



## Projections of Commodity Program Payments for Illinois in 2024 and 2025

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Payments from Federal programs continue to be an important source of funds for farmers as they continue to deal with lower commodity prices relative to production costs. We provide estimates of 2024 and 2025 crop year commodity title payments for the Price Loss Coverage (PLC) and Agriculture Risk Coverage at the county level (ARC-CO) programs. The 2024 PLC program will not trigger payments for wheat and is very unlikely to trigger support for corn or soybeans. The ARC-CO program is not likely to make payments in most northern and central Illinois counties, but likely will make payments in southern Illinois. For areas where payments are triggered, producers will receive those payments in October 2025. Larger payments are currently expected from the 2025 Commodity Title programs, but those payments will not be received until October 2026. Given continuing low and negative return projections, another ad hoc disaster program could occur. If that happens, the ad hoc program should consider the differential in aid provided across crops by the commodity title. Also, it should be recognized that support payments - whether they come from commodity title, crop insurance, or ad hoc programs - will slow the cost adjustments that are needed to improve returns given current commodity price levels.

### 2024 PLC and ARC-CO Payments in Illinois

Commodity program (ARC and PLC) payments for the 2024 crop year will be received in October 2025 if those payments are triggered. As usual, those payments will be made on base acres which are historical acres specific to the Farm Service Agency (FSA) farm. Payments are not made based on the acres planted to eligible commodities in 2024. The 2024 payments will be based on 2024 market year average (MYA) prices, with the 2024 marketing year ending August 31, 2025 for corn and soybeans. The marketing year for wheat ended May 31, 2025.

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Table 1 shows the 2024 PLC effective reference price, ARC benchmark price, and estimated 2024 MYA price for corn, soybeans, and wheat. The MYA price estimates for corn and soybeans are based on values from the July 2024 World Agricultural Supply and Demand Estimates (WASDE) report.

**Table 1. 2024 Effective Reference Prices, ARC Benchmark Prices, and Projected Market Year Average (MYA) Prices**

Crop	Unit	Effective Reference Price <sup>1</sup>	ARC Benchmark Price <sup>1</sup>	MYA Price <sup>2</sup>
Corn	Bu.	\$4.01	\$4.85	\$4.30
Soybeans	Bu.	9.26	11.12	10.00
Wheat	Bu.	5.50	6.21	5.52

<sup>1</sup> Taken from Farm Service Agency.

<sup>2</sup> Wheat MYA price is final. Corn and Soybeans taken from July 2025 WASDE report. **farmdocDAILY**

PLC makes payments when the MYA price is below the effective reference price. For 2024, USDA's most recent estimates of the marketing year average prices for corn and soybeans, and the actual MYA price for wheat, are above their effective reference prices:

- \$4.30 estimated MYA price for corn, \$.29 above the \$4.01 effective reference price
- \$10.00 estimated MYA price for soybeans, \$.74 above the \$9.26 effective reference price
- \$5.52 MYA price for wheat, \$.02 above the \$5.50 effective referee price.

Given that they are estimates, there is a slight chance that corn and soybean prices could fall below effective reference prices. Still, the marketing year is near the end, and large changes are likely not to occur. The wheat MYA price for 2024/25 is determined and is above the effective reference price.

ARC at the county level (ARC-CO) makes payments when county revenue is below 86% of benchmark revenue. County revenue equals county yields times MYA price. Benchmark revenue equals ARC benchmark price times benchmark yield. Both are lagged, Olympic averages of the five previous years' values.

Note that ARC benchmark prices are above the PLC effective reference prices for 2024, meaning that ARC-CO has a higher chance of payments, particularly in areas with relatively poor yields in 2024:

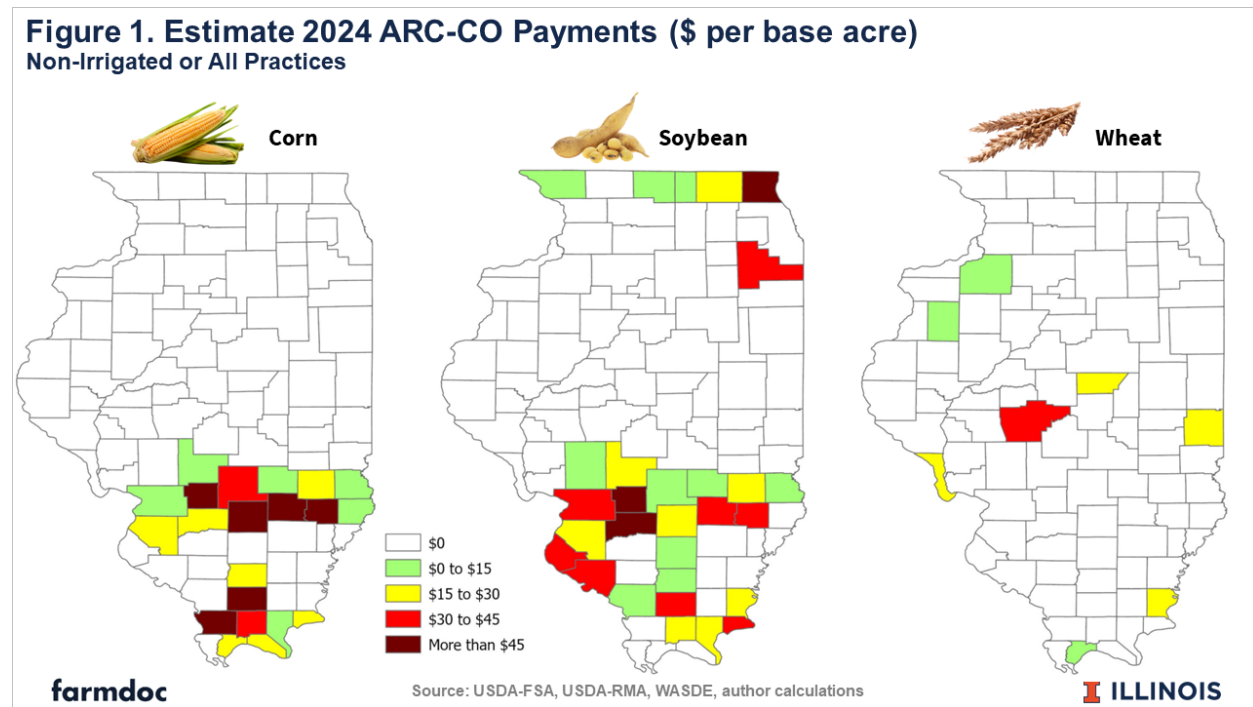
- Corn: \$4.85 ARC benchmark price compared to \$4.01 effective reference price
- Soybeans: \$11.12 benchmark price compared to \$9.26 effective reference price
- Wheat: \$6.31 benchmark price compared to \$5.50 effective reference price.

The 5-year Olympic average used in calculating 2024 benchmark prices includes the higher price years of 2020, 2021, and 2022, resulting in ARC benchmark prices above effective revenue prices.

The Farm Service Agency (FSA) has published ARC-CO yields for corn and soybeans for most counties in Illinois (see [2024 ARC and PLC program data](#)). We calculated the estimated 2024 ARC-CO payments using FSA yields and the MYA price estimates in Table 1. For counties where FSA has not published a yield, we used county yields from the Risk Management Agency (RMA) to estimate payments. Estimated ARC-CO payments for corn and soybeans are shown for Illinois in Figure 1 along with the payment rates for wheat that are reported by FSA. Yields for Illinois counties are reported as:

1. A single yield for “All practices”, or
2. Separate yields for non-irrigated and irrigated practices.

Payments in Figure 1 are based on all practice or non-irrigated yields. Payments based on the irrigated practices can differ from those for non-irrigated practices.



For corn, payments are projected to be made for many southern Illinois counties. Payment rates exceeding \$45 per acre are expected for Bond (\$48), Clay (\$66), Marion (\$70), and Williamson (\$80) counties. Southern Illinois counties had relatively low yields compared to ARC-CO benchmarks. On the other hand, yields in northern and central Illinois were relatively high, offsetting the low corn price relative to the ARC-CO benchmark and resulting in no estimated payments.

For soybeans, many southern Illinois counties are expected to have payments. In addition, Will County and many Illinois counties on the Wisconsin border are expected to have ARC-CO payments for soybeans. Counties estimated to have ARC-CO payment rates exceeding \$45 include Bond (\$66), Clay (\$50), Clinton (\$65), Lake (\$53), Madison (\$57), Monroe (\$51), Will (\$50), and Williamson (\$52).

For wheat, a total of 8 Illinois counties will receive payments. Counties with ARC-CO payment rates exceeding \$20 per acre include Sangamon (\$38), Henry (\$28), Pulaski (\$22), and Warren (\$21) counties.

For corn and soybeans, payments can vary from those shown if actual MYA prices and final FSA yields vary from those used in our estimates. Overall, commodity title payments in 2024 are expected to be limited to ARC-CO in some southern Illinois counties and a few counties in northern Illinois.

## 2025 Price Loss Coverage and Agriculture Risk Coverage Payments

Overall, 2025 PLC and ARC payments will be larger and more widespread. Both effective 2025 effective reference prices and ARC benchmark prices will be above 2024 levels. Larger payments would currently be projected even without the commodity title modifications in the One Big Beautiful Bill (OBBB) Act, but are even larger with the changes made to the 2025 crop year program parameters.

Table 2 shows effective reference prices and ARC benchmark prices for 2025. Note the following:

- The 2025 effective reference price for corn of \$4.42 is \$.41 higher than in 2024.
- The 2025 effective reference price for soybeans of \$10.71 is \$1.45 higher than in 2024.

- The 2025 effective reference price for wheat of \$6.35 is \$.85 higher than in 2024.

**Table 2. 2025 Effective Reference Prices, ARC Benchmark Prices, and Projected Market Year Average (MYA) Prices**

		Effective Reference Price <sup>1</sup>	ARC Benchmark Price <sup>1</sup>	Projected MYA Price <sup>2</sup>	PLC Yield	Estimated PLC Payment <sup>3</sup>
		\$ / unit	\$ / unit	\$ / unit		\$/base acre
Corn	Bu.	\$4.42	\$5.03	\$4.20	143	\$27
Soybeans	Bu.	\$10.71	\$12.17	\$10.10	41	\$21
Wheat	Bu.	\$6.35	\$6.98	\$5.40	42	\$34
Seed Cotton	Pound	\$0.4200	\$0.4311	\$0.3267	1,747	\$139
Rice (long grain)	Pound	\$0.1690	\$0.1690	\$0.1300	6,210	\$206
Peanuts	Pound	\$0.3150	\$0.3150	\$0.2500	3,568	\$197

<sup>1</sup> Taken from Farm Service Agency.

<sup>2</sup> Estimated MYA price contained in Farm Service Agency (FSA) files. Those equal WASDE estimates for corn, soybeans, and wheat.

<sup>3</sup> Average National Price Loss Coverage (PLC) yield calculated using 2025 data.

<sup>3</sup> Estimated using average, national PLC yields.

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The 2025 ARC benchmark prices for corn, soybean, and wheat are higher than the 2024 ARC benchmark prices. They are also higher than the 2025 effective reference prices, suggesting that ARC-CO payment expectations may be higher than for PLC. For just 2025, farmers will be given the higher of PLC or ARC-CO payments. Note the following:

- The 2025 ARC benchmark price for corn of \$5.03 is \$.18 higher than in 2024, and \$.61 higher than the 2025 effective reference price.
- The 2025 ARC benchmark price for soybeans of \$12.17 is \$1.05 higher than in 2024, and \$1.46 higher than the 2025 effective reference price.
- The 2025 ARC benchmark price for wheat of \$6.98 is \$.77 higher than in 2024, and \$.63 higher than the 2025 effective reference price.

Higher program prices will likely lead to higher commodity title payments. In central Illinois, those estimates are expected to be around \$65 per (see *farmdoc daily*, [July 8, 2025](#)).

Those payments, if triggered, will not be received until October 2026. While receipts from the 2025 commodity title program may be reflected as a receivable on the end-of-year 2025 balance sheet and receipts on the 2025 accrual income statement, the actual cash flow is more than a year in the future and remains uncertain. Showing those projected commodity title payments as a receipt will considerably increase return projections for 2025, but average return projections remain negative for cash rented farmland in Illinois (see *farmdoc daily*, [July 8, 2025](#)).

### Will Ad Hoc Disaster Assistance Continue?

Ad hoc disaster assistance has become common in the past decade and have provided significant payments to farmers. Ad hoc programs include the Market Facilitation Program (MFP), Coronavirus Food Assistance Program (CFAP), Wildfire and Hurricane Indemnities Program (WHIP and WHIP+), Emergency Relief Program (ERP), Supplemental Disaster Relief Program (SDRP), and Emergency

Commodity Assistance Program (ECAP) programs. Additionally, farmers received support from broader COVID-19 relief programs, such as the Paycheck Protection Program (PPP) and Economic Injury Disaster Loan (EIDL). Without these programs, the funds available to farmers would be much lower, and farms' financial positions would be worse without more extensive cost adjustments.

Other than SDRP, no ad hoc program is currently scheduled to make additional payments. The SDRP is designed to provide relief due to eligible disaster events which occurred and resulted in losses in 2023 and 2024. Hence, SDRP does not address the ongoing low returns associated with the 2025 crop. Given that losses continue, and the precedent set by the recent history of ad hoc disaster programs, it seems probable that calls for additional ad hoc assistance could occur.

Future ad hoc support could use the ECAP program as a model, which provided a standard per-acre payment per planted acre for each crop. The ECAP rates were \$42.91 per acre for corn, \$29.76 for soybeans, and \$30.69 for wheat (see *farmdoc daily*, [March 25, 2025](#)).

We note two caveats for the prospects of additional ad hoc assistance. First, the OBBB Act modified commodity title programs, resulting in larger support for program crops. Support increases are skewed, with larger payment increases expected for crops grown in the southern U.S. (seed cotton, rice, and peanuts). Some degree of that skew can be seen for the estimated national PLC payments for the relative crops (see Table 2). Those PLC payments do not include potentially higher ARC-CO payments. Still, they serve as a good basis for measuring differences in Commodity Title payments across crops. National PLC payments were calculated using current FSA estimates of MYA prices and average national PLC yields. Estimated payments are \$27 per base acre for corn, \$21 for soybeans, and \$34 for wheat. Payments for southern crops are more than three times higher than corn, soybeans, and wheat, with estimates of \$138 per base acre for seed cotton, \$206 for rice, and \$197 for peanuts. Including estimates of existing support seems wise if any additional ad hoc support programs are considered by policymakers for 2025.

Second, the existence of these ad hoc programs slows necessary cost adjustments. Cash rents, for example, are less likely to adjust downward with large commodity or ad hoc program payments. The same would be expected for major crop inputs (seed, fertilizer, and pesticides) and other production cost categories. The very act of giving ad hoc payments slows the adjustments that the program is attempting to address.

## Summary

Commodity program payments for 2024 are estimated to be limited to ARC-CO in some southern and northern Illinois counties for corn and soybeans. Commodity title program payments seem more likely to occur for the 2025 commodity title program. Even with the larger payment expectations, due in part to changes to commodity programs in the OBBB Act, 2025 return prospects remain negative for cash rented farmland in Illinois. This could lead to calls for additional ad hoc support for 2025.

## References

Paulson, N., G. Schnitkey and C. Zulauf. "[The 2025 Emergency Commodity Assistance Program](#)." *farmdoc daily* (15):55, Department of Agricultural and Consumer Economics, University of Illinois at Urbana-Champaign, March 25, 2025.

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