

Purdue Extension Provides Insight into the 2014 Farm Bill

One of the hot topics that Purdue Extension has been addressing with local farmers include the 2014 Farm Bill. The 2014 Farm Bill does not include direct payment, counter-cyclical payment, and ACRE (average crop revenue election) payment programs. Instead, it includes three new programs: the Agricultural Risk Coverage-County program (ARC-County); the Price Loss Coverage program (PLC); and the Agricultural Risk Coverage-Individual program (ARC-Individual).

Besides making a program election, producers will have the opportunity to reallocate their base acreage based on recent planting history and, for the first time in years, can also update their farms' yields based on actual yield history. Deciding to reallocate their base acreage and/or update their farm's yield base is something that needs to be done by February 27. Producers make the decision to do this for each individual FSA farm number. Once the producer makes their decision, they will then have to have the landowner sign off on the decision. In order to get this all done prior to the February 27 deadline, please call your local FSA office and schedule an appointment.

After the February 27 deadline, producers can schedule an appointment with their local FSA office to make a program election. Once again, producers will be signing up each FSA Farm number in either ARC-County, PLC, or ARC-Individual.

With ARC-County, payments are made when current revenue falls below 86% of the benchmark revenue. The benchmark revenue is determined by the Olympic average of the county yields and national price averages for the preceding five years. This program favors shallow losses triggered by drop-offs in price or yield.

The PLC program allows for producers to receive payment when the national marketing year average price falls below a crop specific reference price. The reference prices are \$3.70 for corn, \$8.40 for soybeans, and \$5.50 for wheat. This program favors price declines that are consistently below the reference price.

Lastly, ARC-Individual allows producers to receive payment when prices fall below 86% of the benchmark revenue. The benchmark revenue is determined by the Olympic average of the county yields and national price averages for the preceding five years. This program differs from ARC-County, in that all crops for a farm must be signed up for this program and payment is only made on 65% of the base acres (compared to 85% of the base acres with ARC-County).

Farmers have until March 31 to make their program election for the 2014 to 2018 crop years. If they do not sign up by then, then they will be signed up for PLC by default and give up any payments they might have received for the 2014 crop year.

Visit our homepage at www.extension.purdue.edu/putnam or you can contact the local Purdue Extension Office by calling 765.653.8411 for more information regarding this week's column topic or to RSVP for upcoming events. It is always best to call first to assure items are ready when you arrive and to RSVP for programs. While many publications are free, some do have a fee. Purdue University is an equal access/equal opportunity institution. All times listed are Eastern Time.

Upcoming Events:

February 19 – Exploring 4-H Orientation Meeting, Fairgrounds, 6:30 pm

February 23 – Putnam County Fairboard Meeting, Fairgrounds, 7:30 pm

February 28 – Beef Tagging & Weigh-in 4-H steer/X-bred heifer, Fairgrounds, 8 am – Noon

February 28 – Deadline to enroll 4-H Beef Steer or Crossbred Heifer

March 14 – Putnam County Ag Day Breakfast and Mini Farm Fest

March 19 – Regional Women in Ag Conference, Fairgrounds, 10 am

March 19 – Area Small Farms Clinic, Fairgrounds, 6 – 8 pm