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# Information for 2014 Farm Bill Decisions

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Deadlines for making commodity program decisions for each Farm Service Agency farm are well into the future. February 27, 2015 is the deadline for yield updating and acre reallocation decisions. March 31, 2015 is the deadline for program choice decisions. Market outlook and projected program payments will be clearer as deadlines approach. As a result, there is no need to rush these decisions. However, obtaining the necessary information to make decisions for each farm is a good task for now. FSA sent a letter in August containing current base acres, program yields, and acres planted from 2009 through 2012. In addition, yields from 2009 through 2013 will be needed when making commodity program decisions.

## **FSA Letter Received in August**

In August, the FSA sent a letter to each landowner and farm operator having an interest in an FSA farm (click <u>here</u> for a video describing the letter). Following the letter, there was a series of data sheets giving current base acres, program yields, and planted acres for each FSA farm. Figure 1 shows an example of this information. This example is for a farm located in Ward County, North Dakota having a farm number of 12.

This data sheet first contains a block giving program commodities, labeled "2014 Commodity". In the example in Figure 1, program commodities are barley, wheat and canola.

For each one of these commodities, the current base acres are labeled as "2014 Base Acres" (see Figure 1). In the example in Figure 1, barley has 25.70 base acres, wheat has 112.60 base acres, and canola has 8.70 base acres. Total base acres then equal 147.00 acres (25.70 base acres in barley plus 112.60 base acres in wheat plus 8.70 base acres in canola). These acres will serve as base acres for making commodity program payments if acres are not reallocated. Moreover, total base acres will not change under either option. See Step 3 of the ARC-PLC Decision Steps for more information.

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Figure 1. Base Acres, Current Program Yield, and Acre Information from the Farm Service Agency

Ward, North Dakota	Farm Number 12			Operator Producer B			
2014 Commodity	2014 Base Acres	2014 CC Yield	2014 Com	modity 2014	Base Acres	2014 CC Yield	
Barley	25.70	42.00	Cano	ola	8.70	1144.00	
Wheat	112.60	28.00					
History							
Crop		2008	2009	2010	2011	2012	
Barley	Planted	128.78	0.00	0.00	0.00	0.00	
Barley	Prevented	0.00	0.00	0.00	0.00	0.00	
Barley	Double	0.00	0.00	0.00	0.00	0.00	
Barley	Subsequent	0.00	0.00	0.00	0.00	0.00	
Peas	Planted	0.00	129.78	0.00	0.00	109.40	
Peas	Prevented	0.00	0.00	0.00	0.00	13.00	
Peas	Double	0.00	0.00	0.00	0.00	0.00	
Peas	Subsequent	0.00	0.00	0.00	0.00	0.00	
Wheat	Planted	0.00	0.00	117.28	99.70	24.90	
Wheat	Prevented	0.00	0.00	22.50	40.70	0.00	
Wheat	Double	0.00	0.00	0.00	0.00	0.00	
Wheat	Subsequent	0.00	0.00	0.00	0.00	0.00	

Also given are the current program yields, labeled as "2014 CC Yield" (see Figure 1). In Figure 1, barley has a program yield of 42.0 bushels per acre, wheat a program yield of 28.0 bushels per acre, and canola has a program yield of 1144.0 pounds per acre. These will be the program yields used to calculate of Price Loss Coverage (PLC) payments, unless program yields are updated. See <a href="Step 2">Step 2</a> of the ARC-PLC steps for more information on yield updating.

Planted acres from 2008 through 2012 also are reported in the August letter. For 2014 commodity program decisions, only acres from 2009 through 2012 are needed. These acres will be used to calculate planting percentages if base acres are reallocated (see <u>Step 3</u> of the ARC-PLC steps) for more information). Acres are reported for four categories:

- 1. Planted acres that were planted to the program crop.
- 2. Prevented acres that were prevented from planting.
- 3. Double acres that were double crops.
- 4. Subsequent acres that were planted after being declared prevented planting acres.

Only acres in the planted, prevented, and double crop categories are counted in totals for reallocation decisions.

In the example in Figure 1, the following acres enter into reallocation decisions:

- Peas in 2009: 129.78 acres
- Peas in 2012: 122.40 acres (109.40 planted acres + 13.00 prevented planting acres)
- Wheat in 2010: 139.78 acres (117.28 planted acres + 22.50 prevented planting acres)
- Wheat in 2011: 140.40 acres (99.70 planted acres + 40.70 prevented planting acres)
- Wheat in 2012: 24.90 acres

Landowners and farmers should make sure that they have access to the above data for each one of their FSA farms. In addition, this data should be checked to make sure no data is missing or incorrect. Report any missing or incorrect data to FSA.

#### Yields from 2008 through 2013

Yields from 2008 through 2012 can be used to update the program yields used to calculated PLC payments (See <u>Step 2</u> of the ARC-PLC steps). In addition, yields from 2013 are needed if the producer decides to enroll in Agricultural Risk Coverage using Individual Coverage (ARC-IC).

Farmers will provide these yields to FSA and self-certify that they are correct. If audited, evidence will need to be provided to support the self-certified yields. Evidence includes commercial receipts, settlement sheets, warehouse ledger sheets, elevator receipts or load summaries (supported by other evidence showing disposition), evidence used for multi-peril crop insurance, and documents approved by the FSA county committee.

## **Summary**

More detail on information needs is provided in <u>Step 1</u> of the ARC-PLC Decision Steps. Currently, efforts focused on two areas will have value. First, make sure that FSA documents are available and have the correct information. Second, determine and document 2008 through 2013 yields for each FSA farm.