

# 2018 Farm Bill: PLC Payment Yield Update

**The Agriculture Improvement Act of 2018** (2018 Farm Bill) allows farmland owners and operators the opportunity to update farm Price Loss Coverage (PLC) yields starting in 2020 for payment years 2020 through 2023. With the 2018 Farm Bill, producers may elect Agriculture Risk Coverage (ARC) or PLC for the 2019 and 2020 crop years, and starting in 2021 and each crop year through 2023, producers may change the election on a year-to-year basis.

Prior to making those decisions, farmland owners will have the opportunity to update the program payment yields for PLC. As producers may determine a different program option in later years of the farm bill, updating the yields now may prove beneficial. The choice to update yields is one that owners and operators should consider closely.

This [decision tool](http://www.extension.iastate.edu/agdm/crops/xls/a1-35plcyieldupdate.xlsx), www.extension.iastate.edu/agdm/crops/xls/a1-35plcyieldupdate.xlsx, is designed to help Iowa farmland owners with the yield update decision. The only required information to complete the tool are actual farm yields for 2013-2017 on a planted acre basis and the existing PLC yield.

## PLC Payment Yield Update

After identifying your farm in the top part of the worksheet by FSA farm number, enter the current PLC yield for corn and soybeans. Then choose the county where the farm is located, and the substitute yields for corn and soybeans will show for the county chosen. Actual farm yields can be entered for years 2013-2017. If a commodity was not planted in a given year, leave the entry cell blank or enter "Not planted." However, if yield records are not available for a given year the crop was planted, enter the substitute county yield.

PLC Yield Update Tool: Farm Bill 2018																																																							
<b>Ag Decision Maker -- Iowa State University Extension and Outreach</b>																																																							
This Iowa based Decision Tool provides information to help decide whether to update the corn and soybean program yields for the Price Loss Coverage (PLC) program in 2019-2020. For more information, visit the ISU Extension and Outreach <a href="#">Ag Decision Maker Farm Bill webpage</a> . Estimated payment information for 2019-2023 can be viewed in this <a href="#">AgDM Data Decision Tool</a> .																																																							
Enter information in yellow shaded cells.																																																							
FSA Farm Number (Optional):						1234																																																	
	Current PLC Yield	New PLC Yield	Recommendation																																																				
Corn (bu/acre)	165	139	PLC corn yield will NOT be updated for this farm																																																				
Soybeans (bu/acre)	37	38	Update your PLC soybean yield for this farm																																																				
1. Choose an Iowa county from the dropdown menu			Substitute yields <sup>1</sup>	Corn	Soybeans																																																		
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<sup>1</sup> Substitute yield is 75% of 2013-2017 simple county average yield per planted acre. <sup>2</sup> If yield evidence is not available for a given year the crop was grown, enter the substitute yield for "Your Farm". <sup>3</sup> The new PLC yield is the simple average of annual program yields.																																																							

The worksheet calculates 90% of the higher of the substitute yield or actual farm yield for each year, applies the crop ratio (90% for Iowa crops), and gives the program yield. The updated PLC yield is the simple average of the 2013-2017 program yields. The PLC yield for each covered commodity will only update if the new calculation results in a higher yield. Form CCC-867 must be signed with USDA FSA offices to complete the process.

See the AgDM website for more information on the [2018 Farm Bill](http://www.extension.iastate.edu/agdm/info/farmbill.html), www.extension.iastate.edu/agdm/info/farmbill.html.

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