



United States Department of Agriculture

Maryland Farm Service Agency

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News Release

USDA Issues Safety-Net Payments to Maryland Farmers Facing Market Downturn

(Annapolis, MD), November 20, 2015 – USDA Maryland Farm Service Agency (FSA) Executive Director, Linda D. Slacum announced that approximately 2841 Maryland farms that enrolled in the new safety-net programs established by the 2014 Farm Bill will soon begin receiving financial assistance for the 2014 crop year. The programs, known as Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC), are designed to protect against unexpected drops in crop prices or revenues due to market downturns.

“These new safety-net programs provide help when price and revenues fall below normal, unlike the previous direct payments program that provided funds even in good years,” said Slacum. “For example, 23 counties in Maryland harvest corn, and corn producers in 5 of those counties have experienced a drop in revenue below the benchmark revenue established by the ARC program. For corn growers in the remaining 18 counties, the average revenue for the market year was higher than the benchmark revenue established by the programs, so financial assistance did not occur.”

The county-based option of ARC protects against lower revenue from a combination of price and yield.

“Payments by county can vary because average county yields will differ,” said Slacum.

Statewide, 7835 farms participated in ARC-County, 521 farms participated in PLC, and 4221 farms participated in a combination of of ARC-County and PLC. More details on the price and yield information used to calculate the financing assistance from the safety-net programs is available on the FSA website at www.fsa.usda.gov/arc-plc and www.fsa.usda.gov/md.

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