PLAINS COTTON GROWERS

FARM 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.

The severity of the 2022/2023 drought has created a substantial amount of financial strain and distress on the cotton industry.

Annual fixed costs associated with operating a cotton farm or gin can range from $500,000 to over $1 million simply for basic cost of operations, such as fuel, fertilizer, seed, labor, utilities, and other related costs.

IMPROVE GROWER SUPPORT FOR THE 2023 FARM BILL

ARC/PLC

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

Crop Insurance

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

2. Urge the accelerated development of federally assisted insurance or other risk management programs such as but not limited to - grants, cost-share programs, low interest loans or other related programs for cotton ginning, warehousing, merchandising, textile manufacturing and crushing operations to mitigate the risk of losses associated with reduced processing volume attributable to a significant decline in crop production.

Cotton Loan Programs

1. Enhance the Upland cotton marketing loan program by raising the level of the loan rate and modernizing the loan repayment provisions.

2. 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.

TEXAS PLANTED
7.7 M
ACRES IN 2022

TEXAS FAILED
3.8M
ACRES IN 2022

TEXAS HIGH PLAINS EXPERIENCED A
72%
ABANDONMENT RATE IN 2022

"How Drought Cost America's Cotton Industry Billions"

Scan the QR code with your smartphone camera to watch the story produced by CNBC-TV.

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