

Farm Service Agency U.S. DEPARTMENT OF AGRICULTURE

Agricultural Producers Have Until March 15 to Enroll in USDA's Key Commodity Safety Net Programs

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SPRINGFIELD, Illinois, February 17, 2022 – Agricultural producers who have not yet enrolled in the Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) programs for the 2022 crop year have until March 15, 2022, to sign a contract. The U.S. Department of Agriculture (USDA) offers these two safety net programs to provide vital income support to farmers experiencing substantial declines in crop prices or revenues.

"The Agriculture Risk Coverage and Price Loss Coverage programs provide critical financial protections to many American farmers. As producers continue to weather a bruising pandemic and new, climate-induced disasters, these programs are all the more important," said Zach Ducheneaux, Administrator of USDA's Farm Service Agency (FSA). "I am encouraging producers to reach out to their county offices to learn about program eligibility and election options today, so that they can begin the enrollment process as soon as possible."

Producers can elect coverage and enroll in ARC-County or PLC, which are both crop-by-crop, or ARC-Individual, which is for the entire farm. Although election changes for 2022 are optional, producers must enroll through a signed contract each year. Also, if a producer has a multi-year contract on the farm and makes an election change for 2022, it will be necessary to sign a new contract.

If an election is not submitted by the March 15, 2022, deadline, the election remains the same as the 2021 election for crops on the farm. Farm owners cannot enroll in either program unless they have a share interest in the crop.

Producers have completed 976,249 contracts to date, representing 54% of the more than 1.8 million expected contracts.

Producers who do not complete enrollment by the deadline will not be enrolled in ARC or PLC for the 2022 crop year and will not receive a payment if triggered.

Producers are eligible to enroll farms with base acres for the following commodities: barley, canola, large and small chickpeas, corn, crambe, flaxseed, grain sorghum, lentils, mustard seed, oats, peanuts, dry peas, rapeseed, long grain rice, medium and short grain rice, safflower seed, seed cotton, sesame, soybeans, sunflower seed, and wheat.

Decision Tools

In partnership with USDA, two web-based decision tools are available to assist producers in making informed, educated decisions using crop data specific to their respective farming operations:

- <u>Gardner-farmdoc Payment Calculator</u>, a tool available through the University of Illinois allows producers to estimate payments for farms and counties for ARC-CO and PLC.
- ARC and PLC Decision Tool, a tool available through Texas A&M that allows producers to estimate payments and yield updates and expected payments for 2022.

Crop Insurance Considerations and Decision Deadline

ARC and PLC are part of a broader safety net provided by USDA, which also includes crop insurance and marketing assistance loans.

Producers are reminded that ARC and PLC elections and enrollments can impact eligibility for some crop insurance products.

Producers on farms with a PLC election have the option of purchasing Supplemental Coverage Option (SCO) through their Approved Insurance Provider; however, producers on farms where ARC is the election are ineligible for SCO on their planted acres for that crop on that farm.

Unlike SCO, the Enhanced Coverage Option (ECO) is unaffected by an ARC election. Producers may add ECO regardless of the farm program election.

Upland cotton farmers who choose to enroll seed cotton base acres in ARC or PLC are ineligible for the stacked income protection plan (STAX) on their planted cotton acres for that farm.

Producers should contact their crop insurance agent to make certain that the election and enrollment made at FSA follows their intention to participate in STAX or SCO coverage. Producers have until March 15, 2022, to make the appropriate changes or cancel their ARC or PLC contract.

More Information

In addition to the March 15 deadline for ARC and PLC, other important deadlines include:

March 1, Livestock Indemnity Program

- March 11, Conservation Reserve Program General Signup
- March 15, Pandemic Cover Crop Program
- March 25, Dairy Margin Coverage

"When you're working with us on ARC and PLC, we also encourage you to consider our other programs, including the Pandemic Cover Crop Program, which calls for you to file an acreage report," Ducheneaux added.

For more information on ARC and PLC, producers can visit the <u>ARC and PLC webpage</u> or contact their local USDA Service Center. In those service centers where COVID cases exceed safety levels, staff continue to work with agricultural producers via phone, email and other digital tools.

Producers with <u>level 2 eauthentication</u> access can electronically sign contracts or may make arrangements to drop off signed contracts at the FSA county office. Because of the pandemic, some USDA Service Centers are open to limited visitors.

USDA touches the lives of all Americans each day in so many positive ways. In the Biden-Harris Administration, USDA is transforming America's food system with a greater focus on more resilient local and regional food production, fairer markets for all producers, ensuring access to safe, healthy and nutritious food in all communities, building new markets and streams of income for farmers and producers using climate smart food and forestry practices, making historic investments in infrastructure and clean energy capabilities in rural America, and committing to equity across the Department by removing systemic barriers and building a workforce more representative of America. To learn more, visit <u>usda.gov</u>.

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