

For: State and County Offices

**2018 Price Loss Coverage (PLC) Payment Rates and 2018 Agriculture Risk Coverage (ARC)
Actual Price for Corn, Grain Sorghum, Soybeans, Dry Peas, Canola, and Lentils**

Approved by: Deputy Administrator, Farm Programs



1 Overview

A Background

The Agricultural Act of 2014 provides for payments for covered commodities in:

- PLC when the market year average price is below the reference price
- ARC when the actual revenue is below the guarantee.

The 2018 market year average price for corn, grain sorghum, soybeans, dry peas, canola, and lentils was announced on September 27, 2019.

B Purpose

This notice:

- provides detailed explanations about determining:
 - PLC payment rates for corn, grain sorghum, soybeans, dry peas, canola, and lentils
 - ARC actual revenue when the actual yield data becomes available
- informs State Offices and Service Centers that 2018 PLC and ARC payments cannot be made until after October 1, 2019.

Disposal Date	Distribution
March 1, 2020	State Offices; State Offices relay to County Offices

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2 2018 PLC Payment Rates or ARC Actual Revenues for Corn, Grain Sorghum, Soybeans, Dry Peas, Canola, and Lentils

A 2018 PLC Payment Rates for Corn, Grain Sorghum, Soybeans, Dry Peas, Canola, and Lentils

The following table provides the PLC payment rates for corn, grain sorghum, soybeans, dry peas, canola, and lentils.

Item	Corn	Grain Sorghum	Soybeans	Dry Peas	Canola	Lentils
	Dollars per Bushel			Dollars per Pound		
Reference Price	3.70	3.95	8.40	0.1100	0.2015	0.1997
National Loan Rate	1.95	1.95	5.00	0.0540	0.1009	0.1128
Marketing Year Average (MYA) Price	3.61	3.26	8.48	0.1050	0.1580	0.1770
Higher of Loan Rate or MYA Price	3.61	3.26	8.48	0.1050	0.1580	0.1770
PLC Payment Rate	0.09	0.69	0.00	0.0050	0.0435	0.0227

B 2018 ARC-CO Actual Revenue for Corn, Grain Sorghum, Soybeans, Dry Peas, Canola, and Lentils

The ARC-CO actual crop revenue is calculated by multiplying the actual average county yield for the covered commodity times the higher of either of the following:

- MYA price for the covered commodity
- national loan rate for the covered commodity.

The following table provides the national loan rate and MYA price for corn, grain sorghum, soybeans, dry peas, canola, and lentils.

Item	Corn	Grain Sorghum	Soybeans	Dry Peas	Canola	Lentils
	Dollars per Bushel			Dollars per Pound		
National Loan Rate	1.95	1.95	5.00	0.0540	0.1009	0.1128
MYA Price	3.61	3.26	8.48	0.1050	0.1580	0.1770
Higher of Loan Rate or MYA Price	3.61	3.26	8.48	0.1050	0.1580	0.1770

Once the yield is known for a specific county and covered commodity, the ARC-CO actual revenue can be determined for corn, grain sorghum, soybeans, dry peas, canola, and lentils.

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2 2018 PLC Payment Rates or ARC Actual Revenues for Corn, Grain Sorghum, Soybeans, Dry Peas, Canola, and Lentils (Continued)

C 2018 ARC-IC Actual Revenue for Corn, Grain Sorghum, Soybeans, Dry Peas, Canola, and Lentils

ARC-IC uses the same higher of the loan rate or MYA price as ARC-CO; however, the actual crop revenue cannot be calculated until **both** of the following occur:

- the producer reports all production for all covered commodities planted on the farm
- all MYA prices for all covered commodities planted on the farm are known.

Until that time, the ARC-IC actual revenue for the farm cannot be calculated.

3 Location of Data and Payment Information

A Location of Data

ARC and PLC data, including ARC-CO yields and projected and final PLC payment rates, is made available on FSA's website at <http://www.fsa.usda.gov/arc-plc>.

B Timing of Payments

All 2018 ARC and PLC payments cannot be made until the later of either of the following:

- October 1, 2019
- the announcement of the final 2018 MYA price for the applicable covered commodity.

C Announcement of the Final 2018 MYA Price

The following table lists the dates for the announcement of the final MYA price for 2018 covered commodities.

Covered Commodity	Price Publication Date	Covered Commodity	Price Publication Date
Wheat	August 30, 2019	Seed Cotton	October 31, 2019
Barley	August 30, 2019	Large Chickpeas	November 27, 2019
Oats	August 30, 2019	Small Chickpeas	November 27, 2019
Peanuts	August 30, 2019	Sunflower Seed	November 27, 2019
Corn	September 27, 2019	Flaxseed	November 27, 2019
Grain Sorghum	September 27, 2019	Mustard Seed	November 27, 2019
Soybeans	September 27, 2019	Rapeseed	November 27, 2019
Dry Peas	September 27, 2019	Safflower	November 27, 2019
Lentils	September 27, 2019	Crambe	November 27, 2019
Canola	September 27, 2019	Sesame Seed	November 27, 2019
Long Grain Rice	October 31, 2019	Temporate Japonica Rice	January, 2020
Short/Medium Grain Rice	October 31, 2019		