

farmers buy that prevailed in a specified base period. This concept was first defined by the Agricultural Adjustment Act of 1933. The parity price formula is not a comprehensive measure of the economic well-being of farmers, nor does it measure cost of production, standards of living, or income parity. The parity price formula is based on price relationships, and reflects only one component of cost of production and income.

Pick. A filling yarn or thread that runs crosswise in woven goods.

Pile. The cut or uncut loops which make the surface a pile fabric. Some common pile fabrics include velvet, corduroy, terry toweling, furniture covering, and rugs and carpets.

Ply. The number of single yarns twisted together to make a composite yarn. When applied to cloth, it means the number of layers of fabric combined to give the composite fabric.

Point. A term used in quoting the price of raw cotton. One point is equal to 1/100 of a cent.

Price, raw cotton. There are several different cotton price series, each of which represents a different time and space dimension in the market. All price series, ranging from U.S. farm prices to international prices, are linked by common fundamental demand and supply factors.

Farm price. The season-average price received by farmers for cotton is a sales-weighted average of prices received by farmers during the marketing season at the point of first sale, usually on the farm or at a local delivery point. This USDA series is available for both upland cotton by months and by State and for ELS cotton by marketing year and by State and is reported in Agricultural Prices, published by USDA's National Agricultural Statistics Service. An important use of upland cotton farm prices on a calendar year basis is to determine Government deficiency payments.

Futures price. The current price of cotton established at a futures exchange to be delivered at some future date. Futures contracts are primarily traded by merchants to hedge their price risks but are also used by growers, mills, and others to reduce risks of adverse price movements. The so-called No. 2 contract, covering SLM white 1-1/16-inch cotton, is traded daily on the New York Cotton Exchange. The Chicago Rice and Cotton Exchange's short staple cotton futures contract covers SLM Light Spotted 31/32-inch cotton.

International price. There is no statistically valid, single estimate of a world price. Two popular measures are reported by Cotlook, Ltd., Liverpool, England, publishers of Cotton Outlook. The Outlook "A" index is a simple arithmetic average of the five lowest priced growths of the 11 quoted for Middling 1-3/32-inch cotton delivered to northern Europe from various exporting countries. The "B" index is a simple

average of the three lowest northern European prices of the six quoted for shorter staple coarse cotton varying in staple length from 1 inch to 1-3/32 inches. These prices are used to compare export competitiveness of American and foreign growths.

Mill price. The price for cotton delivered to mills in western North Carolina and South Carolina is commonly referred to as Group B mill price. These prices, including landing and brokerage costs, are quoted for cotton of given grades and staples from given regions. The SLM 1-1/16-inch price is often compared with polyester staple and rayon staple prices to indicate cotton's competitive position in the raw fiber market.

Spot price. A spot or cash market price represents the price for which cotton of various qualities was sold at warehouse locations in seven market areas designated by the Secretary of Agriculture. Spot market quotations are published daily by the Agricultural Marketing Service from price quotations furnished by cotton buyers. Spot prices are used to establish premiums and discounts for the Government's cotton loans to producers and for settling futures contracts. The spot market price also represents the market value of cotton in the early stages of the wholesale marketing chain.

Price support. Government price support programs for cotton and other farm commodities are administered by USDA's Agricultural Stabilization and Conservation Service. Various methods of supporting producers' price have been used over the years. Support has commonly been achieved through nonrecourse loans, purchases, and payments at announced levels. Recent legislation is designed to make export commodities more competitive in world markets through market price support at or near world price levels. At the same time, producers' incomes are enhanced through deficiency payments. Export competitiveness is further enhanced by issuing marketing certificates to first handlers if world prices fall below producers' loan repayment levels.

Producer. A person who, as owner, landlord, tenant, or sharecropper, is entitled to a share of the crops available for marketing from the farm or a share of the proceeds.

Program (agricultural). Government activities aimed at accomplishing a certain result. Such activities include agricultural price support loans, purchases and payments, commodity storage, transportation, exports, and acreage reduction.

Program costs. No single definition is applicable to all uses. Program costs may be gross or net expenditures of the CCC on a commodity during a fiscal year or other period. Program costs may be the realized loss on disposition of a commodity, plus other related net costs during a fiscal year or other period. Program costs may be the net costs attributed to a particular

year's crop of a commodity during the marketing year for that commodity.

Public Law 480 (PL 480). The principal legislative authority for channeling U.S. food and fiber to needy countries. First enacted in 1954, PL 480 was extended by the Food for Peace Act of 1966 and subsequent legislation.

Quality. See cotton quality.

Raw fibers. Textile fibers in their natural state before any manufacturing activity has taken place; for example, cotton as it comes from the bale.

Referendum. The referral of a question to voters to be resolved by balloting; for example, marketing quotas, acreage reduction, or marketing agreements.

Residual supplier. A country which furnishes supplies to another country only after the latter has obtained all it can from other preferred sources.

Roving. An intermediate stage of yarn making between sliver and yarn; the last operation before spinning into yarn.

Running bale. Any bale of varying lint weight as it comes from the gin.

Sea Island. See cotton.

Seed cotton. The raw product which has been harvested but not ginned, containing the lint, seed, and foreign matter.

Skip-row planting. The practice of planting one or more rows in uniform space, then skipping one or more rows, to conserve moisture in dryland areas or to increase yields on land actually planted, or both.

Sliver. A strand or rope of fibers without twist. In yarn manufacture, a sliver is formed by the carding machine and is of greater diameter than roving.

Soft fibers. Flexible fibers of soft texture obtained from the inner bark of dicotyledonous plants. Soft fibers are fine enough to be made into fabrics and cordage. Examples are flax, hemp, jute, kenaf, and ramie. See hard fibers.

Spinning. The process of drawing fibers that may be in roving or rope form, twisting the appropriate number of turns per inch, and winding the yarn on a bobbin or other suitable holder.

Spinning quality. The ease with which fibers lend themselves to yarn-manufacturing processes.

Spot price. See price, raw cotton.

Staple fibers. (1) Natural fibers whose length usually ranges from about 1 inch to 1-1/2 inches, such as cotton. (2) Manmade fibers which have been cut to the length of the various natural fibers to facilitate blending and further processing with other fibers.

Strict Low Middling 1-1/16-inch cotton. The grade and staple length used as the basis on which the CCC establishes its loan rates. Higher qualities receive loan premiums and generally higher market prices, while lower qualities receive lower loan rates and lower prices. See cotton quality.

Supima. Trademark of an ELS cotton, commonly referred to as American Pima cotton, produced in Arizona, New Mexico, and west Texas. Supima Association of America is a producer association headquartered in Phoenix, AZ.

Synthetic fibers. Fibers made from petroleum-derived chemicals that were never fibrous in form. They are categorized as noncellulosic fibers.

Tare. The weight of the ties (or bands) and wrapping materials that contain the bale of cotton. The quoted net weight of a bale excludes the tare, whereas the gross weight includes tare.

Tex. A system of yarn numbering that measures the weight in grams of 1,000 meters of yarn. A 30-tex yarn weighs 30 grams per 1,000 meters.

Texture. The number of warp threads (ends) and filling yarn (picks) per square inch in a woven fabric. For example, 88x72 means there are 88 ends and 72 picks per square inch in the fabric.

Textile. Any product made from fibers, including yarns, fabrics, and end-use products such as apparel, home furnishings, and industrial applications.

Twist. The number of turns per unit of length of the fiber, strand, roving, or yarn. In the United States, twist is measured in terms of the number of turns per inch.

Universal density bale. A bale of cotton compressed to a density of 28 pounds per cubic foot.

Upland cotton. See cotton.

Warp. The yarns that run lengthwise in a woven or warp-knit fabric.

Wash and wear. A term applied to any garment which can be washed, dried, and then worn again with little or no ironing. Also called "durable press" or "permanent press."

Weft. The filling yarns that run crosswise in woven fabric or weft-knit fabric.

Weight of fabric. Three methods are used to measure fabric weight: (1) linear yards per pound, (2) ounces per linear yard, and (3) ounces per square yard.

World price. Often refers to the c.i.f. price of an imported agricultural commodity at the principal port of importation of a major importing country or area. See prices, raw cotton.

Woven fabric. Fabric made by interlacing two sets of yarn at right angles. The warp yarns run lengthwise in the fabric; the filling (weft) yarns are passed over and under the warp yarns.

Yarn. A continuous strand of twisted (spun) fibers of any kind and of varying staple length, usually used in the weaving or knitting of fabric.

Yarn size. Yarns, or threads, are numbered according to weight. The higher numbers denote fiber fineness. A "1s" cotton yarn has 840 yards in a pound; a "30s" cotton yarn has 25,200 yards in a pound. A "30/2" is a two-ply yarn containing two strands of 30s. See cotton count.

Appendix Tables

Appendix table 1--Acreage, yield, and production of upland cotton, 1955-87

Year	Planted	Harvested	Diverted	Yield per harvested acre	Production
	----- <u>Million acres</u> -----			<u>Pounds</u>	<u>1,000 bales</u> ^{1/}
1955	17.9	16.9	---	417	14,501
1956	17.0	15.6	<u>2/</u> 1.1	408	13,102
1957	14.2	13.5	<u>2/</u> 3.0	387	10,801
1958	12.3	11.8	<u>2/</u> 4.9	465	11,353
1959	15.8	15.1	---	461	14,446
1960	16.0	15.2	---	446	14,199
1961	16.5	15.6	---	438	14,263
1962	16.2	15.5	---	456	14,754
1963	14.7	14.1	---	516	15,129
1964	14.7	13.9	.5	517	15,025
1965	14.1	13.51	.0	527	14,850
1966	10.3	9.54	.6	480	9,484
1967	9.4	7.94	.8	446	7,374
1968	10.8	10.13	.3	516	10,847
1969	11.8	11.0	---	433	9,913
1970	11.9	11.1	---	439	10,135
1971	12.3	11.42	.1	438	10,379
1972	13.9	12.92	.0	507	13,608
1973	12.4	11.9	---	521	12,896
1974	13.6	12.5	---	441	11,450
1975	9.4	8.7	---	453	8,247
1976	11.6	10.9	---	464	10,517
1977	13.6	13.2	---	519	14,277
1978	13.3	12.3	.3	419	10,762
1979	13.9	12.7	---	547	14,531
1980	14.5	13.1	---	402	11,018
1981	14.3	13.8	---	542	15,566
1982	11.3	9.7	<u>3/</u> 1.6	589	11,864
1983	7.9	7.3	<u>4/</u> 6.6	506	7,677
1984	11.1	10.3	<u>3/</u> 2.5	599	12,852
1985	10.6	10.1	<u>5/</u> 3.6	628	13,277
1986	9.9	8.4	<u>6/</u> 4.3	547	9,520
1987	10.2	9.9	<u>6/</u> 4.6	702	14,475

--- = Not applicable.

^{1/} 480-pound net-weight bales. ^{2/} Includes cotton acreage placed in acreage reserve program of the soil bank. ^{3/} Acreage reduction program. ^{4/} Includes 4.1 million acres in payment-in-kind program and 2.5 million acres in other acreage reduction programs. ^{5/} 2.3 million acres acreage reduction program and 1.3 million acres paid land diversion. ^{6/} Acreage reduction program, conservation reserve program, and 50/92-0/92 program.

Appendix table 2--Use and ending stocks for upland cotton, 1950-87

Crop year	Mill use	Exports	Total use	Ending stocks	Stocks-to-use ratio
	-----1,000 bales 1/-----				Percent
1950	10,355	4,108	14,443	2,196	15
1951	9,117	5,515	14,632	2,741	19
1952	9,358	3,048	12,406	5,511	44
1953	8,475	3,760	12,235	9,570	78
1954	8,730	3,445	12,175	11,028	91
1955	9,085	2,194	11,279	14,553	129
1956	8,459	7,856	16,314	11,388	70
1957	7,975	5,949	13,924	8,666	62
1958	8,683	2,870	11,553	7,776	76
1959	8,888	7,393	16,281	7,410	46
1960	8,122	6,850	14,972	7,073	47
1961	8,756	5,049	13,805	7,717	56
1962	8,322	3,426	11,748	10,390	93
1963	8,554	5,773	14,327	12,091	84
1964	9,107	4,174	12,281	13,980	105
1965	9,454	3,029	12,483	16,734	134
1966	9,438	4,819	14,257	12,081	85
1967	8,948	4,316	13,264	6,379	48
1968	8,204	2,816	11,020	6,377	58
1969	8,001	2,863	10,864	5,727	53
1970	8,105	3,885	11,990	4,134	34
1971	8,163	3,376	11,539	3,182	28
1972	7,670	5,306	12,976	4,153	32
1973	7,384	6,111	13,495	3,753	28
1974	5,797	3,914	9,711	5,649	58
1975	7,160	3,300	10,438	3,615	35
1976	6,595	4,779	11,375	2,879	25
1977	6,416	5,459	11,874	5,278	44
1978	6,286	6,150	12,435	3,905	31
1979	6,440	9,177	15,617	2,962	19
1980	5,828	5,893	11,721	2,614	22
1981	5,216	6,555	11,771	6,567	56
1982	5,457	5,194	10,651	7,844	74
1983	5,861	6,750	12,611	2,693	21
1984	5,491	6,125	11,616	4,024	35
1985	6,338	1,855	8,193	9,289	113
1986	7,385	6,570	13,955	4,942	36
1987	7,565	6,345	13,910	5,718	41

Appendix table 3--Prices and ending stocks for upland cotton, 1950-87

Crop year 1/	Ending stocks			Average price received 3/	Loan rate 4/	Target price	Direct payment
	CCC-owned	Free 2/	Total				
	-----1,000 bales-----			-----Cents per pound-----			
1950	76	2,120	2,196	39.90	30.25	---	---
1951	2	2,739	2,741	37.69	32.36	---	---
1952	236	5,275	5,511	34.17	32.41	---	---
1953	129	9,441	9,570	32.10	33.50	---	---
1954	1,661	9,367	11,028	33.52	34.03	---	---
1955	5,952	8,601	14,553	32.27	34.55	---	---
1956	4,829	6,559	11,388	31.63	32.74	---	---
1957	937	7,729	8,666	29.46	32.31	---	---
1958	984	7,792	8,776	33.09	35.08	---	---
1959	4,967	2,443	7,410	31.56	34.10	---	---
1960	1,678	5,395	7,073	30.08	32.42	---	---
1961	1,449	6,155	7,604	32.80	33.04	---	---
1962	3,750	6,640	10,390	31.74	32.47	---	---
1963	4,303	7,788	12,091	32.02	32.47	---	---
1964	6,557	7,423	13,980	29.62	30.00	---	5/ 3.50
1965	9,715	7,019	16,734	28.03	29.00	---	4.35
1966	6,677	5,404	12,081	20.64	21.00	---	9.42
1967	552	5,827	6,379	25.39	20.2	---	11.53
1968	24	6,353	6,377	22.02	20.25	---	12.24
1969	1,890	3,837	5,727	20.94	20.25	---	14.73
1970	262	3,872	4,134	21.86	20.25	---	16.80
1971	1	3,181	3,182	28.07	19.50	---	6/ 5.00
1972	0	4,153	4,153	27.20	19.50	---	15.00
1973	0	3,753	3,753	44.40	19.50	---	15.00
1974	0	5,649	5,649	42.70	27.06	38.00	7/
1975	0	3,615	3,615	51.10	36.12	38.00	0
1976	0	2,879	2,879	63.80	38.92	43.20	0
1977	8/	5,278	5,278	52.10	44.63	47.80	0
1978	8/	3,905	3,905	58.10	48.00	52.00	0
1979	8/	2,962	2,962	62.30	50.23	57.70	0
1980	8/	2,614	2,614	74.40	48.00	58.40	0
1981	1	6,566	6,567	54.00	52.46	70.87	7.67
1982	396	7,448	7,844	59.10	57.08	71.00	13.92
1983	158	2,535	2,693	66.00	55.00	76.00	12.10
1984	123	3,901	4,024	57.50	55.00	81.00	18.60
1985	767	8,552	9,289	56.80	57.30	81.00	23.50
1986	73	4,869	4,942	51.50	55.00	81.00	26.00
1987	3	5,715	5,718	63.70	52.25	79.40	17.30

See footnotes next page.

continued --

Footnotes Appendix table 3.

--- = Not applicable.

1/ Crop year beginning August 1.

2/ Includes ending stocks (July 31) of cotton in consuming establishments, public storage (including cotton under loan but excluding CCC-owned cotton), compresses, and cotton in transit.

3/ Season-average prices received by farmers for lint cotton, including an allowance for unredeemed loans.

4/ Loan rates shown for 1950-73 are basis Middling 1-inch, micronaire 3.5-4.9. Loan rates shown for 1974-85 are basis Strict Low Middling 1-1/16 inch, micronaire 3.5-4.9.

5/ From 1964-70, price support payments were available on the domestic allotment (67 percent of total allotment in 1964, 65 percent in 1965-70). Loans were available on the entire production within the allotment.

6/ From 1971-73, the direct payment represents the minimum payment rate available on the full base acreage allotment. Payments in 1971-72 were contingent on participation in the cropland set-aside program, while no set-aside requirement was imposed for 1973.

7/ From 1974-85, the direct payments represent deficiency payments: the difference between the target price and the higher of the calendar year average price or the base loan rate. Diversion payments, disaster payments, and payment-in-kind entitlements are excluded.

Appendix table 4--Farm related program costs for upland cotton, 1970-88 1/

Fiscal year	Direct price	Diversion	Disaster	<u>Loan operations</u>		Total support and related expenditures <u>2/</u>
	support or deficiency			Outlays	Repayments	
<u>Million dollars</u>						
1970	797.6	18.7	---	383.0	247.6	891.4
1971	890.0	24.9	---	247.2	263.7	603.2
1972	819.3	.1	---	106.6	115.4	760.4
1973	808.7	.1	---	170.3	165.3	824.0
1974	713.2	.1	---	163.1	154.8	724.6
1975	---	.1	127.0	292.7	189.9	232.8
1976 <u>3/</u>	---	---	124.7	105.8	237.3	-4.0
1977	---	---	95.2	168.5	159.3	104.3
1978	<u>4/</u>	16.8	72.8	934.3	799.9	223.8
1979	<u>4/</u>	23.6	189.2	332.8	404.4	141.2
1980	<u>4/</u>	---	104.0	401.5	441.6	64.3
1981	<u>4/</u>	.1	303.9	522.6	491.6	335.7
1982	467.4	.1	99.9	1,394.7	770.1	1,189.7
1983	804.3	3.3	105.5	1,363.3	958.5	1,362.9
1984	145.1	-1.1	.5	1,431.8	1,282.1	244.0
1985	1,048.5	161.8	---	808.6	449.2	1,552.7
1986	834.5	34.1	<u>5/</u>	2,315.8	1,071.4	2,141.9
1987	987.4	.2	<u>5/</u>	2,668.7	2,021.9	1,785.7
1988	211.6	-.1	<u>5/</u>	1,539.9	1,281.6	665.8

--- = Not applicable (no outlays).

1/ Excludes PL 480 commodity costs.

2/ Direct price support or deficiency, diversion, or disaster payments plus Government expenditures on transportation, classing, loans, loan settlements, and other expenses less sale proceeds, loan repayments, and other receipts. Negative indicates net receipts.

3/ Includes July-Sept. 1976 to allow for shift from July/June to Oct./Sept. fiscal year.

4/ Net receipts of less than \$1 million.

5/ Less than \$50,000.

Appendix table 5--Value comparisons for upland cotton, 1950-87

Crop year	Loan value per acre		Market value per acre		Gross value of production	
	Current dollars 1/	1982 dollars 2/	Current dollars 3/	1982 dollars 2/	Current dollars 4/	1982 dollars 2/
----- Dollars ----- ----- Million dollars -----						
1950	81.37	340.46	131.98	552.22	2,336	9,774
1951	87.37	348.09	121.90	485.66	6,579	13,064
1952	90.75	355.88	116.01	454.94	2,993	11,737
1953	108.54	419.07	123.31	476.10	2,9/4	7,757
1954	116.04	441.22	136.98	520.84	2,630	10,000
1955	144.07	529.67	155.98	573.46	2,636	9,691
1956	133.58	475.37	152.82	543.84	2,384	8,484
1957	125.04	429.69	135.85	466.84	1,834	6,302
1958	163.12	549.26	173.14	582.96	2,043	6,879
1959	157.20	517.11	166.62	548.09	2,516	8,276
1960	144.59	467.93	156.84	507.57	2,384	7,715
1961	144.72	463.85	169.30	542.63	2,641	8,465
1962	148.06	464.14	169.74	532.10	2,631	8,248
1963	167.55	517.13	194.11	599.10	2,737	8,448
1964	155.10	471.43	181.22	550.82	2,510	7,629
1965	152.83	205.53	175.33	518.73	2,367	7,003
1966	100.80	288.00	130.32	372.34	1,238	3,537
1967	90.32	251.59	140.76	392.09	1,112	3,097
1968	104.49	277.16	141.39	375.04	1,428	3,788
1969	87.68	220.30	109.55	275.25	1,205	3,028
1970	88.90	211.69	120.54	287.00	1,338	3,183
1971	85.41	192.36	143.51	323.22	1,636	3,685
1972	93.60	201.29	158.30	340.43	2,042	4,391
1973	101.60	205.25	272.52	550.55	3,243	6,552
1974	119.33	220.98	236.00	437.04	2,950	5,436
1975	162.62	274.23	268.05	452.02	2,332	3,933
1976	180.59	286.20	334.31	529.81	3,644	5,775
1977	231.63	344.18	299.32	444.75	3,951	5,871
1978	201.12	278.56	283.17	392.20	3,483	4,824
1979	271.76	345.75	396.46	504.40	5,035	6,406
1980	193.44	225.72	343.51	400.83	4,500	5,251
1981	284.33	302.48	332.03	353.22	4,582	4,873
1982	336.20	336.20	384.12	384.12	3,762	3,762
1983	277.20	128.27	402.33	186.18	2,937	1,359
1984	329.45	354.82	392.33	422.53	4,041	4,352
1985	359.84	399.06	380.18	421.62	3,857	4,277
1986	300.85	342.67	312.97	356.47	2,614	2,977
1987	365.75	430.49	500.41	588.66	4,998	5,882

1/ Loan values per harvested acre obtained by multiplying appropriate base loan rates per pound (from appendix table 3) by average yields per harvested acre. 2/ Current dollars deflated by the GNP implicit price deflator (1972 = 100). 3/ Gross value of production of upland cotton lint and seed, divided by harvested acres. Excludes Government payments. 4/ Total value of upland cotton lint and seed produced, excluding Government payments. The value of cottonseed produced averaged about 13 percent of the total value of lint and seed in 1974-83.

Appendix table 6--World production, consumption, exports, and ending stocks for cotton, 1960-87

Crop year	Production	Consumption	Exports	Ending stocks	Stocks-to-use ratio
	----- <u>1,000 bales</u> -----				<u>Percent</u>
1960	45,005	46,051	17,121	20,375	44.2
1961	44,432	45,159	15,619	20,130	44.6
1962	46,869	43,854	15,933	24,033	54.8
1963	50,893	47,919	17,930	27,046	56.4
1964	53,934	51,413	16,857	30,057	58.5
1965	57,060	53,919	16,946	33,657	62.4
1966	52,469	46,141	18,229	29,720	52.9
1967	51,640	56,148	17,493	25,068	44.6
1968	57,019	56,552	16,983	25,421	44.9
1969	54,849	56,095	17,708	24,231	32.2
1970	55,035	57,331	17,748	23,001	40.1
1971	59,236	58,584	18,685	23,407	40.0
1972	62,037	59,743	21,196	25,413	42.5
1973	63,264	60,834	19,583	28,350	46.6
1974	64,134	57,920	17,497	53,999	58.7
1975	54,057	61,803	19,073	26,565	43.0
1976	56,738	60,938	17,571	22,564	37.0
1977	63,911	60,917	19,140	26,113	42.9
1978	59,634	63,302	19,721	22,645	35.8
1979	65,231	65,939	23,112	21,906	33.2
1980	64,805	65,733	19,686	22,233	33.8
1981	71,195	66,149	20,259	26,470	40.1
1982	68,080	68,249	19,452	25,069	37.0
1983	67,642	68,717	19,210	24,276	35.4
1984	88,134	69,979	20,224	25,203	36.0
1985	79,617	75,691	20,456	23,924	31.6
1986	70,462	82,298	25,116	42,269	51.4
1987	79,466	81,992	23,926	27,020	57.4

Appendix table 7--Provisions of upland cotton programs, 1961-89

Provision	1961	1962	1963	1964
Parity price (c/lb)	38.80	39.20	40.20	40.70
Support price (c/lb)	---	---	---	33.50
Payment rate (c/lb)	---	---	---	3.5
Payment (\$)	---	---	---	15/ .0350*Yld*Dom
Target price (c/lb)	---	---	---	---
Deficiency payment: 1/	---	---	---	---
Advance payment (c/lb)	---	---	---	---
Final payment (c/lb)	---	---	---	---
Allocation factor (%) 2/	---	---	---	---
Nonrecourse loan:				
Loan rate (c/lb) 3/	33.04	32.47	32.47	30.00
Repayment rate (c/lb) 4/	---	---	---	---
CCC domestic sales: 5/				
Legislated minimum price (c/lb) 6/	38.00+CC	37.34+CC	37.34+CC	31.50+CC
Actual price (c/lb) 7/	---	---	---	---
Acreage diversion (%)	---	---	---	---
Payment rate (c/lb)	---	---	---	---
Payment (\$)	---	---	---	---
Acreage diversion optional (%)	---	---	---	---
Payment rate (c/lb)	---	---	---	---
Payment (\$)	---	---	---	---
Set-aside (%)	---	---	---	---
Payment rate (c/lb)	---	---	---	---
Payment (\$)	---	---	---	---
Set-aside voluntary (%)	---	---	---	---
Payment rate (c/lb)	---	---	---	---
Payment (\$)	---	---	---	---
Acreage reduction (%)	---	---	---	---
Payment rate (c/lb)	---	---	---	---
Payment (\$)	---	---	---	---
Acreage reduction voluntary (%)	---	---	---	---
Payment rate (c/lb)	---	---	---	---
Payment (\$)	---	---	---	---
PIK acreage diversion (%)	---	---	---	---
Payment rate (ba)	---	---	---	---
Payment (ba)	---	---	---	---
Compliance restrictions:				
Soil conserving base 8/	---	---	---	---
Cross-compliance 9/	---	---	---	---
Offsetting-compliance 10/	---	---	---	---
National marketing quota (1,000 ba) 11/	15,562	15,714	14,367	14,267
Marketing quota penalty (c/lb) 12/	19.5	50% of parity	50% of parity	50% of parity
National allotment acres (1,000) 13/	18,458.4	18,101.7	16,250.0	16,200.0
Acres allocated from national acreage reserve (1,000)	60.0	100.0	250.0	200.0
Farm allotment acres:				
Domestic (% of total)	---	---	---	67
Export (% of total)	---	---	---	16/ 5
National base allotment acres (1,000)	---	---	---	---
National program acres (1,000)	---	---	---	---
National base acres (1,000)	---	---	---	---
Base acres in CRP (1,000)	---	---	---	---
National export market acres reserve (1,000)	---	---	---	---
National program yield (lbs/ac)	---	---	---	434
Disaster program: 14/				
Prevented plantings payment (c/lb)	---	---	---	---
Low yield criterion (%)	---	---	---	---
Low yield payment (c/lb)	---	---	---	---
Payment limitation (\$)	---	---	---	---
Advanced payment (%)	---	---	---	---
Support payment limitation (\$)	---	---	---	---

See footnotes at end of table.

Continued--

Appendix table 7--Provisions of upland cotton programs, 1961-89--Continued

Provision	1965	1966	1967	1968
Parity price (c/lb)	41.70	42.80	42.90	44.50
Support price (c/lb)	33.35	30.42	31.78	32.49
Payment rate (c/lb)	4.35	9.42	11.53	12.24
Payment (\$)	<u>15/</u> .0435*Yld*Dom	<u>18/</u> .0942*Yld*Dom	<u>18/</u> .1153*Yld*Dom	<u>18/</u> .1224*Yld*Dom
Target price (c/lb)	---	---	---	---
Deficiency payment: <u>1/</u>	---	---	---	---
Advance payment (c/lb)	---	---	---	---
Final payment (c/lb)	---	---	---	---
Nonrecourse loan:				
Loan rate (c/lb) <u>3/</u>	29.00	21.00	20.25	20.25
Repayment rate (c/lb) <u>4/</u>	---	---	---	---
CCC domestic sales: <u>5/</u>				
Legislated minimum price (c/lb) <u>6/</u>	30.45+CC	23.10+CC	22.27+CC	22.27+CC
Actual price (c/lb) <u>7/</u>	---	---	---	---
Acres diverted (%)	---	12.5, 25, or 35	12.5-35	5
Payment rate (c/lb)	---	10.5	10.78	10.76
Payment (\$)	---	.105*Yld*Div	.1078*Yld*Div	.1076*Yld*Div
Acres diverted optional (%)	---	---	---	0-30
Payment rate (c/lb)	---	---	---	6.00
Payment (\$)	---	---	---	.06*Yld*Div
Set-aside (%)	---	---	---	---
Payment rate (c/lb)	---	---	---	---
Payment (\$)	---	---	---	---
Set-aside voluntary (%)	---	---	---	---
Payment rate (c/lb)	---	---	---	---
Payment (\$)	---	---	---	---
Acres reduced (%)	---	---	---	---
Payment rate (c/lb)	---	---	---	---
Payment (\$)	---	---	---	---
Acres reduced voluntary (%)	---	---	---	---
Payment rate (c/lb)	---	---	---	---
Payment (\$)	---	---	---	---
PIK acres diverted (%)	---	---	---	---
Payment rate (ba)	---	---	---	---
Payment (ba)	---	---	---	---
Compliance restrictions:				
Soil conserving base <u>8/</u>	---	Yes	Yes	Yes
Cross-compliance <u>9/</u>	<u>17/</u> Yes	No	No	No
Offsetting-compliance <u>10/</u>	---	---	Yes	---
National marketing quota (1,000 ba) <u>11/</u>	14,733	15,267	16,033	16,100
Marketing quota penalty (c/lb) <u>12/</u>	50% of parity	50% of parity	50% of parity	50% of parity
National allotment acres (1,000) <u>13/</u>	16,200.0	16,200.0	16,200.0	16,200.0
Acres allocated from national acreage reserve (1,000)	200.0	200.0	200.0	200.0
Farm allotment acres:				
Domestic (% of total)	65	65	65	65
Export (% of total)	---	---	---	---
National base allotment acres (1,000)	---	---	---	---
National program acres (1,000)	---	---	---	---
National base acres (1,000)	---	---	---	---
Base acres in CRP (1,000)	---	---	---	---
National export market acres reserve (1,000)	---	<u>19/</u> <u>16/</u> 250	<u>19/</u> <u>16/</u> 250	<u>19/</u> <u>16/</u> 250
National program yield (lbs/ac)	446	527	545	545
Disaster program: <u>14/</u>				
Prevented plantings payment (c/lb)	---	<u>20/</u> ---	<u>20/</u> ---	<u>20/</u> ---
Low yield criterion (%)	---	---	---	---
Low yield payment (c/lb)	---	---	---	---
Payment limitation (\$)	---	---	---	---
Advanced payment (%)	---	---	---	---
Support payment limitation (\$)	---	---	---	---

See footnotes at end of table.

Continued--

Appendix table 7--Provisions of upland cotton programs, 1961-89--Continued

Provision	1969	1970	1971	1972
Parity price (c/lb)	47.60	48.90	51.90	55.10
Support price (c/lb)	34.98	37.05	35.00	35.85
Payment rate (c/lb)	14.73	16.80	---	---
Payment (\$)	<u>18/</u> .1473*Yld*Dom	<u>18/</u> .1680*Yld*Dom	---	---
Target price (c/lb)	---	---	---	---
Deficiency payment: <u>1/</u>				
Advance payment (c/lb)	---	---	---	---
Final payment (c/lb)	---	---	---	---
Nonrecourse loan:				
Loan rate (c/lb) <u>3/</u>	20.25	20.25	<u>21/</u> 19.5	19.50
Repayment rate (c/lb) <u>4/</u>	---	---	---	---
CCC domestic sales: <u>5/</u>				
Legislated minimum price (c/lb) <u>6/</u>	22.27+CC	22.27+CC	22.42+CC	22.42+CC
Actual price (c/lb) <u>7/</u>	---	---	---	---
Acreage diversion (%)	None	None	---	---
Payment rate (c/lb)	---	---	---	---
Payment (\$)	---	---	---	---
Acreage diversion optional (%)	---	---	---	---
Payment rate (c/lb)	---	---	---	---
Payment (\$)	---	---	---	---
Set-aside (%)	---	---	20	20
Payment rate (c/lb)	---	---	<u>22/</u> 15.00	<u>22/</u> 15.00
Payment (\$)	---	---	<u>23/</u> 15.00*Yld*Plt	<u>23/</u> 15.00*Yld*Plt
Set-aside voluntary (%)	---	---	---	---
Payment rate (c/lb)	---	---	---	---
Payment (\$)	---	---	---	---
Acreage reduction (%)	---	---	---	---
Payment rate (c/lb)	---	---	---	---
Payment (\$)	---	---	---	---
Acreage reduction voluntary (%)	---	---	---	---
Payment rate (c/lb)	---	---	---	---
Payment (\$)	---	---	---	---
PIK acreage diversion (%)	---	---	---	---
Payment rate (ba)	---	---	---	---
Payment (ba)	---	---	---	---
Compliance restrictions:				
Soil conserving base <u>8/</u>	Yes	Yes	Yes	Yes
Cross-compliance <u>9/</u>	No	---	---	---
Offsetting-compliance <u>10/</u>	---	---	---	---
National marketing quota (1,000 ba) <u>11/</u>	15,133	16,008	None	None
Marketing quota penalty (c/lb) <u>12/</u>	50% of parity	50% of parity	---	---
National allotment acres (1,000) <u>13/</u>	16,200.0	17,150.0	---	---
Acres allocated from national acreage reserve (1,000)	200.0	150.0	---	---
Farm allotment acres:				
Domestic (% of total)	65	65	---	---
Export (% of total)	---	---	---	---
National base allotment acres (1,000)	---	---	<u>24/</u> 11,500	<u>24/</u> 11,500
National program acres (1,000)	---	---	---	---
National base acres (1,000)	---	---	---	---
Base acres in CRP (1,000)	---	---	---	---
National export market acres reserve (1,000)	<u>19/</u> <u>16/</u> 187.5	<u>19/</u> <u>16/</u> 62.5	---	---
National program yield (lbs/ac)	545	500	532	527
Disaster program: <u>14/</u>				
Prevented plantings payment (c/lb)	<u>20/</u> ---	<u>20/</u> ---	---	---
Low yield criterion (%)	---	---	---	---
Low yield payment (c/lb)	---	---	---	---
Payment limitation (\$)	---	---	---	---
Advanced payment (%)	---	---	---	---
Support payment limitation (\$)	---	---	<u>25/</u> 55,000	<u>25/</u> 55,000

See footnotes at end of table.

Continued--

Appendix table 7--Provisions of upland cotton programs, 1961-89--Continued

Provision	1973	1974	1975	1976
Parity price (c/lb)	66.00	73.10	78.60	79.50
Support price (c/lb)	41.52	---	---	---
Payment rate (c/lb)	---	---	---	---
Payment (\$)	---	---	---	---
Target price (c/lb)	---	38.00	38.00	43.20
Deficiency payment: 1/ Advance payment (c/lb)	---	---	---	---
Final payment (c/lb)	---	0.00	0.00	0.00
Nonrecourse loan:				
Loan rate (c/lb) 3/	19.50	27.06	36.12	38.92
Repayment rate (c/lb) 4/	---	---	---	---
CCC domestic sales: 5/ Legislated minimum price (c/lb) 6/	21.45+CC	31.12+CC	43.70+CC	49.68+CC
Actual price (c/lb) 7/	---	---	---	---
Acreage diversion (%)	---	---	---	---
Payment rate (c/lb)	---	---	---	---
Payment (\$)	---	---	---	---
Acreage diversion optional (%)	---	---	10	---
Payment rate (c/lb)	---	---	---	---
Payment (\$)	---	---	---	---
Set-aside (%)	None	None	None	None
Payment rate (c/lb)	22/ 15.00	Def	Def	Def
Payment (\$)	23/ 15.00*Yld*Plt	23/ 0.00*Yld*Plt	23/ 0.00*Yld*Plt	23/ 0.00*Yld*Plt
Set-aside voluntary (%)	---	---	---	---
Payment rate (c/lb)	---	---	---	---
Payment (\$)	---	---	---	---
Acreage reduction (%)	---	---	---	---
Payment rate (c/lb)	---	---	---	---
Payment (\$)	---	---	---	---
Acreage reduction voluntary (%)	---	---	---	---
Payment rate (c/lb)	---	---	---	---
Payment (\$)	---	---	---	---
PIK acreage diversion (%)	---	---	---	---
Payment rate (ba)	---	---	---	---
Payment (ba)	---	---	---	---
Compliance restrictions:				
Soil conserving base 8/	Yes	No	No	No
Cross-compliance 9/	---	---	---	---
Offsetting-compliance 10/	---	---	---	---
National marketing quota (1,000 ba) 11/	None	None	None	None
Marketing quota penalty (c/lb) 12/	---	---	---	---
National allotment acres (1,000) 13/	---	---	---	---
Acres allocated from National Acreage Reserve (1,000)	---	---	---	---
Farm allotment acres:				
Domestic (% of total)	---	---	---	---
Export (% of total)	---	---	---	---
National base allotment acres (1,000)	24/ 10,000	24/ 11,000	24/ 11,000	24/ 11,000
National program acres (1,000)	---	---	---	---
National base acres (1,000)	---	---	---	---
Base acres in CRP (1,000)	---	---	---	---
National export market acres reserve (1,000)	---	---	---	---
National program yield (lbs/ac)	540	527	536	517
Disaster program: 14/				
Prevented plantings payment (c/lb)	23.62 on 75% normal yield	33/ ---	33/ ---	33/ ---
+ Low yield criterion (%)	75	---	---	---
Low yield payment (c/lb)	23.62 on the shortfall	33/ ---	33/ ---	33/ ---
Payment limitation (\$)	31/ 100,000	31/ 100,000	31/ 100,000	31/ 100,000
Advanced payment (%)	---	---	36/ 50/50	---
Support payment limitation (\$)	30/ 50,000	30/ 50,000	30/ 50,000	30/ 50,000

See footnotes at end of table.

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Appendix table 7--Provisions of upland cotton programs, 1961-89--Continued

Provision	1977	1978	1979	1980
Parity price (c/lb)	83.70	90.60	99.70	110.00
Support price (c/lb)	---	---	---	---
Payment rate (c/lb)	---	---	---	---
Payment (\$)	---	---	---	---
Target price (c/lb)	47.80	52.00	57.70	58.40
Deficiency payment: 1/				
Advance payment (c/lb)	---	---	---	---
Final payment (c/lb)	0.00	0.00	0.00	0.00
Nonrecourse loan:				
Loan rate (c/lb) 3/	44.63	<u>27/</u> 48.00	<u>27/</u> 50.23	<u>27/</u> 48.00
Repayment rate (c/lb) 4/	---	---	---	---
CCC domestic sales: 5/				
Legislated minimum price (c/lb) 6/	54.90+CC	55.24+CC	57.76+CC	55.20+CC
Actual price (c/lb) 7/	---	---	---	---
Acreage diversion (%)	---	---	---	---
Payment rate (c/lb)	---	---	---	---
Payment (\$)	---	---	---	---
Acreage diversion optional (%)	---	10	10	---
Payment rate (c/lb)	---	0.02	0.02	---
Payment (\$)	---	.02*Yld*Plt	.02*Yld*Plt	---
Set-aside (%)	None	None	None	None
Payment rate (c/lb)	Def	AF*Def	AF*Def	Af,Def
Payment (\$)	<u>23/</u> 0.00*Yld*Plt	0.00*Yld*Plt	<u>23/</u> 0.00*Yld*Plt	0.00*Yld*Plt
Set-aside voluntary (%)	---	<u>28/</u> 20	<u>28/</u> 20	<u>28/</u> 10
Payment rate (c/lb)	---	Def	Def	Def
Payment (\$)	---	0.00*Yld*Plt	0.00*Yld*Plt	0.00*Yld*Plt
Acreage reduction (%)	---	---	---	---
Payment rate (c/lb)	---	---	---	---
Payment (\$)	---	---	---	---
Acreage reduction voluntary (%)	---	---	---	---
Payment rate (c/lb)	---	---	---	---
Payment (\$)	---	---	---	---
PIK acreage diversion (%)	---	---	---	---
Payment rate (ba)	---	---	---	---
Payment (ba)	---	---	---	---
Compliance restrictions:				
Soil conserving base 8/	no	No	No	No
Cross-compliance 9/	---	---	---	---
Offsetting-compliance 10/	---	<u>29/</u> Yes	<u>29/</u> Yes	<u>29/</u> Yes
National marketing quota (1,000 ba) 11/	None	Suspended	Suspended	Suspended
Marketing quota penalty (c/lb) 12/	---	Suspended	Suspended	Suspended
National allotment acres (1,000) 13/	---	Suspended	Suspended	Suspended
Acres allocated from national acreage reserve (1,000)	---	---	---	---
Farm allotment acres:				
Domestic (% of total)	---	---	---	---
Export (% of total)	---	---	---	---
National base allotment acres (1,000)	<u>24/</u> 11,000	<u>24/</u> 11,000	---	---
National program acres (1,000)	---	---	10,000	13,476
National base acres (1,000)	---	---	---	---
Base acres in CRP (1,000)	---	---	---	---
National export market acres reserve (1,000)	---	---	---	---
National program yield (lbs/ac)	510	581	549	553
Disaster program: 14/				
Prevented plantings payment (c/lb)	15.93	75% normal yield	17.30 on 75% normal yield	19.23 on 75% Normal Yield
Low yield criterion (%)	66.7	75	75	---
Low yield payment (c/lb)	15.93 on the shortfall	17.30 on the shortfall	19.23 on the shortfall	19.47 on the shortfall
Payment limitation (\$)	---	---	---	---
Advanced payment (%)	---	---	---	---
Support payment limitation (\$)	<u>26/</u> 20,000	<u>26/</u> 40,000	<u>30/</u> 45,000	<u>30/</u> 50,000

See footnotes at end of table.

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Appendix table 7--Provisions of upland cotton programs, 1961-89--Continued

Provision.	1981	1982	1983	1984
Parity price (c/lb)	117.00	119.00	119.00	125.00
Support price (c/lb)	---	---	---	--
Payment rate (c/lb)	---	---	---	--
Payment (\$)	---	---	---	--
Target price (c/lb)	70.87	71.00	76.00	81.00
Deficiency payment: <u>1/</u>				
Advance payment (c/lb)	---	9.70	10.00	--
Final payment (c/lb)	7.67	13.92	12.10	18.60
Nonrecourse loan:				
Loan rate (c/lb) <u>3/</u>	52.46	57.08	55.00	55.00
Repayment rate (c/lb) <u>4/</u>	---	---	---	--
CCC domestic sales: <u>5/</u>				
Legislated minimum price (c/lb) <u>6/</u>	60.32+CC	65.64+CC	71.50+CC	71.50+CC
Actual price (c/lb) <u>7/</u>	---	---	---	---
Acreage diversion (%)	---	---	---	--
Payment rate (c/lb)	---	---	---	--
Payment (\$)	---	---	---	--
Acreage diversion optional (%)	---	---	5	--
Payment rate (c/lb)	---	---	25.00	--
Payment (\$)	---	---	25.00*Div	--
Set-aside (%)	None	---	---	--
Payment rate (c/lb)	Af*Def	---	---	--
Payment (\$)	AF*Def*Plt	---	---	--
Set-aside voluntary (%)	28/0	---	---	--
Payment rate (c/lb)	Def	---	---	--
Payment (\$)	.0767*Yld*Plt	---	---	--
Acreage reduction (%)	---	15	20	25
Payment rate (c/lb)	---	Def	Def	Def
Payment (\$)	---	.1392*Yld*Plt	.121*Yld*Plt	.186*Yld*Plt
Acreage reduction voluntary (%)	---	---	---	---
Payment rate (c/lb)	---	---	---	---
Payment (\$)	---	---	---	---
PIK acreage diversion (%)	---	---	34/ 10-30	---
Payment rate (ba)	---	---	35/ .80*Yld	---
Payment (ba)	---	---	35/ .80*Yld*PIK	---
Compliance restrictions:				
Soil conserving base <u>8/</u>	---	---	---	--
Cross-compliance <u>9/</u>	No	No	No	No
Offsetting-compliance <u>10/</u>	No	No	No	No
National marketing quota (1,000 ba) <u>11/</u>	Suspended	Suspended	Suspended	Suspended
Marketing quota penalty (c/lb) <u>12/</u>	Suspended	Suspended	Suspended	Suspended
National allotment acres (1,000) <u>13/</u>	Suspended	Suspended	Suspended	Suspended
Acres allocated from national acreage reserve (1,000)	---	---	---	---
Farm allotment acres:				
Domestic (% of total)	---	---	---	---
Export (% of total)	---	---	---	---
National base allotment acres (1,000)	---	---	24/ 11,000	24/ 11,000
National program acres (1,000)	14,022/12,838	32/ NA	32/ NA	32/ NA
National base acres (1,000)	---	15,000	15,600	15,800
Base acres in CRP (1,000)	---	---	---	---
National export market acres reserve (1,000)	---	---	---	---
National program yield (lbs/ac)	545	581	580	600
Disaster program: <u>14/</u>				
Prevented plantings payment (c/lb)	23.62 on 75% normal yield	33/ ---	33/ --	33/ ---
Low yield criterion (%)	75	---	---	---
Low yield payment (c/lb)	23.62 on the shortfall	33/ ---	33/ --	33/ ---
Payment limitation (\$)	31/ 100,000	31/ 100,000	31/ 100,000	31/ 100,000
Advanced payment (%)	---	---	36/ 50/50	---
Support payment limitation (\$)	30/ 50,000	30/ 50,000	30/ 45,000	30/ 50,000

See footnotes at end of table.

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Appendix table 7--Provisions of upland cotton programs, 1961-89--Continued

Provision	1985	1986 <u>37/</u>	1987	1988
Parity price (c/lb)	123.00	124.00	128.00	134.00
Support price (c/lb)	---	---	---	---
Payment rate (c/lb)	---	---	---	---
Payment (\$)	---	---	---	---
Target price (c/lb)	81.00	81.00	79.40	75.90
Deficiency payment: <u>1/</u>				
Advance payment (c/lb)	9.90	7.80	8.145	6.40
Final payment (c/lb)	23.70	26.00	17.30	19.40
Nonrecourse loan:				
Loan rate (c/lb) <u>3/</u>	57.30	55.00	52.25	51.80
Repayment rate (c/lb) <u>4/</u>	---	44.00	AWP	AWP
CCC domestic sales: <u>5/</u>				
Legislated minimum price (c/lb) <u>6/</u>	73.34+CC	50.60+CC	75.60+CC	64.77+CC
Actual price (c/lb) <u>7/</u>	---	---	---	---
Acreage diversion (%)	---	---	---	---
Payment rate (c/lb)	---	---	---	---
Payment (\$)	---	---	---	---
Acreage diversion optional (%)	10	---	---	---
Payment rate (c/lb)	30.00	---	---	---
Payment (\$)	30.00*Div	---	---	---
Set-aside (%)	---	---	---	---
Payment rate (c/lb)	---	---	---	---
Payment (\$)	---	---	---	---
Set-aside voluntary (%)	---	---	---	---
Payment rate (c/lb)	---	---	---	---
Payment (\$)	---	---	---	---
Acreage reduction (%)	20	25	25	12.5
Payment rate (c/lb)	Def	Def	Def	Def
Payment (\$)	.237*Yld*Plt	.26*Yld*Plt	.173*Yld*Plt	.194*Yld*Plt
Acreage reduction voluntary (%)	---	<u>38/</u> 50-92	<u>38/</u> 50-92	<u>38/</u> 50-92
Payment rate (c/lb)	---	Def	Def	Def
Payment (\$)	---	.2392*Yld*Bas	.24978*Yld*Bas	.1472*Yld*Bas
PIK acreage diversion (%)	---	---	---	---
Payment rate (ba)	---	---	---	---
Payment (ba)	---	---	---	---
Compliance restrictions:				
Soil conserving base <u>8/</u>	---	---	---	---
Cross-compliance <u>9/</u>	No	No	<u>41/</u> Limited	<u>41/</u> Limited
Offsetting-compliance <u>10/</u>	No	No	No	No
National marketing quota (1,000 ba) <u>11/</u>	Suspended	Suspended	Suspended	Suspended
Marketing quota penalty (c/lb) <u>12/</u>	Suspended	Suspended	Suspended	Suspended
National allotment acres (1,000) <u>13/</u>	Suspended	Suspended	Suspended	Suspended
Acres allocated from national acreage reserve (1,000)	---	---	---	---
Farm allotment acres:-				
Domestic (% of total)	---	---	---	---
Export (% of total)	---	---	---	---
National base allotment acres (1,000)	---	---	---	---
National program acres (1,000)	<u>32/</u> NA	<u>32/</u> NA	<u>32/</u> NA	<u>32/</u> NA
National base acres (1,000)	15,800	15,531	14,474	14,575
Base acres in CRP (1,000)	---	50	633	339
National export market acres reserve (1,000)	---	---	---	---
National program yield (lbs/ac)	613	<u>39/</u> 608	<u>42/</u> 593	<u>46/</u> 590
Disaster program: <u>14/</u>				
Prevented plantings payment (c/lb)	<u>33/</u> ---	<u>33/</u> ---	<u>33/</u> ---	<u>33/</u> ---
Low yield criterion (%)	---	---	---	---
Low yield payment (c/lb)	---	---	---	---
Payment limitation (\$)	<u>31/</u> 100,000	<u>31/</u> 100,000	<u>43/</u> Yes	<u>43/</u> Yes
Advanced payment (%)	<u>36/</u> 50/50	---	<u>44/</u> 30	<u>47/</u> 40
Support payment limitation (\$)	<u>30/</u> 50,000	<u>40/</u> 50,000	<u>45/</u> 50,000	<u>45/</u> 50,000

See footnotes at end of table.

Continued--

Appendix table 7--Provisions of upland cotton programs, 1961-89--Continued

Provision	1989
Parity price (c/lb)	---
Support price (c/lb)	---
Payment rate (c/lb)	---
Payment (\$)	---
Target price (c/lb)	73.40
Deficiency payment: <u>1/</u>	
Advance payment (c/lb)	6.42
Final payment (c/lb)	---
Allocation factor (%) <u>2/</u>	<u>32/</u> NA
Nonrecourse loan:	
Loan rate (c/lb) <u>3/</u>	50.00
Repayment rate (c/lb) <u>4/</u>	AWP
CCC domestic sales: <u>5/</u>	
Legislated minimum price (c/lb) <u>6/</u>	---
Actual price (c/lb) <u>7/</u>	---
Acreage diversion (%)	---
Payment rate (c/lb)	---
Payment (\$)	---
Acreage diversion optional (%)	---
Payment rate (c/lb)	---
Payment (\$)	---
Set-aside (%)	---
Payment rate (c/lb)	---
Payment (\$)	---
Set-aside voluntary (%)	---
Payment rate (c/lb)	---
Payment (\$)	---
Acreage reduction (%)	25
Payment rate (c/lb)	Def
Payment (\$)	.214*Yld*Plt
Acreage reduction voluntary (%)	<u>38/</u> 50-92
Payment rate (c/lb)	Def
Payment (\$)	.1969*Yld*Bas
PIK acreage diversion (%)	---
Payment rate (ba)	---
Payment (ba)	---
Compliance restrictions:	
Soil conserving base <u>8/</u>	---
Cross-compliance <u>9/</u>	<u>41/</u> Limited
Offsetting-compliance <u>10/</u>	No
National marketing quota (1,000 ba) <u>11/</u>	Suspended
Marketing quota penalty (c/lb) <u>12/</u>	Suspended
National allotment acres (1,000) <u>13/</u>	Suspended
Acres allocated from national acreage reserve (1,000)	---
Farm allotment acres:	
Domestic (% of total)	---
Export (% of total)	---
National base allotment acres (1,000)	---
National program acres (1,000)	<u>32/</u> NA
National base acres (1,000)	14,700
Base acres in CRP (1,000)	137
National export market acres reserve (1,000)	---
National program yield (lbs/ac)	590
Disaster program: <u>14/</u>	
Prevented plantings payment (c/lb)	<u>33/</u> ---
Low yield criterion (%)	---
Low yield payment (c/lb)	<u>33/</u> ---
Payment limitation (\$)	<u>43/</u> Yes
Advanced payment (%)	<u>48/</u> 30
Support payment limitation (\$)	<u>45/</u> 50,000

Footnotes for appendix table 7--Provisions of upland cotton programs.

Abbreviations used are as follows: AF = allocation factor, AWP = adjusted world price, Ba = base acres, CC = carrying charges, Div = diverted acres, Def = deficiency payment, Dom = domestic allotment, NA = not applicable, PIK = payment-in-kind, Plt = planted acres, Yld = yield.

1/ Deficiency payment is the difference between the target price and the higher of the calendar year average market price received by farmers or the loan rate. Starting in 1986, eligible producers who agreed to forego CCC loans may receive loan deficiency payments on their production otherwise eligible for loan, not to exceed the farm program acreage times the farm program payment yield. The loan deficiency payment rate is equal to the difference between the loan rate and the loan repayment rate. Up to one-half of the loan deficiency payment may be made in negotiable marketing certificates. Loan deficiency payments are subject to the overall \$250,000 payment limitation.

2/ The allocation factor, ranging from 80 to 100, is determined by dividing national program acres by number of acres harvested.

3/ This is the national average loan rate. Prior to 1961, support was based on Middling 7/8 inch cotton. Loans shown for 1961 through 1973 are basis Middling 1 inch, micronaire 3.5 through 4.9. Loans shown for 1974 through 1989 are basis Strict Low Middling 1-1/16 inch, micronaire 3.5 through 4.9. Prior to 1971, loans were on a gross weight basis. Since then, loans have been based on net weight at average location. Under the 1985 Act, the loan rate is determined by the legislated formula (lower of 85 percent of the average spot market price for Strict Low Middling 1-1/16 inch upland cotton (micronaire 3.5-4.9) at average U.S. location during the 5 preceding years, excluding the high and the low or 90 percent of the average of the 5 lowest priced growths among the growths quoted for Middling 1-3/32 inch cotton, c.i.f. northern Europe, adjusted downward by the average difference between the northern Europe prices and the U.S. spot market prices of SLM 1-1/16 cotton)

4/ If the Secretary determines that the adjusted world price is below the loan rate, then the Secretary has the authority, as granted by the 1985 Act, to implement either Plan A or Plan B for the repayment of loans. Under Plan A, the Secretary announces a loan repayment rate of 80-100 percent of the loan rate, which may not be changed subsequent to announcement. Under Plan B, the loan repayment rate is the lower of the loan rate or the current adjusted world price.

5/ Sales made at fixed prices or through competitive bids.

6/ In any event, the CCC cannot sell stockholdings for less than the going market price. In many years the announced minimum price was higher than the legislated minimum price.

7/ Simple average of actual sales.

8/ Producer must maintain soil conserving base in addition to planting diverted acres to conserving uses.

9/ Producer must be in compliance with programs for all program crops planted on the farm.

10/ Producer must be in compliance with upland cotton program requirements on other farms either owned or with an interest in.

11/ When marketing quotas are in effect, a farmer who does not comply with the cotton acreage allotment established for the kind of cotton grown on the farm is subject to a penalty on the farm marketing excess. The cotton crop from the farm is also ineligible for price support under CCC programs. Each type of cotton is treated independently. Extra long staple cotton cannot be substituted for upland cotton or visa versa.

12/ Marketing quota penalty rate for upland cotton is 50 percent of the parity price effective as of June 15 of the calendar year in which the cotton is produced.

13/ Includes acres allocated from the national acreage reserve provided to take care of minimum farm allotments as provided by cotton legislation.

14/ Bad weather or unavoidable hazard.

15/ Payment by CCC sight draft or payment-in-kind certificate at the election of the producer available on domestic allotment.

16/ Farmers who plant export acreage are not eligible for the additional price support payment. Export cotton is not eligible for price support loan. However, the amount of cotton represented by the farm yield times the acres in the effective farm allotment is eligible for the regular price support loan.

17/ Producer cannot exceed feed grain base.

18/ Payment is available only on planted acreage if less than 90 percent of the allotment is planted.

19/ All cotton produced on farms receiving export acreage must be exported.

20/ If flood, drought, or other natural disaster conditions make it impossible for a farm operator to plant cotton on a participating farm, the ASC county committee determines the acreage that would have been planted on the farm and payments are made on that basis, provided the acreage is not planted to an income producing crop.

21/ The term of the loan is 10 months from the first day of the month which the loan is made. In prior years, the loan maturity date was July 31 following the year in which the cotton was produced.

22/ Preliminary payment rate. The final payment rate is equal to the difference between the parity price for upland cotton as of August 1 and the average market price for Middling 1-inch upland cotton, micronaire 3.5-4.9 in the designated spot market during the first 5 months of the marketing year (August 1). No refund of this payment is required in the event the final payment rate calculates at less than 15 cents.

23/ If 90 percent or more of the allotment is planted, the entire allotment is considered as planted for payment purposes.

24/ A producer who plants less than 90 percent of the cotton acreage allotment will lose a portion of it the following year equivalent to the percentage underplanted up to 20 percent. After 3 consecutive years of

zero planting, the entire allotment would be removed. Allotment acreage not planted because of natural disaster or a condition beyond the control of the producer will be regarded as planted.

25/ Limitation does not include loans or purchases per person per commodity (cotton, wheat, feed grain).

26/ Limitation on total payments to eligible upland cotton, wheat, and feed grain producers per person. Does not include loans.

27/ The loan period is 10 months, but producers have the option, during the 10th month, of extending the loan for an additional 8 months whenever the spot market average price in the preceding month is 130 percent or less of the average for the previous 36 months.

28/ Voluntary set-aside requirement applies to previous year's plantings.

29/ Producers must assure that the NCA is not exceeded on nonparticipating farms they own or operate that produce a set-aside crop.

30/ Limitation on total payments to eligible upland cotton, wheat, feed grain, and rice producers per person. Does not include loans or disaster payments.

31/ Limitation on total disaster payments under the upland cotton, wheat, feed grain, and rice programs per person.

32/ National program acres, allocation factors, and voluntary acreage reductions are not applicable when an acreage reduction is in effect.

33/ Beginning with 1982 crops, disaster payments were made only to upland cotton producers to whom Federal crop insurance is unavailable. However, at the Secretary's discretion disaster emergency assistance may be paid to producers when conditions are too serious to be relieved by crop insurance or other Federal aid.

34/ Farmers complying with the 20-percent acreage reduction program are also eligible to participate in the payment-in-kind program. Producers can receive payment-in-kind either by reducing their planted acreage by an additional 10-30 percent of the base or by bidding to remove their entire bases from production.

35/ For the whole base bid program, payment is made on the entire base times the percent of the accepted bid times the farm program payment yield. Bids were evaluated on a comparative basis within each county with the restriction that total acreage removed from production under the combined acreage reduction and the payment-in-kind could not exceed 45 percent of that county's cotton acreage base.

36/ Advanced deficiency payments are made at half the projected rate. Advanced diversion payments are made at half the diversion payment rate.

37/ All cash payments subject to reductions of 4.3%, Gramm-Rudman-Hollings Act.

38/ Under the 50-92 rule, growers who plant between 50 and 92 percent of the permitted acreage to upland cotton and devote the remaining permitted acres to a conserving use are eligible to receive deficiency payments on 92 percent of the permitted acreage.

39/ Any producers whose 1986 program yield is reduced below 97 percent of their 1985 program yield received deficiency payments in the form of cotton certificates (called "additional yield certificates") sufficient to guarantee a return equal to 97 percent of their 1985 program yield.

40/ Limitation on total payments to eligible upland cotton, wheat, feed grain, rice, and extra long staple cotton producers per person. The limitation does not apply to loans, purchases, loan deficiency payments, first handler certificates, or inventory protection certificates or deficiency payments resulting from the lowering the basic (statutory) loan rate for wheat and feed grain.

41/ To be eligible for loans, purchases, and payments for wheat, feed grains, upland cotton, or rice, the acreage planted for harvest on a farm to other program crops, excluding extra long staple cotton and oats, may not exceed the crop acreage bases of those crops.

42/ Any producers, whose 1987 program yield is reduced below 95 percent of their 1985 program yield, received deficiency payments in the form of cotton certificates (called "additional yield certificates") sufficient to guarantee a return equal to 95 percent of their 1985 program yield.

43/ The total of the following payments, combined with the total deficiency and diversion payments, is limited to \$250,000 per person: (1) disaster payments; (2) gain realized by repayment of a loan at a lower level than the original loan level; (3) any deficiency payment for wheat or feed grains attributed to a reduction in the statutory loan rate; (4) any loan deficiency payment; (5) any inventory reduction payment; and (6) any payment representing compensation for resource adjustment or public access for recreation.

44/ At signup, participants may request 30 percent (half in cash and half in generic certificates) of their projected 1987 deficiency payments.

45/ Total deficiency and diversion payments under the wheat, feed grain, upland cotton, extra long staple cotton, and rice programs are limited to \$50,000 per person.

46/ Any producers whose 1988 program yield is reduced below 90 percent of their 1985 program yield will receive deficiency payments in the form of cotton certificates (called "additional yield certificates") sufficient to guarantee a return equal to 90 percent of their 1985 program yield.

47/ At signup, participants may request 40 percent (half in cash and half in generic certificates) of their projected 1988 deficiency payments.

48/ At signup, participants may request 30 percent of their projected 1989 deficiency payments in cash and after May 15, 1989, an additional 10 percent in generic certificates.