ARC PLC FAQs: Updating Base Acres & Farm Yields

The Agricultural Act of 2014 (the 2014 Farm Bill) authorized the Agriculture Risk Coverage (ARC) Program and the Price Loss Coverage (PLC) Program. These programs are administered by USDA’s Farm Service Agency. ARC/PLC provides revenue and price loss payments to eligible producers for the 2014 through 2018 crop years.

The ARC/PLC Program process has three different parts:

1) Update – Farmland owners and operators can reallocate base acres and/or update counter-cyclical yields (CC yield) on a farm.
2) Election – Once the Base Acres and Yields are set, then the Election by FSA farm number of either ARC or PLC Programs takes place.
3) Enrollment – Once the Election has been completed, then the farm can be enrolled annually in the program elected.

In early August 2014, the USDA Farm Service Agency (FSA) will mail all farmland owners and operators a Summary Acreage History Report by FSA farm number. This report identifies the acreage of covered commodities reported (for 2008 through 2012). This report will also provide the farm owners and operators with the base acres and counter-cyclical yield (CC yield) as of Sept. 30, 2013.

What do I do once I receive my Summary History Report from FSA?

The Summary Acreage History Report will include the farm’s 2014 base acres and current CC yield as of Sept. 30, 2013. In addition, the letter contains a list of the “planted” acres, the acres prevented from being planted, and acres planted after failed or prevented acres (called subsequent acres). These were reported to FSA by the producer for all covered commodities planted on the farm for each year 2008 through 2012. Also, in approved double crop counties, both covered commodities planted will be included.

Immediately upon receipt of the Summary Acreage History Report, farmland owners and operators should thoroughly review the acreage data by farm for each crop and each year outlined in the report.

If the acreage history is accurate for the farm then no further action is required by the farmland owner or operator at this time. Additional information will be provided once the reallocation software and forms are available in FSA county offices which may require farmland owners and operators input or action.

However, farmland owners and operators who determine the Summary Acreage History Report is incorrect or missing data, they should contact their local FSA county office to request corrections to the acreage history report as soon as possible.

Will the Summary Acreage History Report include ALL covered commodity acreage history?

Look closely if there was a, “break in tract history” meaning a producer, through FSA, made a change in tract structure when a tract division, combination and/or farm transfer occurred between 2009 through 2014. The FSA system might have been unable to pull the information for inclusion in the Summary Acreage History Report.

The missing acreage history can be included and the local FSA county office staff can conduct a manual research of data to obtain missing acreage for each covered commodity on a farm and provide an updated history report.
FSA National Notice ARCPLC-5 is available online to the public and contains examples of how tract and farm structures and subsequent FSA manual research for updated data impact acreage history reports (see paragraph 2C of the Notice).

**Can a producer update bases and yields at the same time?**

FSA is projected to launch their reallocation of bases/yield updates software in the early fall of 2014.

In the meantime, producers should compile yield documentation by farm and by crop year (2008-2012) in preparation for the actual reallocation of base acres and CC yield update process.

**Where can I learn more about ARC/PLC? Are there web-based decision-making tools available for producers to reference?**

FSA has published the initial benchmark prices for the ARC program and reference prices for the PLC program online and will update the website monthly until the final price is posted (September for corn and soybeans). To access the website and all related tools visit www.fsa.usda.gov, select Programs and Services from the top menu and then select ARC/PLC Program from the dropdown options.


USDA hopes to publicize the final program and the regulations for both ARC and PLC in the fall of 2014.

Producers can visit FSA’s Farm Bill website at www.fsa.usda.gov/farmbill and are encouraged to visit often for the latest in FSA federal farm program news and updates. FSA also recommends farmland owners and operators subscribe to GovDelivery – FSA’s online news source. You can self-subscribe at www.fsa.usda.gov/subscribe or FSA’s service center staff will assist you in subscribing when you visit your local FSA office.

Monthly updates and related announcements will be electronically delivered to online subscribers with 24/7 access to the latest Farm Bill information.

Additionally, the USDA has allocated funding to state-based Extension services to educate producers, and has authorized the academic institutions to develop web-based tools to help producers decide on ARC, PLC and other programs authorized by the 2014 Farm Bill.

**Source:** Rod Swoboda, Editor, *Wallaces Farmer* magazine, July 2014.