

2026 ARC/PLC Enrollment

Dr. Jody Campiche
V.P. Economics & Policy Analysis
National Cotton Council

The annual ARC/PLC election and enrollment for the 2026 crop year has been pushed back to the fall due to the implementation of the One Big Beautiful Bill Act (OBBBA). The election period will begin after the August 31 base reallocation deadline. While USDA has not yet announced the official enrollment dates, the signup period is expected to begin in mid-to-late September. The delayed enrollment gives producers additional time to evaluate 2026 market conditions, including production and price expectations, before choosing between ARC and PLC. Generally, PLC tends to provide greater support when prices are low. When yields are low and prices are higher, ARC may be a better choice.

| | ARC | PLC |
|-----------------|-----------------------------------|---------------------------------------|
| Protection Type | Revenue | Price |
| Data Used | National MYA Price * County Yield | National MYA Price, PLC Payment Yield |
| Payment Trigger | Revenue < 90% of Benchmark | MYA Price < Ref Price |
| Best For: | Low Yields | Low Prices |

For the 2026 crop year, producers will have more information available at the time of ARC/PLC enrollment than is typically the case. If available information indicates that a county is likely to experience below-average yields in 2026, ARC may be a more attractive option than PLC for seed cotton. However, producers should keep in mind that the 2026 marketing year runs from August 1, 2026, through July 31, 2027. As a result, only the first few months of marketing-year price data will be available when enrollment begins. Therefore, a producer should have a strong expectation of a larger county yield loss before selecting ARC over PLC.

The NASS MYA price is calculated using monthly data for prices paid to farmers obtained by a survey of cotton buyers. While there is no exact relationship between NASS's MYA farm price and NY futures, the futures market can be used as a guide for anticipating the farm price. Historically, the basis between nearby New York futures and the NASS MYA price has generally averaged 6 to 8 cents per pound, although it can vary from year to year.

The current USDA estimate for the 2026 Seed Cotton MYA price is \$0.3912/lb. This is based on a lint MYA price of \$0.73/lb and a cottonseed price of \$260/ton. The following table shows an example for irrigated cotton in Dooly County, GA. Based on these price projections, the PLC payment would be \$51/base acre and the ARC payment would be \$0 if the county does not have a yield loss (i.e. the actual county yield is equal to or above the benchmark county yield). If the county has a yield loss of 6.2% or higher, the ARC payment would equal or exceed the PLC payment.

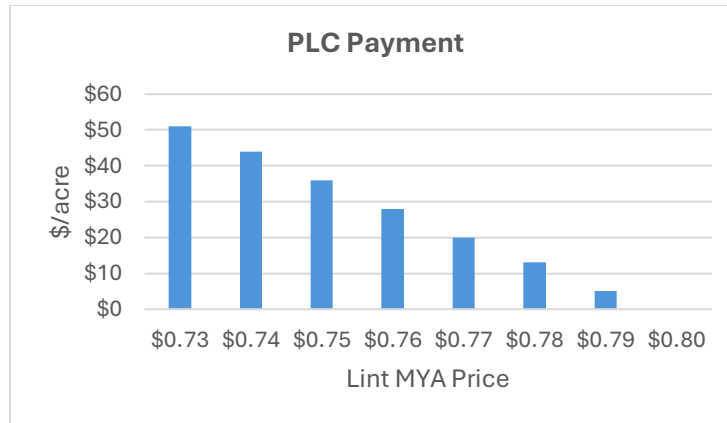
| Example: Dooly Irrigated | 2026 ARC | 2026 PLC |
|---------------------------------|--|---|
| MYA Price (\$/lb) | \$0.3912 | \$0.3912 |
| Price Protection (\$/lb) | 90% * Benchmark Price 90% * \$0.4311 = \$0.3880 | Reference Price \$0.4200 |
| Benchmark/PLC Yield (lbs/acre) | 1,187 * 2.4 = 2,850 | 875 * 2.4 = 2,100 |
| Benchmark Revenue (\$/acre) | Benchmark Price * Benchmark Yield \$0.4311 * 2,850 = \$1,229 | NA |
| Payment Rate (\$/acre or \$/lb) | (90% * Benchmark Revenue) – Actual Revenue | Ref Price – MYA Price \$0.4200 - \$0.3912 = \$0.0288 |
| Max Payment (\$/acre) | 12% * Benchmark Revenue \$147 | (Ref Price – Price Floor) * PLC yield * 85% \$0.1200 * 2,100 * 85% = \$214 |
| Payment (\$/acre) | No yield loss -\$0 6.2% yield loss - \$51 10% yield loss - \$87 20% yield loss - \$125 | \$0.0288 * 2,100 * 85% = \$51 |

← Below-Avg Yield Above-Avg Yield →

| | 700 | 750 | 800 | 850 | 900 | 950 | 1,000 | 1,050 | 1,100 | 1,150 | 1,200 | 1,250 | 1,300 | 1,350 | 1,400 |
|-----------------|------|------|------|------|------|------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Yield % +/- Avg | -42% | -38% | -33% | -29% | -25% | -21% | -17% | -13% | -8% | -4% | 0% | +4% | +8% | +13% | +17% |
| \$0.85 | ARC | ARC | ARC | ARC | ARC | ARC | ARC | SAME | SAME | SAME | SAME | SAME | SAME | SAME | SAME |
| \$0.84 | ARC | ARC | ARC | ARC | ARC | ARC | ARC | SAME | SAME | SAME | SAME | SAME | SAME | SAME | SAME |
| \$0.83 | ARC | ARC | ARC | ARC | ARC | ARC | ARC | ARC | SAME | SAME | SAME | SAME | SAME | SAME | SAME |
| \$0.82 | ARC | ARC | ARC | ARC | ARC | ARC | ARC | ARC | SAME | SAME | SAME | SAME | SAME | SAME | SAME |
| \$0.81 | ARC | ARC | ARC | ARC | ARC | ARC | ARC | ARC | SAME | SAME | SAME | SAME | SAME | SAME | SAME |
| \$0.80 | ARC | ARC | ARC | ARC | ARC | ARC | ARC | ARC | SAME | SAME | SAME | SAME | SAME | SAME | SAME |
| \$0.79 | ARC | ARC | ARC | ARC | ARC | ARC | ARC | ARC | ARC | PLC | PLC | PLC | PLC | PLC | PLC |
| \$0.78 | ARC | ARC | ARC | ARC | ARC | ARC | ARC | ARC | ARC | PLC | PLC | PLC | PLC | PLC | PLC |
| \$0.77 | ARC | ARC | ARC | ARC | ARC | ARC | ARC | ARC | ARC | PLC | PLC | PLC | PLC | PLC | PLC |
| \$0.76 | ARC | ARC | ARC | ARC | ARC | ARC | ARC | ARC | ARC | PLC | PLC | PLC | PLC | PLC | PLC |
| \$0.75 | ARC | ARC | ARC | ARC | ARC | ARC | ARC | ARC | ARC | PLC | PLC | PLC | PLC | PLC | PLC |
| \$0.74 | ARC | ARC | ARC | ARC | ARC | ARC | ARC | ARC | ARC | PLC | PLC | PLC | PLC | PLC | PLC |
| \$0.73 | ARC | ARC | ARC | ARC | ARC | ARC | ARC | ARC | ARC | PLC | PLC | PLC | PLC | PLC | PLC |
| \$0.72 | ARC | ARC | ARC | ARC | ARC | ARC | ARC | ARC | ARC | PLC | PLC | PLC | PLC | PLC | PLC |
| \$0.71 | ARC | ARC | ARC | ARC | ARC | ARC | ARC | ARC | ARC | PLC | PLC | PLC | PLC | PLC | PLC |
| \$0.70 | ARC | ARC | ARC | ARC | ARC | ARC | ARC | ARC | ARC | PLC | PLC | PLC | PLC | PLC | PLC |
| \$0.69 | ARC | ARC | ARC | ARC | ARC | ARC | ARC | ARC | ARC | PLC | PLC | PLC | PLC | PLC | PLC |
| \$0.68 | ARC | ARC | ARC | ARC | ARC | ARC | ARC | ARC | ARC | PLC | PLC | PLC | PLC | PLC | PLC |
| \$0.67 | ARC | ARC | ARC | ARC | ARC | ARC | ARC | ARC | ARC | PLC | PLC | PLC | PLC | PLC | PLC |
| \$0.66 | ARC | ARC | ARC | ARC | ARC | ARC | ARC | ARC | ARC | PLC | PLC | PLC | PLC | PLC | PLC |
| \$0.65 | ARC | ARC | ARC | ARC | ARC | ARC | ARC | ARC | ARC | PLC | PLC | PLC | PLC | PLC | PLC |
| \$0.64 | ARC | ARC | ARC | ARC | ARC | ARC | ARC | ARC | ARC | PLC | PLC | PLC | PLC | PLC | PLC |
| \$0.63 | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC |
| \$0.62 | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC |
| \$0.61 | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC |
| \$0.60 | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC |
| \$0.59 | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC |
| \$0.58 | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC |
| \$0.57 | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC |
| \$0.56 | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC |
| \$0.55 | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC | PLC |

↑ Above-Avg Price
↓ Below-Avg Price

Assuming the cottonseed MYA price remains unchanged at \$260/ton, each \$0.01 increase in the lint MYA price reduces the PLC payment in this example by about \$7-\$8 per acre.



With a lint price of \$0.80/lb and cottonseed price of \$260/ton, the seed cotton MYA price would be \$0.422/lb, which is above the reference price of \$0.420/lb, so the PLC payment would be \$0.

| Illustration of Seed Cotton Marketing Year Average Price per Pound* | | | | | | | | | | | | | | | |
|---|-------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Lint MYA Price (\$/Lb) | Cottonseed MYA Price (\$/Ton) | | | | | | | | | | | | | | |
| | \$180 | \$190 | \$200 | \$210 | \$220 | \$230 | \$240 | \$250 | \$260 | \$270 | \$280 | \$290 | \$300 | \$310 | \$320 |
| \$0.61 | \$0.316 | \$0.319 | \$0.322 | \$0.325 | \$0.328 | \$0.330 | \$0.333 | \$0.336 | \$0.339 | \$0.342 | \$0.345 | \$0.347 | \$0.350 | \$0.353 | \$0.356 |
| \$0.62 | \$0.321 | \$0.324 | \$0.326 | \$0.329 | \$0.332 | \$0.335 | \$0.338 | \$0.340 | \$0.343 | \$0.346 | \$0.349 | \$0.352 | \$0.355 | \$0.357 | \$0.360 |
| \$0.63 | \$0.325 | \$0.328 | \$0.331 | \$0.334 | \$0.336 | \$0.339 | \$0.342 | \$0.345 | \$0.348 | \$0.350 | \$0.353 | \$0.356 | \$0.359 | \$0.362 | \$0.365 |
| \$0.64 | \$0.329 | \$0.332 | \$0.335 | \$0.338 | \$0.341 | \$0.344 | \$0.346 | \$0.349 | \$0.352 | \$0.355 | \$0.358 | \$0.360 | \$0.363 | \$0.366 | \$0.369 |
| \$0.65 | \$0.334 | \$0.337 | \$0.339 | \$0.342 | \$0.345 | \$0.348 | \$0.351 | \$0.354 | \$0.356 | \$0.359 | \$0.362 | \$0.365 | \$0.368 | \$0.370 | \$0.373 |
| \$0.66 | \$0.338 | \$0.341 | \$0.344 | \$0.347 | \$0.349 | \$0.352 | \$0.355 | \$0.358 | \$0.361 | \$0.364 | \$0.366 | \$0.369 | \$0.372 | \$0.375 | \$0.378 |
| \$0.67 | \$0.342 | \$0.345 | \$0.348 | \$0.351 | \$0.354 | \$0.357 | \$0.359 | \$0.362 | \$0.365 | \$0.368 | \$0.371 | \$0.374 | \$0.376 | \$0.379 | \$0.382 |
| \$0.68 | \$0.347 | \$0.350 | \$0.352 | \$0.355 | \$0.358 | \$0.361 | \$0.364 | \$0.367 | \$0.369 | \$0.372 | \$0.375 | \$0.378 | \$0.381 | \$0.384 | \$0.386 |
| \$0.69 | \$0.351 | \$0.354 | \$0.357 | \$0.360 | \$0.362 | \$0.365 | \$0.368 | \$0.371 | \$0.374 | \$0.377 | \$0.379 | \$0.382 | \$0.385 | \$0.388 | \$0.391 |
| \$0.70 | \$0.356 | \$0.358 | \$0.361 | \$0.364 | \$0.367 | \$0.370 | \$0.372 | \$0.375 | \$0.378 | \$0.381 | \$0.384 | \$0.387 | \$0.389 | \$0.392 | \$0.395 |
| \$0.71 | \$0.360 | \$0.363 | \$0.366 | \$0.368 | \$0.371 | \$0.374 | \$0.377 | \$0.380 | \$0.382 | \$0.385 | \$0.388 | \$0.391 | \$0.394 | \$0.397 | \$0.399 |
| \$0.72 | \$0.364 | \$0.367 | \$0.370 | \$0.373 | \$0.376 | \$0.378 | \$0.381 | \$0.384 | \$0.387 | \$0.390 | \$0.392 | \$0.395 | \$0.398 | \$0.401 | \$0.404 |
| \$0.73 | \$0.369 | \$0.371 | \$0.374 | \$0.377 | \$0.380 | \$0.383 | \$0.386 | \$0.388 | \$0.391 | \$0.394 | \$0.397 | \$0.400 | \$0.402 | \$0.405 | \$0.408 |
| \$0.74 | \$0.373 | \$0.376 | \$0.379 | \$0.381 | \$0.384 | \$0.387 | \$0.390 | \$0.393 | \$0.396 | \$0.398 | \$0.401 | \$0.404 | \$0.407 | \$0.410 | \$0.412 |
| \$0.75 | \$0.377 | \$0.380 | \$0.383 | \$0.386 | \$0.389 | \$0.391 | \$0.394 | \$0.397 | \$0.400 | \$0.403 | \$0.406 | \$0.408 | \$0.411 | \$0.414 | \$0.417 |
| \$0.76 | \$0.382 | \$0.384 | \$0.387 | \$0.390 | \$0.393 | \$0.396 | \$0.399 | \$0.401 | \$0.404 | \$0.407 | \$0.410 | \$0.413 | \$0.416 | \$0.418 | \$0.421 |
| \$0.77 | \$0.386 | \$0.389 | \$0.392 | \$0.394 | \$0.397 | \$0.400 | \$0.403 | \$0.406 | \$0.409 | \$0.411 | \$0.414 | \$0.417 | \$0.420 | \$0.423 | \$0.426 |
| \$0.78 | \$0.390 | \$0.393 | \$0.396 | \$0.399 | \$0.402 | \$0.404 | \$0.407 | \$0.410 | \$0.413 | \$0.416 | \$0.419 | \$0.421 | \$0.424 | \$0.427 | \$0.430 |
| \$0.79 | \$0.395 | \$0.398 | \$0.400 | \$0.403 | \$0.406 | \$0.409 | \$0.412 | \$0.414 | \$0.417 | \$0.420 | \$0.423 | \$0.426 | \$0.429 | \$0.431 | \$0.434 |
| \$0.80 | \$0.399 | \$0.402 | \$0.405 | \$0.408 | \$0.410 | \$0.413 | \$0.416 | \$0.419 | \$0.422 | \$0.424 | \$0.427 | \$0.430 | \$0.433 | \$0.436 | \$0.439 |

As a reminder, the base ARC and PLC payment limitation per person or legal entity for covered commodities (other than peanuts) and for peanuts is \$155,000 adjusted annually for inflation (2025 crop year - \$160,000; 2026 crop year - \$164,000).

ARC and PLC payments are also reduced by mandatory sequestration.