

The 2018 Farm Bill Making the ARC/PLC Election

The Situation

The 2018 Farm Bill was signed by the President in December 2018. Some education regarding this took place in 2018/2019 programming year, but most of it occurred in the 2019/2020 year, with the deadline for the farm program election being on March 16, 2020. With this new legislation, producers again faced a decision between the Agricultural Risk Coverage (ARC) and Price Loss Coverage (PLC) programs, for each of their crops on each of their farms. Though a similar election had been required in the 2014 Farm Bill, the situation in agriculture had changed since then, with lower commodity prices and trade conflict with China. This required farmers to evaluate which program would be best in the current situation. The Farm Management PFT, with assistance from many agents across the state from other PFTs, worked to assist producers in making this decision.

What We Did

In the previous programming year, more than 80 agents were trained in preparation for making presentations at county Farm Service Agency (FSA) meetings as well as local extension meetings. They were also prepared for helping individual producers who needed to analyze the programs for their farms, using several decision tools. This was followed up in November 2019 with further two further trainings to empower agents to be the expert in their local community for this decision, where they were given a customizable presentation and access to the tools where information specific to their county or district could be obtained.

In the fall of 2019, a state-wide series of 10 large, regional in-depth meetings was conducted by state specialists, with assistance from local agents logistically and with presentations on the local economics of the programs. In addition to the state-level efforts, county and district agents presented 98 meetings across the state. They also performed individual consultations using decision tools for at least 1,150 producers.

In addition, other presentations regarding the 2018 Farm Bill took place at regular meetings conducted by the Department of Agricultural Economics, including the annual Risk and Profit Conference, the Ag Lenders Conferences, and the K-State Crop Insurance Workshop. Attendance at these meetings was more than 400.

On-going educational efforts, even after the sign-up deadline include monthly updates of the national marketing year average (MYA) price estimates for each crop, which are an important component of both ARC and PLC payments. In additional, interactive maps showing estimated ARC payments at the county level, by crop, were created and updated using USDA RMA data and USDA NASS data. These estimates are important to both farmers and lenders in allowing producers to have some idea of the expected ARC or PLC payments to be received in October each year, which helps with cash flow projections and lending/borrowing decisions.

Outcomes

Attendance at the large, regional meetings was 1,192 producers, lenders, crop insurance agents, and others. State specialists also conducted an additional 36 meetings across the state with 2,153 in attendance. Nearly 3,400 persons

participated in the 98 county-level meetings conducted by FSA and the county/district agents. In total, at least 144 meetings were conducted to educate producers and others about the 2018 Farm Bill, with more than 7,100 persons attending.

Important tools and articles were posted to the AgManager.info website during this project, several of which had significant usage. The ARC/PLC tradeoff spreadsheet had a total of 10,468 downloads during the program year. An article which updates estimates of Marketing Year Average (MYA) prices monthly had 37,776 views and a companion article providing other sources of projected MYA prices had 10,140 views after being posted in December 2019. Maps showing previous payments by county for past program had 20,359 total views during this time, while maps showing projected county payments for the current year for Kansas and the nation had a total of 29,136 views, with 70% of these being the national maps, indicating the national scope of this effort.

Success Story

Programs were evaluated for impact. The regional meetings by specialists were ranked on a four-point scale with 1 being “Not Valuable at All” and 4 equal to “Very Valuable”, with the average score being 3.38 out of 4.0.

Comments received across the state included:

- *Everyone involved did an exceptional job with the presentations and dealing with a much larger group than anticipated. Thanks to all whose research and study keeps us learning. Very helpful!*
- *The most important thing I learned today is that this is complicated, but K-State understands it and can help me figure it out.*
- *This was a very comprehensive and informative presentation. I got a lot more than I expected.*
- *I need to run scenarios on each farm. I have multiple farms in 6 counties. It's awesome that K-State has people in my area who can personally help me with this.*

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