

# 2023 FARM BILL POLICY FOR COTTON

The general program structure in the 2018 Farm Bill has served the industry well and should be maintained in the new farm law.

However, additional funding is necessary to address the challenges both on the farm and throughout the supply chain.

Provided by:



## "How Drought Cost America's Cotton Industry Billions"

### AREAS OF IMPROVEMENT FOR 2023 FARM BILL

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#### ARC/PLC

Increase the statutory seed cotton reference price in this program to better reflect current costs of production.



#### Crop Insurance

Expand the availability of the Stacked Income Protection Plan (STAX) by removing the prohibition of PLC enrollment and the purchase of STAX coverage.



#### Cotton Loan Programs

- Enhance the Upland cotton marketing loan program by raising the level of the loan rate and modernizing the loan repayment provisions by:
  - Increasing storage credits to better reflect actual storage charges; and
  - Determining a globally competitive Adjusted World Price based on the three lowest international prices, restrictions on the drop in the Cost-to-Market value, and a 30-day window for finalizing the AWP.
- Improve the safety net for Pima cotton producers by increasing the level of the loan rate and establishing marketing loan repayment provisions similar to Upland cotton.

