

PM-23-070

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Date

November 15, 2023

To

All Approved Insurance Providers

All Risk Management Agency Field Offices

All Other Interested Parties

From

Richard H. Flournoy, Deputy Administrator /s/ John W. Underwood for

Subject

2024 Crop Year Organic Rice Price Factor, Organic Cotton Price Premium, Popcorn Price Factors, Sunflower Price Factors, and Grain Sorghum Price Factor

Background

The Risk Management Agency (RMA) derives prices for certain programs by applying factors and premiums to conventional projected and harvest prices established in accordance with the Commodity Exchange Price Provisions (CEPP). The factors and premiums for organic rice, organic cotton, popcorn, organic popcorn, confectionery sunflowers, organic sunflowers, and grain sorghum are provided below.

Action

Organic Rice Price Factor

The “CEPP Section II: Rice” document authorizes RMA to derive organic rice prices. The following 2024 crop year (CY) organic price factor will be applied to conventional rice prices, in accordance with the CEPP, to derive organic rice prices:

- Organic Rice Price Factor 1.34

Organic Cotton Price Premium

The “CEPP Section II: Cotton” document authorizes RMA to derive organic cotton prices. The following 2024 CY organic price premium will be added to conventional cotton prices, in accordance with the CEPP, to derive organic cotton prices:

- Organic Cotton Price Premium \$0.59 per pound

Popcorn Price Factors

The Popcorn Revenue Coverage (Pilot) Crop Provisions specify that projected and harvest prices shall be the “price for grain type corn determined in accordance with the [CEPP] multiplied by a factor....” The factor converts the conventional per bushel corn price into a per pound popcorn price. The Special Provisions of Insurance contain similar language for the projected price for Yield Protection. The following conversion factor is applicable for the 2024 CY:

- Popcorn Conversion Price Factor 0.0450

An organic price factor converts conventional per bushel corn prices into per pound organic popcorn prices. The following conversion factor is applicable for the 2024 CY:

- Organic Popcorn Conversion Price Factor 0.0619

Sunflower Price Factors

The “CEPP Section II: Sunflowers” document instructs RMA to derive confectionery sunflower prices. The following 2024 CY confectionery price factor will be applied to oil sunflower prices, in accordance with the CEPP, to derive confectionery sunflower prices:

- Confectionery Sunflower Price Factor 1.21

The “CEPP Section II: Sunflowers” document authorizes RMA to derive organic sunflower prices. The following 2024 CY organic price factor will be applied to conventional oil sunflower prices, in accordance with the CEPP, to derive organic sunflower prices for both oil and confectionery types:

- Organic Sunflower Price Factor 1.74

Grain Sorghum Price Factor

The “CEPP Section II: Grain Sorghum” document instructs RMA to derive conventional grain sorghum prices. The following 2024 CY grain sorghum price factor will be applied to corn futures prices, in accordance with the CEPP, to derive conventional grain sorghum prices:

- Grain Sorghum Price Factor 1.002

DISPOSAL DATE:

December 31, 2024