



# NEWSLETTER



**Crook County**

**117 S. 21<sup>st</sup> Street; Sundance, WY 82729**

**November 2014**

**Farm Service Agency**

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Rob Weppner  
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**County Committee**

Ross Garman, Chairperson  
Ivan Cranston, Vice-Chairman  
Larry Fowlkes, Member  
Roxie Dacar, Advisor

## 2014 Farm Bill and ARC/PLC

The 2014 Farm Bill has arrived with some big changes from the previous farm bill. If you have base acres on your farm this information is for you. The direct payments we have had since 2002 are gone. Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) have replaced the former DCP/ACRE program. The enrollment for ARC/PLC is a multi-step process beginning with updating yields and/or reallocating base acres, followed by the election process, then enrollment. Updating yields and reallocating bases is taking place now thru February 27, 2015. Election begins on November 17, 2014 and continues thru March 31, 2015. Enrollment is scheduled to begin in mid-April and run thru next summer. The letters you received in mid-July of this year provided you the details of your farm(s) crop base acres, yields, and your planting history. These letters are your basis for participation in the ARC/PLC program and the information contained on them should help you in determining if you can/should update yields or reallocate bases.

### Yield Updates

The 2014 Farm Bill offers land owners a one-time only opportunity to update their yields. If you want to maximize your commodities payment it is very important that you take a look at your yield data and take this opportunity to increase your yields when possible. Letters were sent to every land owner in July listing their planting history and base and yield information on covered commodities.

Many of the established yields in Crook County are based on historical yields going back as far as the 1980s. With the improvements of seed, irrigation practices, equipment, fertilizers, and overall farm knowledge yields in Crook County will most likely have improved.

It only takes one year of having planted a covered commodity crop (barley, corn, oats, or wheat) to be able to update your yield. Silage and other crops grown for forage/hay instead of grain are also eligible and will allow you to update your yield. Production from covered commodities grown during years 2008-2012 will be used to establish new yields, excluding any year where no acreage was planted to a covered (base acres crop) commodity.

In order to update your yields, please bring your production data into the county office.

### Base Reallocation

Along with yield updates the farm bill also allows you a one-time opportunity to reallocate you base acres. Your farm base acres are already allocated to covered commodity crops that were historically grown on that farm and cannot be increased, but you can reallocate your farm's base acres to the covered commodity crops you have actually grown in the years 2009-2012. Only you can decide if you want to reallocate, as the future markets are unknown.

### What is ARC/PLC?

The 2014 Farm Bill authorized a new safety net approach for farm commodities, known as the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs. These programs combine provisions from previous programs delivered by the Farm Service Agency (FSA), which were the counter-cyclical portion of the Direct and Counter-Cyclical Program, the

Supplemental Revenue Assistance Payments Program, and the Average Crop Revenue Election Program with revenue insurance delivered by the Risk Management Agency.

### **What is PLC?**

Payments are issued when the effective price of a covered commodity is less than the respective reference price for that commodity established in the statute for 2014-2018 crops. The effective price equals the higher of the market year average price or the national average loan rate. The PLC payment is equal to 85 percent of the base acres of the covered commodity times the difference between the reference price and the effective price times the PLC payment yield for the covered commodity. Base crops (wheat, oats, barley, corn, etc.) do not have to be planted in order to participate in PLC.

The Reference Price below has already been established for the life of the Farm Bill. In order for a payment to trigger the Marketing Year Average Price (MYA) has to be less than:

- \$4.95/bu. for barley
- \$3.70/bu. for corn
- \$2.40/bu. for oats
- \$5.50/bu. for wheat

### **What is County ARC (ARC-CO)?**

Payments are issued when the actual county crop revenue of a covered commodity is less than the ARC-CO guarantee for the covered commodity. The ARC-CO guarantee equals 86 percent of the previous five-year market year average price, excluding the years with the highest and lowest price (the ARC guarantee price), times the five-year average county yield, excluding the years with the highest and lowest yield (the ARC county guarantee yield). The payment is equal to 85 percent of the base acres of the covered commodity times the difference between the county guarantee and the actual county crop revenue for the covered commodity. Base crops do not have to be planted in order to participate in ARC-CO.

### **What is Individual ARC (ARC-IC)?**

Payments are issued when actual ARC-IC revenue, summed across all covered commodities on the farm, is less than the associated ARC-IC guarantee. The farm for ARC-IC purposes is the sum of the producer's interest in all ARC-IC farms in the state. The farm's ARC individual guarantee equals 86 percent of the farm's individual benchmark guarantee, defined as the five-year average of a producer's annual benchmark revenue for each commodity, excluding the high and low annual revenues. The resulting revenues are averaged across all crops on the farm, based on plantings, to obtain the revenue guarantee. Actual revenue is computed similarly. The ARC-IC payment equals: 65 percent of the sum of the base acres of all covered commodities on the farm, times the difference between the individual guarantee revenue and the actual individual crop revenue across all covered commodities planted on the farm. Payments may not exceed 10 percent of the individual benchmark revenue. Base crop(s) must be planted in order to receive payments.

## **???? How Do I Decide ????**

The USDA has partnered with Texas A & M and the University of Illinois to create web tools to help producers decide what options might benefit them the most. Here are some links to websites to help in your decision making process. The county office staff will not be able to make this decision for you so it is up to you to do the research. Both of the decision making tools allow you to input your actual information and market predictions, or use USDA or FAPRI market predictions to assist you.

<http://www.fsa.usda.gov/FSA/webapp?area=home&subject=arpl&topic=landing>

<http://fsa.usapas.com/>

<https://usda.afpc.tamu.edu/>

Also the University of Wyoming Extension will be providing training on Farm Bill 2014. It would be very beneficial for all producers to attend this training where they will discuss the options available and answer question you may have about the programs and how they affect you. Training in our area is scheduled for:

### **December 19 in Gillette**

The exact time and location for the meeting is yet to be determined, but check your email for a flyer once it has been established or call the office closer to the date to find out the starting time and location.

## LIVESTOCK DISASTER ASSISTANCE PROGRAMS

### Livestock Forage Disaster Program

The 2014 Farm Bill makes the Livestock Forage Disaster Program (LFP) a permanent program. Any livestock producer that grazed non-irrigated grazing land in Crook County may be eligible for a payment. LFP payments for drought are equal to 60 percent of the monthly feed cost for a period of one to five months depending on the severity of the drought.

Sign-up began on April 15, 2014. Documentation on beginning inventory numbers and non-irrigated grazing lands will be required. Some eligibility restrictions may apply. Please consult your local FSA office for details.

Eligible producers in Crook County will be eligible for 4 monthly payments for 2012 and 2013. The sign up deadline is **January 30, 2015**.

### Livestock Indemnity Payments

LIP provides compensation to eligible livestock producers who have suffered livestock death losses in excess of normal mortality due to adverse weather and attacks by animals reintroduced into the wild by the federal government or protected by federal law, including wolves and avian predators. LIP payments are equal to 75 percent of the market value of the applicable livestock on the day before the date of death of the livestock as determined by the Secretary.

Sign-up began on April 15th, 2014 and continues until **January 30, 2015** for losses occurring in 2012-2014. Some eligibility restrictions may apply. Please consult a local FSA office for details. Losses occurring after January 1, 2015 must be reported within 30 calendar days of when the loss was apparent.

Additional information regarding LIP or other FSA programs can be found by visiting a nearby FSA Service Center or online at [fsa.usda.gov](http://fsa.usda.gov).

## NAP Insurance

The Non-insurable Assistance Program (NAP) is available for crops which crop insurance is not available. In Crook County this includes grazing crops, mixed forage hay and small grain hay. NAP protects the producer against catastrophic losses. The deadline to purchase NAP for forage (hay) and pasture is **December 1, 2014**. The fee for NAP is \$250 per crop per county, with a county maximum of \$750 and a multi county maximum of \$1,875. With the livestock forage program (LFP) that was funded thru the duration of the 2014 farm bill producers will not be eligible for payment under both NAP and LFP. If both programs qualify for payment, producers will have to decide between programs.

Producers will have a buy up option for the 2015 NAP coverage on crops other than grazing. Currently, NAP offers a basic coverage policy at the 50/55 level (50% of the yield at 55% of the crop price). Through the "buy-up" option coverage can be purchased for coverage levels of 50/100, 55/100, 60/100 and 65/100. Premiums are minimal and are paid in addition to the \$250.00 per crop service fee for the NAP policy. Buy-up coverage provides for substantially increased loss protection over the basic NAP policy. Call the office to see how "buy-up" coverage can work for you. We will be offering buy-up purchase sometime the middle of December.

To qualify for NAP benefits producers must 1) file an annual acreage report for either one of the following deadlines outlined in the "crop report" section below, 2) File a Notice of Loss within 15 days of an apparent loss, and 3) Report production to the county office (hay crops only).

Continuous letters have been mailed to 2014 NAP policy holders. Call the county office for more information and to apply for 2015 NAP benefits.

## 2014 County Committee Election

This year's election in Crook County covers LAA area 2 – middle portion of the county. Ross Garman currently holds the committee position for this area. Ballots will be mailed to eligible voters around November 3. Instructions for voting will be included. **December 1** is the last day to have ballots postmarked or return them to the county office. Please take some time to vote and select your representative on the County Committee.

## CROP REPORTS

For the past couple of years FSA has had two different crop report deadlines. The first one is July 15, of the current year, for all annual crops and November 15, of the previous year, for perennial forage and grazing crops. For example, 2015 annual tilled crops crop report is due July 15, 2015 while the 2015 perennial forage and grazing crops crop report is due November 15, 2014. FSA's definition for "Crop Report" is the reporting of what is planted to farm acreages.

### Crop Production Reports:

Crop production reports are the reporting of current year harvested production. For annual crops the reporting deadline is the next year's crop report date (July 15). For perennial forage crops the production report deadline is the next year's crop report date (November 15). For example, 2014 annual crop production reports are due July 15, 2015 while 2014 perennial forage crop production reports are due November 15, 2014. These production reports are used for NAP program participants to establish the current year APH (payment yield).

Crook County FSA Office  
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Sundance, WY 82729



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## **\*\* Attention \*\***

If you are not receiving our newsletters and updates electronically, now is the time to sign up. The paper newsletters will soon be gone so it is vitally important that you sign up for GovDelivery. Contact this office to find out how you can subscribe to GovDelivery or subscribe online at: <http://www.fsa.usda.gov/subscribe>. This may soon be our only option of advertising our programs.

Persons with disabilities who require accommodations to attend or participate in this meeting/event/function should contact Mike Idler at 307-283-2870 extension 2 or Federal Relay Service at 1-800-877-8339 by December 16, 2014.

### **Dates to Remember**

**November 27** Office Closed- Thanksgiving  
**December 1** NAP Deadline  
**December 1** COC Ballots Due  
**December 25** Office Closed- Christmas  
**January 1** Office Closed- New Years  
**January 30** LFP and LIP Deadline  
**February 27** Yield Update and Base Acre Reallocation Deadline

USDA is an equal opportunity provider and employer. To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Civil Rights, Office of Adjudication, 1400 Independence Ave., SW, Washington, DC 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal relay), (866) 377-8642 (Relay voice users)