



**United States Department of Agriculture**

Farm and Foreign Agricultural Services  
Risk Management Agency

**INFORMATIONAL MEMORANDUM**

**TO:** All Reinsured Companies  
All Risk Management Field Offices  
All Other Interested Parties

**FROM:** Kenneth D. Ackerman /s/ Ken Ackerman 1-19-01  
Administrator

**SUBJECT:** Arkansas, Louisiana, Mississippi, Missouri, Oklahoma, Tennessee, and Texas  
Cotton Advisory

**ISSUE:**

To advise program participants that flood-irrigated cotton does not qualify for an irrigated practice in the states of Arkansas, Louisiana, Mississippi, Missouri, Oklahoma, Tennessee and Texas without a written agreement.

**DISCUSSION:**

The Risk Management Agency (RMA) received reports of producers who intend to plant cotton on land that was previously used for rice production and who ask if this acreage will be considered irrigated if they use flood-irrigation methods.

Agents and companies indicate that producers are likely to increase cotton acreage for crop year 2001. Rice prices continue to be depressed and reports indicate that many growers are considering planting cotton on land that was previously planted to rice. Reports indicate that producers may use flood irrigation systems to irrigate the cotton acreage. However, cotton in these states has traditionally been irrigated using furrow irrigation or a sprinkler system, i.e. center pivot.



1400 Independence Ave., SW • Stop 0801 • Washington, DC 20250-0801

The Risk Management Agency Administers and Oversees  
All Programs Authorized Under the Federal Crop Insurance Corporation

An Equal Opportunity Employer

The Common Crop Insurance Policy Basic Provisions (Basic Provisions) (01-BR) in the “Insured Crop” Section 8(b)(1) states that the crop will not be insured:

“If the farming practices carried out are not in accordance with the farming practices for which the premium rates, production guarantees, or amounts of insurance have been established, unless insurance is allowed by a written agreement;”

The irrigated cotton rates and production guarantees in the subject states were established based on furrow irrigation or sprinkler system methods of irrigation. In these states, cotton that is irrigated in any other manner must be reported and insured as a non-irrigated practice under the terms of the Basic Provisions unless a written agreement is in effect for the flood-irrigated practice and appropriate rates and yields have been established.

Requests for written agreements to insure flood-irrigated cotton as an irrigated practice must include the producer’s yield history and certify that flood-irrigation was employed for each year that a certified yield is submitted.

**DISPOSAL:**

The disposal date of this memorandum is December 31, 2001.