

USDA RMA Clarifies STAX Eligibility Procedures for 2021; Producers Who Want STAX Should Review ARC/PLC Status

Friday, March 5, 2021

By Shawn Wade

Officials at the USDA Risk Management Agency have clarified how they will determine a cotton producer's eligibility for purchasing the Stacked Income Protection Plan (STAX) insurance endorsement on their 2021 cotton acres based on whether or not they have enrolled seed cotton base acres on a farm, into either the Agricultural Risk Coverage (ARC) or Price Loss Coverage (PLC) programs that are available through the USDA Farm Service Agency.

Legislatively, a producer is not allowed to have an active enrollment in the ARC/PLC program on seed cotton base acres and an active STAX policy endorsement on their insured cotton acres on the same farm (identified by FSA Farm Number) in the same crop year. In light of the earlier ARC/PLC signup deadline that USDA FSA set for 2021, the question arises of when RMA verifies the information a producer is required to report about the status of a farm's ARC/PLC participation.

The initial response to this question posed to RMA staff by Plains Cotton Growers in late January indicated that RMA would use the date the Crop Acreage Report is filed as the snapshot date to determine if the producer has an active ARC/PLC enrollment on the farm and if they would be eligible to purchase STAX on those acres.

Following that response, PCG asked if a producer would be viewed as meeting the eligibility criteria of not having an active ARC/PLC enrollment on a farm where they had initially signed an ARC/PLC enrollment for seed cotton base but subsequently withdrew the enrollment under current FSA rules. Again, RMA's response was consistent: since the STAX eligibility snapshot is taken on the acreage reporting date, an ARC/PLC contract withdrawn prior to the producer filing their Crop Acreage Report would appear to meet the legislative requirement prohibiting concurrent participation in STAX and ARC/PLC on a farm.

Unfortunately, additional discussion of the question within USDA, which extended until a short two weeks before the last Upland cotton federal crop insurance Sales Closing Date and the USDA FSA ARC/PLC program enrollment deadline of **March 15**, resulted in a different interpretation of the situation and what can only be perceived as a significant shift in RMA's policy to determine if a producer is eligible for STAX on a farm.

The official RMA policy was announced in an informational bulletin released March 4 ([Informational Memorandum: OA-21-002](#)) that outlines how the agency will make eligibility determinations relative to STAX for 2021 and future years.

In simple terms, RMA has decided that the enrollment status of a farm in an ARC/PLC program contract on seed cotton base acres will be based on the farm's initial enrollment status as of the 2021 ARC/PLC enrollment deadline of March 15, regardless of

the fact that a producer has the ability to withdraw base acres from an ARC/PLC contract and is not required to report the ARC/PLC status of the farm to RMA until they file their Crop Acreage Report.

This decision – and the language it is based upon in the revisions made to the STAX insurance policy in 2020 – appear to go beyond Congress's legislative prohibition of concurrent participation in STAX and ARC/PLC and will extend that prohibition to any acres that are initially enrolled in ARC/PLC, even if properly withdrawn before the producer is required to report their status to RMA.

Again, the decision between ARC/PLC (for seed cotton base) and STAX is made on a farm-by-farm basis (identified by FSA Farm Number).

With only one week left before the USDA FSA ARC/PLC signup deadline, producers who plan to add STAX to their risk management portfolio for 2021 are advised to make any necessary adjustments to their ARC/PLC enrollment status on seed cotton base at their local USDA FSA office prior to March 15 to ensure that their preferred insurance coverages can attach to 2021 cotton acres.

USDA Extends Application Deadline for the Quality Loss Adjustment (QLA) Program

Friday, March 5, 2021

By USDA

The U.S. Department of Agriculture (USDA) is **EXTENDING** the deadline from March 5 to **April 9, 2021** for agricultural producers to apply for the Quality Loss Adjustment (QLA) Program because of recent winter storms and some clarifications to program rules. This program assists producers who suffered crop quality losses due to qualifying 2018 and 2019 natural disasters.

"Because of recent winter storms and some program updates, we want to provide five additional weeks for producers to apply for the program," said Zach Ducheneaux, Administrator of the Farm Service Agency (FSA). "I want to make sure eligible producers have the opportunity to apply and to work with our team members to help with any questions. We recently clarified policy to ensure producers who sold grain to the feed market due to quality issues are adequately compensated."

The QLA program assists producers whose eligible crops suffered quality losses due to qualifying drought, excessive moisture, flooding, hurricanes, snowstorms, tornadoes, typhoons, volcanic activity, or wildfires.

Eligible crops include those for which federal crop insurance or Noninsured Crop Disaster Assistance Program (NAP) coverage is available, except for grazed crops and value loss crops, such as honey, maple sap, aquaculture, floriculture, mushrooms, ginseng root, ornamental nursery, Christmas trees, and turfgrass sod. Additionally, crops that were sold or fed to livestock or that are in storage may be eligible.

Assistance is available in counties that received a Presidential Emergency Disaster Declaration or Secretarial Disaster

Designation, or for drought, a county rated by the U.S. Drought monitor as having a D3 (extreme drought) or higher. Producers in counties that did not receive a qualifying declaration or designation may still apply but must also provide supporting documentation.

FSA will issue payments once the application period ends. If the total amount of calculated QLA payments exceeds available program funding, payments will be prorated.

For more information on today's announcement visit https://www.fsa.usda.gov/news-room/news-releases/2021/usda-extends-application-deadline-for-the-quality-loss-adjustment-program?utm_campaign=qla&utm_medium=email&utm_source=govdelivery.

Honorable August Pfluger Visits with Cotton Industry in Lubbock, Texas

Friday, March 5, 2021 By Whitney Curry

The Honorable August Pfluger met with representatives of Plains Cotton Growers and the Texas cotton industry today at the PCG office during an informal luncheon. Pfluger who represents the 11th Congressional District of Texas which covers the southern portion of the PCG service area discussed topics relating to trade, border security, and his passion and support of the agriculture industry.

"Congressman Pfluger has a good understanding of the many challenges facing the agriculture sector and its contributions to the Texas and national economy" says Steve Verett, Chief Executive Office at Plains Cotton Growers, Inc., "PCG is very appreciative of his passion, leadership and advocacy in Congress that will help the cotton industry remain competitive in a global setting."

As one of the 45 freshman Republican Congressmen elected to the 117th Congress, he was selected by his peers to serve as the Republican Steering Committee Representative, whose purpose is to assign fellow party members to House committees and advise party leaders on policy. He serves on the Committee of Foreign Affairs, Committee on Homeland Security, and Co-Chairs the Texas Ag Task Force.

Prior to launching his September 2019 campaign, he served in the White House as a member of President Donald Trump's National Security Council, where he advised President Trump on foreign and domestic threats to our national security. Pfluger a 20-year veteran of the U.S. Air Force, is an expertise in national security, military & defense policy, oil & gas production, agriculture, and foreign policy (Middle East, Asia, Europe, and Russia).

Dynamic Soil Properties for Soil Health Virtual Symposium

Friday, March 5, 2021 By NRCS

Through the Science of Soil and Health initiative, cooperators are collecting dynamic soil properties (DSPs). A common set of soil health metrics are collected across regions and soils and the information gathered will be linked to soil survey DSP databases and products. In this virtual symposium, cooperators share information about the individual project plans, challenges, and results.

Individual presentations are posted now, and a live symposium will be held with overviews and questions on **Thursday, March 11, 2021 at 1:00 p.m. Central** on Adobe Connect.

To view previously recorded presentations, visit: <https://www.nrcs.usda.gov/wps/portal/nrcs/detail/soils/focusteam/?cid=nrcseprd1746221>.

On March 11th to participate in the live overview and Q&A session (<https://nrcs.adobeconnect.com/a757707842/webinars/>).

For more information email Skye Wills at skye.wills@usda.gov.

Auxin Certification Trainings

Friday, March 5, 2021 By Peter Dotray

Several auxin certification trainings have already been conducted in 2021 and several more are planned. These satisfy the US Environmental Protection Agency mandatory dicamba training and the Texas Department of Agriculture requirement for approved dicamba and 2,4-D formulations.

Future "virtual" Zoom trainings are scheduled for March 12, April 9, and May 14. All trainings will start at 9 AM and last 1 hour. One CEU will be provided in Laws and Regulations category.

Please use the following registration link if you want to participate in one of the three remaining sessions: <https://agriliferegister.tamu.edu/organizationListings/209>. Attendees for each training will be sent an "invitation to join" by email about an hour before the training.

If you have questions, contact Peter Dotray at 806-834-3685 or by email at pete.dotray@ag.tamu.edu.

NEXT Cotton Incorporated "Cotton & Coffee" Set for March 16, 2021

Friday, March 5, 2021 By Whitney Curry

Cotton Incorporated encourages growers to participate in the next Cotton & Coffee program, which is scheduled for Tuesday, March 16, 2021, at 7:30 a.m. Central via Zoom web call.

Join **Linda DeFranco** as she discusses Cotton Incorporated's efforts to identify global, cultural, and lifestyle trends that influence the direction of textile design at the consumer level.

Registration is complementary, but you must register to attend, so please contact your local Cotton Board Regional Communications Manager. The two covering Texas are Christi Short, 469-951-6161, cshort@cottonboard.org; and Shelley Heinrich, 806-670-3250, sheinrich@cottonboard.org

PLAINS COTTON GROWERS, INC.

64th Annual Meeting

Friday, April 9, 2021

Overton Hotel & Conference Center

Featured Speaker:

Jim Wiesemeyer, ProFarmer Journalist & Analyst –
 Washington, D.C.,

Sponsored by Farmers Cooperative Compress

Editor's Note:

"Cotton News", a weekly service of Plains Cotton Growers to the cotton industry and news media in the 41-county High Plains area, is mailed from Lubbock each Friday. Its contents are confined to news items and comments pertaining to the High Plains cotton industry which is so vital to U.S. all. Anyone interested in making comments about the contents of this column can call 806-792-4904 or Email PCG at: editor@plainscotton.org