

# 2014 Farm Bill ARCPLC

**Mike Lafolette,  
Chief Program Specialist**

# ARCPLC

- **New Options- No Longer Direct Payments**
  - **Price Loss Coverage (PLC)**
  - **Agriculture Risk Coverage (ARC)**
    - **ARC-CO**
    - **ARC-IC**

# ARCPLC PROGRAM

- 3 Step Process
  - **Base Reallocation and Yield**- total base acres can not go up or down but may be reallocated using ratio of planted acres from 2009-2012. Yields may be updated by certifying to actual yields for years planted 2008-2012. Yields are simple averages and can replace existing CC yields if higher. Producers can reallocate base or keep existing base and/or update yields. Yield decision is made per crop per Farm.
    - Note-Producers failing to meet Deadline will keep existing base and yield.

# ARCPLC PROGRAM

- **ELECTION-** Choice made now for the life of Farm Bill- Producers who do not make election by Deadline will default to PLC and be ineligible for 2014.
  - **PRICE LOSS COVERAGE**
    - Payments triggered when price drops below reference price.
    - Actual Yields not considered
    - Paid on the Base crops on the Farm, not what was planted.
    - Do not have to plant
    - Payments computed on New PLC Yields if Updated
    - Eligible for new SCO Insurance
      - NOTE- Decision is by Crop and by Farm

# ARCPLC PROGRAM

- **ELECTION (Continued)**
  - **ARC-CO**
    - County level Guarantee and Revenue
    - Paid on base- not what was planted
    - Don't have to plant crops to be paid
    - Actual Individual yields not considered
      - NOTE- Decision is by Crop and by Farm

# ARCPLC PROGRAM

- **ELECTION (Continued)**

- **ARC-IC**

- Benchmarks and Guarantees established on Crops planted-not base
- A Covered Commodity must be planted to have potential to earn payment
- Payment issued on 65% of Total Base if there is a per acre loss on Covered Commodities.
- All Crops and Farms enrolled in ARC-IC are considered together

# ARCPLC PROGRAM

- **Enrollment/Signup**

- Producers will still need to sign a contract each year
- This year producers can signup for both 2014 and 2015 years

# ARCPLC PROGRAM

- EDUCATION

- FSA and Extension have conducted 364 ARCPLC public meetings throughout the state with 11,480 producers attending
- FSA will advise producers on regulations and Policy but are not able to advise producers on what their best option may be
- This is very much a cooperative effort with FSA and Extension working closely to provide the best information and tools to help producers make the best decision possible