



**United States  
Department of  
Agriculture**

Farm Production  
and Conservation

Risk  
Management  
Agency

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

May 28, 2019

**INFORMATIONAL MEMORANDUM: PM-19-030**

**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:** 2019 Price B for Cotton Quality Adjustment

**BACKGROUND:**

In accordance with the Special Provisions, Price B will be established by adding premiums and/or discounts associated with the predominant cotton quality characteristics, as determined by the Farm Service Agency, to the Upland and ELS Cotton National Average Loan Rates. 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 2019 crop year.

**DISPOSAL DATE:**

December 31, 2019

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**2019 Upland Cotton Price B by State**

<b>State AL</b>	Color	Leaf	Staple		Strength	Uniformity	Mike	Extraneous Matter	2019 Upland Cotton NALR	<b>Price B</b>
	31	3	37		29	82	4.6	None		
$0.0380 + 0.0005 + 0.0005 + 0 + 0 + \$0.5200 = \$0.5590$										
<b>State AZ</b>	Color	Leaf	Staple		Strength	Uniformity	Mike	Extraneous Matter	2019 Upland Cotton NALR	<b>Price B</b>
	11 & 21	1-2	37		31	81	4.7	None		
$0.0465 + 0.0040 + 0 + 0 + 0 + \$0.5200 = \$0.5705$										
<b>State AR</b>	Color	Leaf	Staple		Strength	Uniformity	Mike	Extraneous Matter	2019 Upland Cotton NALR	<b>Price B</b>
	31	3	37		31	82	4.5	None		
$0.0380 + 0.0040 + 0.0005 + 0 + 0 + \$0.5200 = \$0.5625$										
<b>State CA</b>	Color	Leaf	Staple		Strength	Uniformity	Mike	Extraneous Matter	2019 Upland Cotton NALR	<b>Price B</b>
	11 & 21	1-2	37		36 & Above	82	4.4	None		
$0.0465 + 0.0050 + 0.0005 + 0 + 0 + \$0.5200 = \$0.5720$										
<b>State FL</b>	Color	Leaf	Staple		Strength	Uniformity	Mike	Extraneous Matter	2019 Upland Cotton NALR	<b>Price B</b>
	31	3	36		29	82	4.7	None		
$0.0340 + 0.0005 + 0.0005 + 0 + 0 + \$0.5200 = \$0.5550$										
<b>State GA</b>	Color	Leaf	Staple		Strength	Uniformity	Mike	Extraneous Matter	2019 Upland Cotton NALR	<b>Price B</b>
	31	3	37		29	82	4.7	None		
$0.0380 + 0.0005 + 0.0005 + 0 + 0 + \$0.5200 = \$0.5590$										
<b>State KS</b>	Color	Leaf	Staple		Strength	Uniformity	Mike	Extraneous Matter	2019 Upland Cotton NALR	<b>Price B</b>
	31	3	36		28	80	3.7	None		
$0.0340 + 0.0000 + 0 + 0.0010 + 0 + \$0.5200 = \$0.5550$										
<b>State LA</b>	Color	Leaf	Staple		Strength	Uniformity	Mike	Extraneous Matter	2019 Upland Cotton NALR	<b>Price B</b>
	31	3	37		31	82	4.8	None		
$0.0380 + 0.0040 + 0.0005 + 0 + 0 + \$0.5200 = \$0.5625$										
<b>State MS</b>	Color	Leaf	Staple		Strength	Uniformity	Mike	Extraneous Matter	2019 Upland Cotton NALR	<b>Price B</b>
	31	3	37		32	82	4.8	None		
$0.0380 + 0.0040 + 0.0005 + 0 + 0 + \$0.5200 = \$0.5625$										

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**2019 Upland Cotton Price B by State**

<b>State MO</b>	Color	Leaf	Staple		Strength		Uniformity		Mike		Extraneous Matter	2019 Upland Cotton NALR	<b>Price B</b>
	31	3	37		31		83		4.3		None		
	0.0380			+	0.0040	+	0.0010	+	0	+	0	+	
<b>State NM</b>	Color	Leaf	Staple		Strength		Uniformity		Mike		Extraneous Matter	2019 Upland Cotton NALR	<b>Price B</b>
	11 & 21	1-2	37		30		81		4.0		None		
	0.0465			+	0.0025	+	0	+	0.0010	+	0	+	
<b>State NC</b>	Color	Leaf	Staple		Strength		Uniformity		Mike		Extraneous Matter	2019 Upland Cotton NALR	<b>Price B</b>
	41	4	37		30		81		4.8		None		
	0.0165			+	0.0025	+	0	+	0	+	0	+	
<b>State OK</b>	Color	Leaf	Staple		Strength		Uniformity		Mike		Extraneous Matter	2019 Upland Cotton NALR	<b>Price B</b>
	11 & 21	1-2	37		31		81		4.3		None		
	0.0465			+	0.0040	+	0	+	0	+	0	+	
<b>State SC</b>	Color	Leaf	Staple		Strength		Uniformity		Mike		Extraneous Matter	2019 Upland Cotton NALR	<b>Price B</b>
	31	3	37		29		82		4.5		None		
	0.0380			+	0.0005	+	0.0005	+	0	+	0	+	
<b>State TN</b>	Color	Leaf	Staple		Strength		Uniformity		Mike		Extraneous Matter	2019 Upland Cotton NALR	<b>Price B</b>
	31	3	37		31		82		4.6		None		
	0.0380			+	0.0040	+	0.0005	+	0	+	0	+	
<b>State TX</b>	Color	Leaf	Staple		Strength		Uniformity		Mike		Extraneous Matter	2019 Upland Cotton NALR	<b>Price B</b>
	11 & 21	1-2	37		30		81		4.4		None		
	0.0465			+	0.0025	+	0	+	0	+	0	+	
<b>State VA</b>	Color	Leaf	Staple		Strength		Uniformity		Mike		Extraneous Matter	2019 Upland Cotton NALR	<b>Price B</b>
	41	4	37		30		82		4.6		None		
	0.0165			+	0.0025	+	0.0005	+	0	+	0	+	

**INFORMATIONAL MEMORANDUM: PM-19-030 ATTACHMENT**

**2019 ELS Cotton Price B by State**

<b>State AZ</b>	Color Grade	Leaf	Staple		Strength		Mike		Extraneous Matter		Price B	2019 ELS Cotton NALR
	01	1	48 & Longer		43		3.8		None			
	0.9675			+	0	+	0	+	0	=	\$0.9675	\$0.9500
<b>State CA</b>	Color Grade	Leaf	Staple		Strength		Mike		Extraneous Matter		Price B	2019 ELS Cotton NALR
	02	2	48 & Longer		45 & Above		4.1		None			
	0.9640			+	0	+	0	+	0	=	\$0.9640	\$0.9500
<b>State NM</b>	Grade Color	Leaf	Staple		Strength		Mike		Extraneous Matter		Price B	2019 ELS Cotton NALR
	02	2	48 & Longer		42		4.1		None			
	0.9640			+	0	+	0	+	0	=	\$0.9640	\$0.9500
<b>State TX</b>	Color Grade	Leaf	Staple		Strength		Mike		Extraneous Matter		Price B	2019 ELS Cotton NALR
	02	2	48 & Longer		42		4.2		None			
	0.9640			+	0	+	0	+	0	=	\$0.9640	\$0.9500