

Congress of the United States
Washington, DC 20515

June 1, 2011

Mr. William Murphy
Administrator, Risk Management Agency
U.S. Department of Agriculture
South Agriculture Building, Room 6092-S
1400 Independence Ave, SW
Washington, DC 20250

Dear Mr. Murphy,

Today, we are writing you with concerns regarding the 2011 Special Provisions of crop insurance policies for cotton in Texas, Oklahoma and New Mexico. The Southwest is currently experiencing severe drought that has put many producers in uncertain positions as they consider their options for the remainder of the 2011 crop year.

As you know, on April 15, 2011, the Oklahoma City RMA regional office issued an Informational Memorandum regarding the insurability of Non-Irrigated cotton planted on acreage following a failed small grain crop. Specifically, the memo states: "Insurance shall not attach or be considered to have attached on any acreage that is non-irrigated and from which, in the same calendar year: 1) a hay crop was harvested (including a harvested small grain hay crop); 2) a small grain crop reached the headed stage (regardless of the percentage of small grain plants that reached the headed stage) or 3) a crop was grazed past (the specified date)."

This seemingly zero-tolerance requirement that indicates insurance will not be available if a single small grain plant is found in the headed stage in a field where cotton is planted behind a terminated small grain crop has caused considerable angst and concern with producers. The ongoing drought has limited the effectiveness of traditional options producers have to effectively terminate all small grain plants in a field. Producers fear that even if they follow acceptable good farming practices to be in compliance with the provisions for utilizing a small grain cover crop in a dryland conservation tillage practice, they could still be deemed in violation and denied their insurance coverage. Much confusion seems to exist between producers, agents and adjusters on this issue. We understand that the Plains Cotton Growers association, along with other producer groups has asked you to reinforce certain language contained in the Cotton Loss Adjustment Handbook related to this issue. We concur with their assessment of the language in the Cotton LASH and ask that you quickly clarify this provision to insurance providers so that they are correctly viewing a small grain crop used in a conservation tillage practice as **not headed out** when less than 50 percent of the small grain plants have reached the headed stage and appropriate termination efforts were employed in a timely fashion by the producer.

We would also strongly encourage you to give additional guidance to RMA regional offices regarding the different scenario of volunteer wheat in 2011 dryland cotton fields. The Special Provisions quoted in the April 15 RMA Memorandum quoted above clearly notes that dryland cotton is uninsurable after a small grain "crop" that was **planted** in the same calendar year and was harvested or hayed, grazed past March 15 or allowed to reach the headed stage. Clearly volunteer wheat on acreage that was not planted or certified as a small grain for 2011 does not match this criteria and should be considered no differently than any other weed and addressed using appropriate farming practices prior to planting. Your assistance in clarifying this difference would be greatly appreciated.

We realize RMA has to consider many variables when writing policy provisions and that is no easy task. However, in light of the concerns raised in this letter, we ask that you work quickly with producers and agents to clear up any ambiguities that may exist in the interpretation of current policy provisions. With final planting dates approaching for Texas and Oklahoma, we hope you will quickly address these concerns.

Sincerely,







