

# **CROP PROGRAM DECISIONS**

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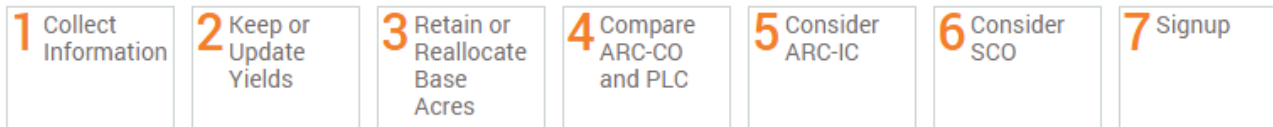
# Websites

- **FarmBillToolBox**

<http://farmbilltoolbox.farmdoc.illinois.edu/>

## ARC-PLC Decision Steps

The following 7 steps are designed to help guide you through the decisions required for each FSA farm.



CONTINUE 

- **APAS**

<http://fsa.usapas.com/>

# Farm Service Agency (FSA) Farm

- **Is a defined farm at FSA**
- **Can have a:**
  - Land owner
  - Farmer (will have multiple FSA farms)
  - Many combinations of the above
- **Reconstitutions**
  - Changes in FSA farm (increase/decrease acres)
  - Decisions made with current farms

# Commodity Program Decisions

**Each FSA farm:**

- 1. Programs yields (current or updated)**
- 2. Base acres (Retain or reallocated)**
- 3. For each FSA farm/crop, which program will be used to make payments:**
  - Price Loss Coverage (PLC)**
  - Agriculture Risk Coverage – County level (ARC – County)**
  - Agriculture Risk Coverage – Individual level (ARC – Individual)**
    - \* ARC-individual applies to all crops and all farms in a state**
    - \* SCO not available with ARC**

**Decision 1 and 2: Now till February 27th**

**Decision 3: November 17 to March 31 (wait till later)**

# Advice

- **Updating yields**
  - **Choose highest yield by crop**
  
- **Base acre reallocation in Midwest**
  - **Choose with lowest soybean acres if corn, soybeans, and wheat are the alternatives**

# **ARC/PLC Decision Depends On:**

**Focus n ARC-County and PLC (not ARC-IC)  
and make decision based on:**

- 1. Expected payments (depends on price expectations)**
- 2. What type of risk to protect**
  - Moderately low prices and yields (ARC-CO)**
  - Lower prices (PLC)**
- 3. Availability of SCO (PLC)**

# Break Points

- **Corn (\$3.70 reference price)**  
**ARC-County make higher payments if MYA price averages above \$3.30 (all five years)**
- **Soybeans (\$8.40 reference price)**  
**ARC-County higher payments > \$7.80**
- **Wheat (\$5.50 reference price)**  
**ARC-County higher payments > \$5.50**