

	STAX	Agriculture Risk Coverage (ARC) County	Agriculture Risk Coverage (ARC) Individual
General Description	County-level revenue product delivered through crop insurance designed to complement current insurance purchases	Revenue program administered at the County level	Farm-level revenue program covering <u>all acres in a county</u> under the operational control of the producer
Administering Agency	RMA	FSA	FSA
Eligible Commodities	Upland Cotton (but could be expanded to any crop with area-wide insurance policies)	ACRE Commodities Except Upland Cotton	ACRE Commodities Except Upland Cotton
Direct Payments	Program eliminated & remaining DP baseline after deficit reduction used to fund new program	Program eliminated & remaining DP baseline after deficit reduction used to fund new program	Program eliminated & remaining DP baseline after deficit reduction used to fund new program
CCP	Program eliminated & CCP baseline used to fund new program	Program eliminated & CCP baseline used to fund new program	Program eliminated & CCP baseline used to fund new program
ACRE	Program eliminated & ACRE baseline used to fund new program	Program eliminated & ACRE baseline used to fund new program	Program eliminated & ACRE baseline used to fund new program
Marketing Loan	Formula based on 2-yr average AWP with max of \$0.52 and min of \$0.47	Formula based on 2-yr average AWP with max of \$0.52 and min of \$0.47	Formula based on 2-yr average AWP with max of \$0.52 and min of \$0.47
Geographic Trigger	County	County	Farm-level; Farm includes all acreage in county planted or prevented planted to a crop

	STAX	Agriculture Risk Coverage (ARC) County	Agriculture Risk Coverage (ARC) Individual
Irrigated & Non-irrigated	Differentiated where data are available	To maximum extent possible, Secretary is to calculate separate programs for irrigated and non-irrigated	Does not appear to be differentiated
Program Availability	<u>Available for 2013 or as soon as practicable</u> ; Annual decision by producer to purchase STAX policy; No other insurance purchase requirements	For 2013 through 2017 crops, producer makes 1-time irrevocable election to receive either County or Individual coverage	For 2013 through 2017 crops, producer makes 1-time irrevocable election to receive either County or Individual coverage
Reference Income or ARC Guarantee	Higher of Crop Insurance Price and Fixed Reference Price Multiplied by Expected County Yield; Crop Insurance price determined based on pre-planting futures price; Fixed Reference Price set at \$0.65; Producers have option for Harvest Price Protection	89% of Benchmark Revenue; Benchmark Revenue defined as product of 5-Year Olympic average county yield and 5-Year Olympic average national MYA price; Ability to use yield plugs at 60% of T-Yield for '12 crop and earlier and 70% of T-Yield for '13 crop and later.	89% of Benchmark Revenue; Benchmark Revenue defined as Product of 5-Year Olympic average individual yield and 5-Year Olympic average national MYA price; Ability to use yield plugs at 60% of T-Yield for '12 crop and earlier and 70% of T-Yield for '13 crop and later.
Determination of Actual Revenue	Crop insurance Harvest Price multiplied by County Actual Yield per Planted Acre; Harvest Price is average futures contract for relevant harvest period; County Actual Yield determined by RMA based on USDA NASS data, insurance data and other data sources	Actual County Average Yield multiplied by higher of 5-month farm-gate price and marketing loan.	Actual Individual Average Yield multiplied by higher of 5-month farm-gate price and marketing loan.

	STAX	Agriculture Risk Coverage (ARC) County	Agriculture Risk Coverage (ARC) Individual
Indemnity/Payment Trigger(s)	Payments made when County Actual Revenue per acre is less than product of selected coverage level and Reference Income. Maximum coverage level is 90% . There is no farm trigger.	Payments made when Actual County Revenue falls below ARC County Revenue Guarantee.	Payments made when Actual Individual Revenue falls below ARC Individual Revenue Guarantee.
Indemnity or Payment Rate	Amount by which the County Actual Revenue falls below the product of selected coverage level and the County Reference Income	Difference between ARC County Program Guarantee and County Actual Revenue; Payment cannot exceed 10% of ARC Benchmark Revenue.	Difference between ARC Individual Program Guarantee and Individual Actual Revenue; Payment cannot exceed 10% of ARC Benchmark Revenue.
Coverage Level	Producers can purchase different levels of STAX coverage. Maximum coverage is 90% . Indemnity can expand up to point when County Actual Revenue falls to 70% of County Reference Income.	Triggers over range between 89% and 79% ; no flexibility to adjust based on individual's preferences.	Triggers over range between 89% and 79% ; no flexibility to adjust based on individual's preferences.
Eligible Acres	100% of acres covered by the STAX policy but acres cannot exceed '09-12 average upland cotton planted/prevented planted acres.	75% of planted acres enrolled in the program; 45% of prevented planted acres enrolled in program; eligible acres may not exceed '09-12 average planted prevented planted acres to all covered commodities.	60% of planted acres enrolled in the program; 45% of prevented planted acres enrolled in program; eligible acres may not exceed '09-12 average planted prevented planted acres to all covered commodities.

	STAX	Agriculture Risk Coverage (ARC) County	Agriculture Risk Coverage (ARC) Individual
Individual Indemnity or Payments	Per-acre Indemnity will be difference between County Actual Revenue and product of coverage level and County Reference Income. Per-acre Indemnity cannot exceed the pre-determined maximum indemnity. Producers also have option to purchase different protection factors.	Same as Payment Rate defined above	Same as Payment Rate defined above
Payment Limits or Eligibility Means Test	Insurance products not subject to eligibility or limits	ARC payments for peanuts subject to \$50,000 limit; ARC payments to other eligible commodities subject to \$50,000 limit.	ARC payments for peanuts subject to \$50,000 limit; ARC payments to other eligible commodities subject to \$50,000 limit.
Timing of Payments	As soon as practicable after determination of county yield estimates	As soon as practicable after determination of 5-month price and county yield estimates	As soon as practicable after determination of 5-month price and individual yield estimates
Other	Authorizes enterprise unit pricing by production practice; Includes supplemental deductible coverage with 70% premium as alternative to STAX; SCO trigger appears to be 10%.	Authorizes enterprise unit pricing by production practice; Includes supplemental deductible coverage with 70% premium that can be taken in addition to ARC; In that case, SCO has 20% deductible.	Authorizes enterprise unit pricing by production practice; Includes supplemental deductible coverage with 70% premium that can be taken in addition to ARC; In that case, SCO has 20% deductible.