



United States  
Department of  
Agriculture

Farm and Foreign  
Agricultural  
Services

Risk  
Management  
Agency

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November 26, 2013

**INFORMATIONAL MEMORANDUM: PM-13-058**

TO: All Approved Insurance Providers  
All Risk Management Agency Field Offices  
All Other Interested Parties

FROM: Tim B. Witt /s/ Tim B. Witt  
Deputy Administrator

SUBJECT: 2014 Crop Year (CY) Organic Cotton Price Premium and Popcorn Revenue Factor

**BACKGROUND**

The ‘Commodity Exchange Price Provisions (CEPP) Section II: Cotton’ authorizes the Risk Management Agency (RMA) to derive organic practice cotton prices for the Yield Protection, Revenue Protection, and Revenue Protection with Harvest Price Exclusion plans of insurance. The methodology used to calculate these prices is posted on the RMA website under the publications tab at [www.rma.usda.gov/pubs/](http://www.rma.usda.gov/pubs/). The amount will be added to the conventional cotton prices as determined in accordance with the CEPP.

The Popcorn Revenue Coverage (Pilot) Crop Provisions, which specifies the projected and harvest prices for the Revenue Protection and Revenue Protection with Harvest Price Exclusion plans of insurance, states these prices shall be the “price for grain type corn determined in accordance with the [CEPP] multiplied by a factor...” The factor converts the conventional per bushel corn price into a per pound popcorn price. The Special Provisions of Insurance contains similar language for the projected price for the Yield Protection plan of insurance. The factor will be available in the Price Discovery Reporting Application, located on the RMA website at <http://www.rma.usda.gov/tools/pricediscovery.html> when the initial 2014 CY CEPP price discovery period for corn begins.

**ACTION**

The following price components are applicable for the 2014 CY Cotton and Popcorn Crop Provisions:

- Organic Cotton Price Premium \$ 0.58 per pound
- Popcorn Conversion Factor 0.0426

**DISPOSAL DATE**

March 14, 2014