

For: State and County Offices

**One Big Beautiful Bill Act (OBBBA) Information Relating to
Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) Programs**

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

A Background

The OBBBA was enacted on July 4, 2025, and provides ARC and PLC program changes that impact payments for 2025, extends authorization to 2031, and provides an opportunity to allocate new base acres to farms starting with the 2026 program year.

B Purpose

This notice provides:

- an overview of OBBBA as it relates to the 2025 through 2031 ARC and PLC programs
- basic information on the changes, estimated timeline, and training.

C Contact

If there are questions or concerns about this notice:

- County Offices will contact their State Office
- State Offices will contact Jamie Garriott.

Disposal Date	Distribution
October 1, 2026	State Offices; State Offices relay to County Offices
11-24-25	

2 Basic Provisions

A Mandatory Changes

The following are OBBBA mandatory changes:

- revises the ARC guarantee calculation
- revises the effective reference price calculation
- updates the reference prices
- allocates up to 30 million additional base acres
- extends grass, idle, fallow (G/I/F) designated farms to 2031
- updates the marketing years used to calculate the reference price for Temperate Japonica Rice
- updates the payment rate calculation for ARC-County (ARC-CO)
- increases payment limitation
- provides the higher of ARC-CO or PLC payments for 2025
- requires an election for 2026.

B Program Updates

OBBBA provides updates for program years 2025 and 2026. No action is needed on behalf of producers to implement program year 2025 changes. The following table lists the effective year for program updates.

Program Year 2025	Program Year 2026
effective reference price	base allocation of 30,000,000 acres
reference prices	FAV double crop combination counties
ARC guarantee calculation	G/I/F farms extended
ARC payment rate calculation	new election required
payment limitation increase	
higher of PLC or ARC-CO payment	
update HIP calculations	

2 Basic Provisions (Continued)

C Reference Prices for PLC

The following table provides the 2025 through 2031 reference prices and national loan rates for covered commodities.

Commodity	Reference Price	National Loan Rate
Barley <u>1/</u>	\$5.45 per bu.	\$2.50 per bu
Chickpeas, Large	\$25.65 per cwt	\$14.00 per cwt
Chickpeas, Small	\$22.65 per cwt	\$10.00 per cwt
Corn	\$4.10 per bu	\$2.20 per bu
Dry Peas	\$13.10 per cwt	\$6.15 per cwt
Grain Sorghum	\$4.40 per bu	\$2.20 per bu
Lentils	\$23.75 per cwt	\$13.00 per cwt
Oats	\$2.65 per bu	\$2.00 per bu
Canola	\$23.75 per cwt	\$10.09 per cwt
Crambe	\$23.75 per cwt	\$10.09 per cwt
Flaxseed	\$13.30 per bu	\$10.09 per bu
Mustard	\$23.75 per cwt	\$10.09 per cwt
Rapeseed	\$23.75 per cwt	\$10.09 per cwt
Safflower	\$23.75 per cwt	\$10.09 per cwt
Sesame Seed	\$23.75 per cwt	\$10.09 per cwt
Sunflower	\$23.75 per cwt	\$10.09 per cwt
Peanuts	\$630.00 per ton	\$355.00 per ton
Rice, Long Grain	\$16.90 per cwt	\$7.00 per cwt
Rice, Medium/Short Grain	\$16.90 per cwt	\$7.00 per cwt
Rice, Temperate Japonica	\$24.33 per cwt	\$7.00 per cwt
Soybeans	\$10.00 per bu	\$6.20 per bu
Wheat	\$6.35 per bu	\$3.38 per bu
Seed Cotton <u>2/</u>	\$0.42 per lb	\$0.25 per lb

1/ Barley price is based on the price of “all barley.” Previously the price was based on the “feed barley” price.

2/ Seed cotton price is a weighted average of upland cotton and cottonseed prices. Marketing year for upland cotton is August 1 to July 31. Marketing year for cottonseed is August 1 to February 28.

2 Basic Provisions (Continued)

D Covered Commodities

The list of covered commodities did not change with OBBBA; however, some crop types and intended uses have been updated. The following table provides the entire list of covered commodities with types and intended uses.

Crop Name	Crop Codes	Type Name	Intended Use
Barley	0091	All	FG, GR, GZ, SD
Canola	0711	All	GR, PR, SD
Chickpeas, Large	0047	Garbanzo, Large Kabuli (GAR)	DE, FG, PR, FH, SD
Chickpeas, Small	0047	<ul style="list-style-type: none"> Garbanzo, Small Kabuli (GAS) Garbanzo, Desi (GAD) 	
Corn	0041	<ul style="list-style-type: none"> White (WHE) Yellow (YEL) Amylose (AMY) Popcorn (POP) Waxy (WXY) High Amylase (AMA) Blue (BLU) Red (RED) 	FH, GR, PR, SD, SG, GZ
Cotton	0021	<ul style="list-style-type: none"> Upland 	
Crambe	0714		GR, SD
Flax	0031	All	GR, OL, PR, SD
Lentils	0401		DE, FG, GZ, SD
Mustard	0130	All	GR, PR, SD
Oats	0016	All	FG, GR, GZ, SD
Peanuts	0075	All	GP, HP, NP
Peas, Dry	0067	<ul style="list-style-type: none"> Austrian (AUS) Green (GRN) Umatilla (UMA) Wrinkled (WSD) Yellow (YEL) 	DE, FG, GZ, SD
Rapeseed	0129		FG, GR, GZ, PR, SD
Rice	0018 0904	<ul style="list-style-type: none"> Long Grain (LGR) Medium Grain (MGR) Short Grain (SGR) Temperate Japonica (JCA) 	GR, PR, SD
Safflower	0079		FG, GR, PR, SD
Sesame	0396		GR, PR, SD
Sorghum	0051 0052	All	FG, GR, GZ, SD, SG
Soybeans	0081	All	FG, FH, GR, GZ, PR, SD
Sunflower	0078	All	FG, GR, PR, SD
Wheat	0011	All	FG, GR, GZ, SD

2 Basic Provisions (Continued)

E Base Allocation

All farms with a cropping history containing a covered commodity in years 2019 through 2023 are eligible for additional base allocation. Additional bases will:

- be allocated based on cropping history
- not exceed effective cropland plus CRP acreage
- be automatic unless an owner opts out.

If subsequent acres are reported on a farm, owners will have the option to designate what covered commodity is used for base allocation. If unassigned base acres are on the farm, an acre-for-acre conversion will be applied before any additional base acre allocation.

F Program Election

An election will be required to be made on each farm for program year 2026. Failure to make or agree to an election for a farm in 2026 will result in the election being “defaulted” to the election that was on the farm in 2025, and the farm will be ineligible for payment in 2026.

3 Timeline and Training

A Timeline

The following items, in specific order, need to be completed to implement OBBBA:

- Farm Records cleanup
- research missing acreage history (history dig)
- subsequent acre designation
- opt-out period
- base allocation
- election and enrollment for 2026.

Each of these items may have a very short turnaround time. It is the goal to have election and enrollment for 2026 completed during this fiscal year. Specific deadlines will be announced for each item listed in future instructions.

B Training

The National Office will provide a series of trainings by topic. Training will be recorded and posted for future reference. Training dates and times will be provided when scheduled.