

## Farm Bill Crop Provisions

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You've been hearing about it for months. Now is the time to think seriously about the crop provisions of the new farm bill and how they may impact your farm(s). Both landowners and operators have important decisions to make for each FSA farm unit. These decisions are made once and will stay with the farm for the life of the bill, 2014-18.

Sign up dates have been announced as follows:

<b>Sep 29, 2014 to Feb 27, 2015</b>	<b>Nov. 17, 2014 to Mar 31, 2015</b>	<b>Mid-April through Summer 2015</b>
Land owners make base reallocation/yield updates	Producers make election between ARC and PLC	Producers sign contracts for 2014 and 2015 crop years

Basically, there are three new programs to consider: Agriculture Risk Coverage-County (ARC-CO), Agriculture Risk Coverage-Individual (ARC-IC), and Price Loss Coverage (PLC) which includes the option to purchase supplemental crop insurance (SCO). No previous farm bill has given producers as many choices.

### **Farm Bill Seminar: Understanding the Provisions for Crop Farms**

**Nov 12 – Sedalia**  
10 AM – 2 PM

**Thompson Conference Center**  
at State Fair Community College  
(*South end of Heckart Science and Allied Health Center*)

Free. Lunch included.  
Register by Nov 5<sup>th</sup>.

Register online at  
<http://muconf.missouri.edu/farmbillseminar>

Questions? Contact the Pettis County  
Extension Center, 660-827-0591 or  
[PettisCo@missouri.edu](mailto:PettisCo@missouri.edu)

This farm bill also allows land *owners* the choice to redistribute base acres among crops and update program payment yields. Base acres and yields are used to calculate potential program payments. Generally, higher program yields are going to give more risk protection.

The ARC programs are triggered by crop revenue per acre. A farm receives a payment if crop revenue falls below a benchmark level. The benchmark is a calculation of a moving average of revenues in previous years.

PLC payments are triggered by low crop prices. The reference prices for PLC are set in law as follows: Corn \$3.70; Soybeans \$8.40; Grain sorghum \$3.95, Wheat \$5.50. As of this writing, projected prices for corn and grain sorghum will trigger PLC payments for the 2014 crop.

The level of risk protection, a.k.a. government support, from either ARC or PLC depends on what happens with future crop prices which is unknowable. However, there

is excellent educational assistance available to help make an informed business decision.

We strongly recommend that producers use at least one of the two online calculators to evaluate the programs for each of their farms. Find the tools and program details at <http://www.fsa.usda.gov/FSA/>. Many MU Extension Ag Business Specialists are prepared to help you understand these decisions.