

United States Department of Agriculture

May 22, 2014

Farm and Foreign Agricultural Services

Risk Management Agency

Beacon Facility Mail Stop 0801 P.O. Box 419205 Kansas City, MO 64141-6205

INFORMATIONAL MEMORANDUM: PM-14-019

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 Price B for Cotton Quality Adjustment

BACKGROUND:

Consistent with the Special Provisions statement in lieu of section 10(d)(1) of the Upland and ELS Cotton Crop Provisions, Price B will be established by adding premiums or discounts associated with the predominant cotton quality characteristics as determined by the Farm Service Agency (FSA) to the Upland and ELS Cotton National Average Loan Rate. The predominant quality characteristics of cotton in each state are determined from the most recent three years of Agricultural Marketing Service cotton classing data.

ACTION:

Approved Insurance Providers must use the applicable Price B for quality adjustment purposes from the attached Upland and ELS Cotton Quality tables for the 2014 crop year.

DISPOSAL DATE:

December 31, 2014

ATTACHMENT 2014 Upland Cotton Price B by state

G4 4	Color	Leaf	Staple		Strength		Uniformity		Mike		Extraneous Matter		2014 Upland		Price B
State AL	31	3	36		29		81		45		None		Cotton NALR		Tire b
		0.0425		+	0.0010	+	0	+	0	+	0	+	\$0.52	=	0.5635
State	Color	Leaf	Staple 36		Strength 30		Uniformity 81		Mike 45		Extraneous Matter	-	2014 Upland Cotton		Price B
AZ	21												NALR		
		0.0525		+	0.0025	+	0	+	0	+	0	+	\$0.52	=	\$0.5750
State	Color	Leaf	Staple		Strength		Uniformity		Mike		Extraneous Matter		2014 Upland Cotton		Price B
AR	31	3	36		31		82		48		None		NALR		
		0.0425		+	0.0045	+	0.0010	+	0	+	0	+	\$0.52	=	\$0.5680
							_				1				
State	Color	Leaf	Staple		Strength		Uniformity		Mike		Extraneous Matter		2014 Upland		Price B
CA	11 & 21	1-2	37		34		82		41		None		Cotton NALR		
		0.0550		+	0.0045	+	0.0010	+	0.0015	+	0	+	\$0.52	=	\$0.5820
State	Color	Leaf	Staple		Strength		Uniformity		Mike		Extraneous Matter	-	2014 Upland Cotton		Price B
FL	31	3	37		29		82		45		None		NALR		
		0.0435		+	0.0010	+	0.0010	+	0	+	0	+	\$0.52	=	\$0.5655
State	Color	Leaf	Staple		Strength		Uniformity		Mike		Extraneous Matter		2014 Upland		Price B
GA	31	3	36		29		82		45		None		Cotton NALR		
		0.0425		+	0.0010	+	0.0010	+	0	+	0	+	\$0.52	=	\$0.5645
State		Leaf	Staple		Strength		Uniformity		Mike		Extraneous Matter		2014 Upland		Price B
KS	11 & 21	1-2	35		29		80		40		None		Cotton NALR		
		0.0425		+	0.0010	+	0	+	0.0015	+	0	+	\$0.52	=	\$0.5650

ATTACHMENT 2014 Upland Cotton Price B by state

State LA State MS	Color 41 Color 31	4 0.0095	Staple 36	+	Strength 29 0.0010 Strength 30 0.0025	+	Uniformity 81 0 Uniformity 82 0.0010	+	Mike 48 0 Mike 47	+	Extraneous Matter None 0 Extraneous Matter None 0	+	2014 Upland Cotton NALR \$0.52 2014 Upland Cotton NALR \$0.52		Price B \$0.5305 Price B \$0.5660
State MO	Color 31	Leaf 3 0.0425	Staple 36	+	Strength 31 0.0045	+	Uniformity 82 0.0010	+	Mike 47	+	Extraneous Matter None	+	2014 Upland Cotton NALR \$0.52		Price B \$0.5680
State NM	Color 11 & 21	Leaf 1-2 0.0550	Staple 37	+	Strength 29 0.0010	+	Uniformity 81 0	+	Mike 40 0.0015	+	Extraneous Matter None	+	2014 Upland Cotton NALR \$0.52		Price B \$0.5775
State NC	Color 41	3 0.0150	Staple 35	+	Strength 29 0.0010	+	Uniformity 82 0.0010	+	Mike 46 0	+	Extraneous Matter None	+	2014 Upland Cotton NALR \$0.52		Price B \$0.5370
State OK	11 & 21	Leaf 1-2 0.0525	Staple 36	+	Strength 31 0.0045	+	Uniformity 81 0	+	Mike 43	+	Extraneous Matter None	+	2014 Upland Cotton NALR \$0.52		Price B \$0.5770
State SC	Color 41	3 0.0220	Staple 36	+	Strength 29 0.0010	+	Uniformity 82 0.0010	+	Mike 45	+	Extraneous Matter None	+	2014 Upland Cotton NALR \$0.52	Π	Price B \$0.5440

ATTACHMENT 2014 Upland Cotton Price B by state

State TN	Color 31	3	Staple 35		Strength 30		Uniformity 81		Mike 47		Extraneous Matter None		2014 Upland Cotton NALR		Price B
		0.0330		+	0.0025	+	0	+	0	+	0	+	\$0.52	=	\$0.5555
G	Color	Leaf	Staple		Strength		Uniformity		Mike		Extraneous Matter		2014 Upland		n to n
State TX	11 & 21	1-2	35		30		81		42		None		Cotton NALR		Price B
		0.0425	i	+	0.0025	+	0	+	0.0015	+	0	+	\$0.52	=	\$0.5665
											T.		2014		
State	Color	Leaf	Staple		Strength		Uniformity		Mike		Extraneous Matter		2014 Upland		Price B
State VA	41	3	35		29		82		46		None		Cotton NALR		THE
		0.0150		+	0.0010	+	0.0010	+	0	+	0	+	\$0.52		\$0.5370

ATTACHMENT 2014 ELS Cotton Price B by State

State	Color	Leaf	Staple		Strength		Mike		Extraneous Matter		Price B	2014 ELS Cotton
AZ	01	2	48 & Longer		43		40		None			NALR
		0.8195	5	+	0	+	0	+	0	=	\$0.8195	\$0.7977
State	Color	Leaf	Staple		Strength		Mike		Extraneous Matter		Price B	2014 ELS Cotton
CA	02	2	48 & Longer		45 & Above		40		None			NALR
	0.8170			+	0	+	0	+	0	=	\$0.8170	\$0.7977
State	Color	Leaf	Staple		Strength		Mike		Extraneous Matter		Price B	2014 ELS Cotton
NM	02	2	48 & Longer		41		43		None		THE B	NALR
		0.8170)	+	0	+	0	+	0	=	\$0.8170	\$0.7977
State	Color	Leaf	Staple		Strength		Mike		Extraneous Matter		Price B	2014 ELS Cotton NALR
TX	02	2	46		42		44		None			IVALIX
		0.8160)	+	0	+	0	+	0	=	\$0.8160	\$0.7977