budget projections for the year.

Annual Fly-Ins

Spring | May 21-23, 2019 | Washington, D.C.



AACI hosted 30 association members during its annual spring fly-in to Washington, D.C. The group met with nearly 50 legislators focusing efforts on bipartisan education and advocacy for freshmen members and visited representatives of districts where AACI has a strong footprint. Other notable meetings included a discussion with RMA Administrator Martin Barbre and his staff. Contact details were shared with RMA staff and since they have been working with individual members of AACI to resolve some of the issues discussed.

Additionally, while in D.C., AACI held two PAC fundraising events in which AACI members had a chance to meet with Congressman Dan Crenshaw (R-TX) and Congressman Will Hurd (R-TX).

Offices were selected to give attendees the opportunity to increase awareness of the AACI, highlight the importance of maintaining the current crop insurance program, and explain the benefits of crop insurance and how it works. AACI members hope to be a resource for crop insurance information for new and returning members of Congress and their staff well into the future.

Fall | October 15-17, 2019 | Washington, D.C.



AACI hosted about 20 members in Washington, DC for the fall fly-in. While in town the attendees met with more than 50 Members of Congress and their staff, administration officials, and commodity group representatives. The AACI members participated in a roundtable discussion with representatives from the corn, cotton, peanut, sugarbeet, and conservation industries where they received an update on the current state of each industry and heard about some of the biggest challenges that growers have had to overcome in recent years.

Later the group met with the two co-chairs of the Congressional Crop Insurance Caucus, Reps. Glenn "GT" Thompson (R-PA) and Cheri Bustos (D-IL), to thank them for their efforts in educating their colleagues about crop insurance.

Additionally, participants spent a day making visits to more than 50 different House offices, meeting with Republicans and Democrats from 25 different states, all of which have some stake in production agriculture. Through these meetings, we were able to grow the membership of the crop insurance caucus, expand AACI's footprint on Capitol Hill, and build support for the crop insurance program.

Bipartisan Crop Insurance Caucus Launched to Educate Congress

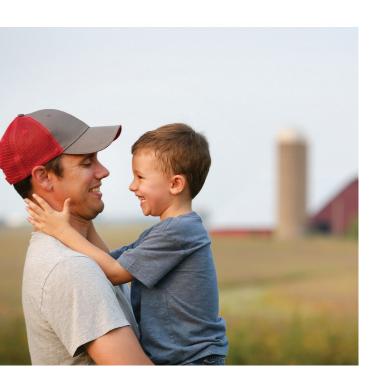
In July, Rep. Cheri Bustos (D-IL-17) and Rep. Glenn "GT" Thompson (R-PA-15) launched the Congressional Crop Insurance Caucus to help Members of Congress and their staff better understand the program and build bipartisan support for this critical risk management tool for farmers and ranchers. To date, there are 38 members of the caucus.



Rep. Cheri Bustos (D-IL-17)



Rep. Glenn "GT" Thompson (R-PA-15)
Co-Chair



"This year our agency witnessed firsthand the level of uncertainty and devastation that can come with extreme weather. Farmers are the backbone of our community and a strong crop insurance program allows them the certainty and security they need to recover and maintain their operations. We applaud Rep. Bustos and Rep. Thompson for their efforts to educate Congress on the importance of crop insurance and the critical role it plays in communities like ours here in Illinois."

GREG AND LUKE SANDROCK Cornerstone Agency

Crop Insurance Caucus Members

Robert Aderholt	R-AL-04	Angie Craig	D-MN-02
Rick Crawford	R-AR-01	Collin Peterson	D-MN-07
John Garamendi	D-CA-03	Trent Kelly	R-MS-02
Jim Costa	D-CA-16	Mark Meadows	R-NC-11
Jimmy Panetta	D-CA-20	Kelly Armstrong	R-ND-At Large
TJ Cox	D-CA-21	Don Bacon	R-NE-02
Salud Carbajal	D-CA-24	Adrian Smith	R-NE-03
Al Lawson Jr.	D-FL-05	Jefferson Van Drew	D-NJ-02
Alcee Hastings	D-FL-20	Sean Patrick Maloney	D-NY-18
Austin Scott	R-GA-08	Anthony Brindisi	D-NY-22
Abbey Finkenauer	D-IA-01	Glenn Thompson	R-PA-05
Dave Loebsack	D-IA-02	Dusty Johnson	R-SD-At Large
Cindy Axne	D-IA-03	Henry Cuellar	D-TX-28
Mike Bost	R-IL-12	Filemon Vela	D-TX-34
Rodney Davis	R-IL-13	Doug LaMalfa	R-CA-01
Cheri Bustos	D-IL-17	Rick Allen	R-GA-12
Roger Marshall, M.D.	R-KS-01	Jackie Walorski	R-IN-2
James Comer	R-KY-01	Sharice Davids	D-KS-03
Jim Hagedorn	R-MN-01	Frank Lucas	R-OK-03



2019 AACI Political Action Committee

MONEY RAISED TOWARDS AACI PAC FROM OUR MEMBERSHIP

\$141,145

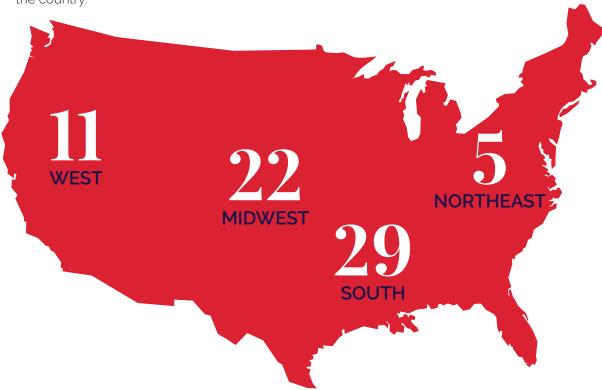
(includes Type I and Type II contributions)

TOTAL MONEY DISTRIBUTED TO HOUSE AND SENATE CAMPAIGNS

\$144,500

CONTRIBUTIONS TO CAMPAIGNS BY REGION

The map below depicts the regional breakdown of campaigns AACI PAC supported throughout the country.



AACI Recognizes Its Champion Defenders on Capitol Hill

LIFETIME ACHIEVEMENT AWARD

Rep. K. Michael Conaway (R-TX-11)



Few in the crop insurance industry will forget when a behind-closed-doors budget deal was negotiated and dropped in the middle of the night in 2015. It proposed devastating cuts to crop insurance that would have singlehandedly destroyed the private sector delivery system had they been implemented. They were not, thanks to Chairman Emeritus Mike Conaway who stepped in and blocked action on that budget until a commitment was received to undo the proposed cuts in a subsequent bill

A couple of years later, in the midst of one of the worst farm economies in decades, Chairman Emeritus Conaway succeeded in passing a farm bill making it the first time since 1990 that Congress passed a farm bill the same year it was introduced. In the House, the final conference report earned a 369-47 vote – one of the largest votes of support in the history of farm bill votes.

For these reasons, we honor Chairman Emeritus Conaway with the AACI Lifetime Achievement Award for his service on behalf of America's farmers and ranchers and his unwavering support of crop insurance.

2019 CHAMPIONS OF CROP INSURANCE



Rep. Cheri Bustos (D-IL-17)



Rep. Glenn "GT" Thompson (R-PA-15)

For their bipartisan partnership and leadership in launching the Congressional Crop Insurance Caucus in 2019, we honor Reps. Cheri Bustos and GT Thompson with our hallmark Champions of Crop Insurance Award.

Thank you to all our AACI PAC Contributors

PAC CHAMPION: \$5.000

Carothers. Dan Rain and Hail Insurance Society PAC

PAC LEADER: \$2,500-\$4,999

Brichler, Ron Latham. Benson

PAC TRAILBLAZER: \$1.500 - \$2.499

Adams, Grant Deterding, Kelly Coleman, Michael Heitman, Larry Leighton, Bradley Miiller, Ron Snider, Todd Weber, Tim

PAC PIONEER: \$500 - \$1,499

Arnold, Scott

Atkinson, Jordan Backer, Adam Barr, Randall C. Baumgart, Jeffrey G. Bird. Daniel L Bird. Robert Black, Robert J. Catalano, Anthony Clarke, Dean Copeland, Timothy Davenport, Michael Deal, Mick (Michael) Denney, Lori Domer, Jay Eversole, Craiq Feilmeier. Dale Fink, Brad Gellatly, Travis Gerstenberger, Ronald Gonzales, Craig Grimsley, Gene Gugat, Brian Hall, Hunter Hardt. Phillip S. Heilig, Gary Jakway, Douglas James, Jon W. Janicek, Kenneth Jensen, Jared

Jones, Kendall Klein. Matthew Korin, James Krultz, Adam Lorimer, William J. Love. Kale Lura, Barry Masters, Mark McDermott. John McGrew. Tim Meyer, Bradley Meyer, Jeffrey Miller. Tom Mossman, Mark O. Munoz, Kristina Norrish, Scott Owens, Bert Peachey, Sue Perry, Warren Dale Powers. Kevin Rohling, Ronald Gerard Sager, Richard Schuler. Dave Singleton, Alan Svingen, Kevin Thomas, Randall L. Ufer William R Wienstroer, John Wilson, William

PAC PATRON: \$250 - \$499

Altfillisch, Jefffrey Scott Argo, Douglas Bafia, Joseph Bartling, Craig Bhangoo, Guri Biewer, Dennis Burghduff, Clint Byrd, Chad Chrystal, John Connealy, Donald Crowley, Dan Currie, Mark Dalton, John Darling, Brad Davis, Brian Eslinger, Wade Esmay, Jackie Flemmer, Erin Goergen, Marvin Goldhahn, Lvnn Goodman, Andrew Gordon, Jennifer

Goteti, Gopalakrishna Graunke, Lucas Hedrick. Brooke Hinders, Randy Hoffman, Joe House, Clark Kafer, Jeffrey Large, Mike Lewsader, Curt Mason, Phyllis Maus, Brock Medley, Michael Nedved. Monica Nesemeier, Chad Perry, Kyle Rath, Michael Rieger, Mark Roberts, Harold W. Rue, Mason Rvan, Creamer Schechinger Palmer, Emily Sequin, Kim Skadberg, Matthew Skinner, Garv Smith. Michael. Sumner, Wyatt Survilla, Joseph Treimer. Kerry Twietmeyer, Philip Umberger, Patrick Van Weelden, Andrew Veenstra, Bradley Veldhouse, Dwight Wigham, Tammy Zignego, James

PAC SUSTAINER: \$25 - \$249

Adams. Michelle Albers, Randy Anderson, Dwight Anderson, Levi Andvik, Bruce Arguelles, Joshua Axtman, Steve Baer, Deborah Barclay, Randy Bartling, Bradley Bauer, Lisa Bausch, Rick Bean, Don Beans, Terry Beckius. Kim Beelev. Robert Begner, Elsie

Belford, Rusty H Berens. Thomas Beraer, Vicki Bergh, William Bernard, Anthony Beutz, Lynn Billington, Kent Blazel, Michael Bliss, Lori Blizzard-Eichstadt. Michelle Bogan, Ricky Boruff, Gregory Bradfute, Bo W Briggs, Kristina Brixen, Roxann Broadhurst, Jordan Brosnahan, Ryan Brown, Jack Bryan, Michael Bunting, Naomi A Bye, Pat Card, Dawn Cardenas. Antoinette Carver, Jill Chance, Stuart Chase, Jason M. Christensen. Dane Christianson, Holly Christoffersen, Sharon L Cleasby, Tammy Clement, David Clouse, Jane Collins, Bridgette Connelly, Nancy Converse, Richard Cook, Steven Coonce, Kim Copes, Larry Corban, Kevin Corbett, Kellen Covalt, Dallas Cremers. Ted Crouzer. Martha Dahl. Eric Dahlquist, Dalys Dail. Steve Davis, Anthony De Nooy, Jonathan Dickerson, Alan

Dohman, Ron

Dossett, Jason

Durkes, Kim

Dylo, Michael

Edelman, Randy

Edwards, Kathy

Dove, Elizabeth D

Eimer, Lawrence Eis. David Elam. Melody Ellis, Lynne Emerson. Heidi Emerson, Teresa Erickson, Darrin Farquhar, Bill Figueroa, Tara Fiske, Daniel Fierstad, Jamey Flemmer, Lynn Fransen, Shari Franz, Tim Frazier, Austin J Fridgen, Toni Frietsch, Donna J Froslee. Jeff Gargulak, Mark Garispe. Daniel Garrison. Vickie Gauer, Pat Gever, Kathi Gibson, Jacquelyn Gillett. Marie Glanzer, Jon N Goche, Joshua Gothier. Pamela J. Graham. Peter Grant, Colleen Green, Steven Grindstaff. Joe Grout, Crystal Gruben, Rickey Gruner, Bradley Guestin, Rick Hade, Thomas Hagen, Angela Hahn. Annette Hahn, Lawrence Hamel, Megan Hamstra, Kurt R Hanawa. Ben Hanson, Michael Hawkins, William Hayden, Jan Hayes, Terry K Heinrich, Gerri M Henrich, William J. Herichs. Garrett Hillestad, Jamie Hillman, Darcy Hilton, Gary Hobson, Danny Hoffman, Jeffrey

Holmes, Susan

Holz, Kenneth D

Horner, Richard Huckert. Anissa Hudson, Rebecca J Hunnicutt, Plenn Hunt. Dan Jackson, Roy Jackson, Shane Jackson, Sharlyn Jacob, Artz Jacobi, Jay Jacobsen, Brian Jamison, Bill Jensen. Brenda Joachim, Susan Johnson, Camille Johnson, Danelle Johnson, Jan Jones, Karla K Joseph, Michele Junk, Greg Kegley, Michael Kelich, Tricia Kelley, Craig Kerber, Cory Kerns, Harold Kesner, Cherise Kessler, Jason Klais, Glen Klaus, Amy Koebel, Angie Koester, Jason Kolb. Daphne Kopf, Kathy Korthals, David Krause, Carole Krebs, Gabriel Kreikemeier, Barry Krusemark, Rochelle Kueny, Vincent Kunshek. Bill LaMattina, Staci Lamb, Thomas Lang, Jean M. Langley, Billy Lanier, Jeffrey Large, Joseph Larsen, John R. Larson, Mark A. Larson, Tyler Lassey, Paul Lasz, Cheryl Leibbrand, Richard Lekstrom, Cheryl Lenhof, Bernice Levtzow, Merlyn Lewis, Tish

Lillehaugen, Luke Little. Amv Loff, Bryan Look, Kathy Luedtke, Kara Martin, Laurel Martin, Mindy Mathis, Ronnie Mattern, Randy Mattrocce, David May, Bodie McDaniel, James E. McHenry, Robert McKnight, Wesley McMartin, John Melcher, Jason Melgoza, Alvaro Mesko, George Meyer, Glen Michels. Jan Mickelson, Mark Milholland, Steve Miller, Jeff K. Miller. Kellv Milloy, Cheryl A Moe, Christopher Molen, Todd Vander Molstad, David B. Monson, Dean Montelauro, Kevin Morrill, Daniel Morrison, Justin Morrison, Vic Morrison, William Moser, Brad L Murphy, Rickey Myers, Aaron Neal, Matthew Nelson, Jenna Nelson, LeAnn Norrish, Holly Norrish, Kimberly Norwood, David Oleaga, William Olek, John Olin, Michael T. Olson, Barry Olson, Catherine Ormon, Clay Otto. James Parker, Wendell Paul, David Peasland, Brian Perez, Leonard

Phillips, William

Polden, Barbara A

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Strait, Mark

Strei, Chad

Stroop, Wendy Struble, Aaron Swanson. Tom Sweeney, Ryan Swing, Robert Taque, Laverne Taubert, Dennis R. Tekinalph, Serhat Terry, John Thompson, Carol K. Thompson, Matt Throckmartin, Ryan Tower. Chad Trampel, Roger Trojcak, Josh Tucker, Austin Turnbull, Cameron Vandiver, Paul Vinson, Robert Wagener, Gloria F. Wagner, John Walsh, Christopher Ward, Dale Wardenburg, Eric Waters, Missy Wesenick, Melissa Wheeler, Kathy Wheeler. Kevin Whiddon, Johnny Wiedeman, John Wieland, Cheryl Wiering, Richard Wilke, Lloyd Williams, Gary J. Wilson, David Wilson, Eric R. Winczewski, James Wischmeyer, Robert Withers, Jolene Wolters, Grea Wood, Ron Yeager, Terry <\$25 Butler, Kent

Carrillon, Nicole

Engelbrecht, Laci

Gaworski, George

Gilbreath, Lynda

Hardisty, Abigail

Pandolfo, Anthony

Rasmussen, Alan

Schneider, Eden

Thompson, Debra

Royer, Steve

TYPE II CONTRIBUTIONS

Rain & Hail PAC CGB PAC Brichler, Ron Deterdina, Kelly Rutledge, Ron Latham, Benson Young, Brian Schuler. Dave Allison, Mark Carroll, Jason Carroll, Arthur Fix, Curtis Heitman, Larry Klein, Matthew Korin, James Sheeley, John Singleton, Alan Weber, Tim Arnold, Scott Frerichs, Stephen Bird, Dan Black, Bob Davenport, Micahel Hall. Mark Hunter Le, Vince Miiller, Ron Thomas, Randy Ufer. Bill Supple, Patrick Jakway, Douglas Leighton, Brad Mossman, Mark Behrends, Todd Baumgart, Jeffrey Bird, Bob Catalano, Tony Coleman, Micahel Darling, Brad Gonzales, Craig Grimsley, Gene James, Jon Krakau. Mark Lealeiter, Michael Shuler, Paul W Utter, Cynthia Ellie Foster. Shannon Harms, Steve Heilig, Gary Lung, Ted Malloy, Susan McAleer, Matt Meyer, Brad Oswald, Nick Powers, Kevin

AMERICAN ASSOCIATION OF CROP INSURERS 2019 ANNUAL REPORT

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