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## **USDA Implements New Farm Bill Provisions for Cotton Producers**

News Release |  
Washington DC  
|  
August 12, 2014  
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### **Stacked Income Protection Plan will be available to upland cotton producers for 2015 crop year**

WASHINGTON, D.C., August 12, 2014 – The U.S. Department of Agriculture’s Risk Management Agency (RMA) today announced that the Stacked Income Protection Plan (STAX) will be available to upland cotton producers through the federal crop insurance program beginning with the 2015 crop year. STAX is one of several new risk management options created by the 2014 Farm Bill that will help protect farmers from events beyond their control such as weather disasters.

“The 2014 Farm Bill provides more options for farmers and ranchers to manage risks to their businesses and makes crop insurance more affordable for beginning farmers,” said RMA Administrator Brandon Willis. “STAX will provide upland cotton producers with an additional tool beginning with the 2015 crop year. We want to make as much information available now to assist with farmers’ risk management planning.”

STAX is an area-based revenue policy that may be purchased on its own, or in conjunction with another companion upland cotton crop insurance policy. As a general matter, STAX may begin paying when revenue drops below 90 percent of the expected revenue for the area and a full indemnity may be payable when area revenue falls below 70 percent of the expected level. The amount of actual coverage

and indemnity received by a producer will depend on the producer's choice of a trigger yield, coverage range and other elections made under the STAX and companion policy. Producers should consult with their crop insurance agents to find the coverage that best suits their needs. Producers may not cover the same acres in both STAX and the new Supplemental Coverage Option.

For the 2015 crop year, STAX will be available for upland cotton in all counties where federal crop insurance coverage for upland cotton is currently offered. STAX will offer practice-specific irrigated and non-irrigated coverage as data are available. Information on STAX for 2015 cotton is available on the RMA website at [www.rma.usda.gov](http://www.rma.usda.gov).

Today's announcement was made possible by the 2014 Farm Bill. The 2014 Farm Bill builds on historic economic gains in rural America over the past five years, while achieving meaningful reform and billions of dollars in savings for taxpayers. Since enactment, USDA has made significant progress to implement each provision of this critical legislation, including providing disaster relief to farmers and ranchers; strengthening risk management tools; expanding access to rural credit; funding critical research; establishing innovative public-private conservation partnerships; developing new markets for rural-made products; and investing in infrastructure, housing and community facilities to help improve quality of life in rural America. For more information, visit [www.usda.gov/farmbill](http://www.usda.gov/farmbill).

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