



United States
Department of
Agriculture

Farm Production
and Conservation

Risk
Management
Agency

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INFORMATIONAL MEMORANDUM: PM-17-063

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

FROM: Richard H. Flournoy /s/*Richard H. Flournoy*
Deputy Administrator

SUBJECT: 2018 Crop Year Organic Rice Price Factor, Organic Cotton Price
Premium, and Popcorn Factors

BACKGROUND:

Organic Rice Factor

The Risk Management Agency (RMA) offers distinct rice organic practice prices for the following plans of insurance: Yield Protection; Area Yield Protection; Supplemental Coverage Option (SCO) Yield Protection; Revenue Protection; Area Revenue Protection; SCO Revenue Protection; Revenue Protection with Harvest Price Exclusion (HPE); Area Revenue Protection with HPE; and SCO Revenue Protection with HPE. The definitions and specifications for the rice organic practice prices are provided in the 'Commodity Exchange Price Provisions (CEPP) Section II: Rice' document at <http://www.rma.usda.gov/policies/cepp.html>.

The methodology used to calculate the organic practice rice prices is posted on the RMA website under the publications tab at www.rma.usda.gov/pubs/. The following 2018 CY organic practice price factor will be applied to conventional practice rice prices, as determined in accordance with the CEPP, to derive the organic practice rice prices:

- Organic Practice Rice Price Factor 1.34

Organic Cotton Price Premium

The 'Commodity Exchange Price Provisions (CEPP) Section II: Cotton' document, located at <http://www.rma.usda.gov/policies/cepp.html>, authorizes RMA to derive organic practice cotton prices for the following plans of insurance: Yield Protection; Area Yield Protection; SCO Yield Protection; Revenue Protection; Area Revenue Protection; SCO Revenue Protection; Revenue Protection with HPE; Area Revenue Protection with HPE; SCO Revenue Protection with HPE; Stacked Income Protection Plan – Revenue Protection; and Stacked Income Protection Plan – Revenue Protection with HPE.

