

MGR-18-016

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Date

November 30, 2018

To

All Approved Insurance Providers

All Risk Management Agency Field Offices

All Other Interested Parties

From

Martin R. Barbre, Administrator

Subject

Stacked Income Protection Plan (STAX) Policy Changes – 2019 and Succeeding Crop

Years

Background

The STAX policy was developed at a time when producers could not enroll seed cotton in the Agriculture Risk Protection (ARC) and Price Loss Coverage (PLC) programs administered by the Farm Service Agency (FSA). In February of 2018, the Bipartisan Budget Act of 2018 was signed into law, which included provisions to allow producers of seed cotton to participate in ARC and PLC. In addition, the provisions included modifications to the Federal Crop Insurance Act (Act) stating that acreage enrolled in these programs would be ineligible for coverage under STAX. To comply with the modification to the Act, RMA is updating the STAX policy.

Action

Beginning with the 2019 crop year, seed cotton acreage enrolled in the ARC or PLC programs administered by FSA will be ineligible for STAX coverage. Producers must report acres enrolled in ARC or PLC on their acreage report. If acres are enrolled in ARC or PLC after the acreage reporting date, the producer is required to revise their

acreage report with the correct information by the premium billing date.

RMA will place, by close of business today, the STAX Crop Provisions for the 2019 crop year on the RMA website.