



United States  
Department of  
Agriculture

Farm and Foreign  
Agricultural Services

Risk  
Management  
Agency

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November 28, 2012

**INFORMATIONAL MEMORANDUM: PM-12-058**

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

**FROM:** Tim B. Witt */s/Rodger M. Matthews, for.*  
Deputy Administrator

**SUBJECT:** 2013 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 specifies the projected and harvest prices for popcorn shall be the “price for grain type corn determined in accordance with the [CEPP] multiplied by a factor...” This factor converts the conventional per bushel corn price into a per pound popcorn price. The submitter provides the factor for their program, and the Special Provisions of Insurance for Popcorn Yield Protection authorizes use of this same factor in determining the price election. The factor will be viewable in the Price Discovery Reporting Application, located on the RMA website at <http://www.rma.usda.gov/tools/pricediscovery.html>.

**ACTION**

RMA is issuing the following 2013 CY price components, supplementing the 2013 CY Cotton and Popcorn Crop Provisions:

- Organic Cotton Price Premium \$ 0.47 per pound
- Popcorn Conversion Factor 0.0368



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

**DISPOSAL DATE**

March 15, 2013