

## Farmers Can Now Make 2023 Crop Year Elections, Enroll in Agriculture Risk Coverage and Price Loss Coverage Programs

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### *Payments Issuing to Producers of 2021 Crops Triggering Safety-Net Program Payments*

Agricultural producers can now change election and enroll in the [Agriculture Risk Coverage \(ARC\) and Price Loss Coverage](#) programs for the 2023 crop year, two key safety net programs offered by the U.S. Department of Agriculture (USDA). Signup began Monday, and producers have until March 15, 2023, to enroll in these two programs. Additionally, USDA's Farm Service Agency (FSA) has started issuing payments totaling more than \$255 million to producers with 2021 crops that have triggered payments through ARC or PLC.

"It's that time of year for producers to consider all of their risk management options, including safety-net coverage elections through Agriculture Risk Coverage and Price Loss Coverage," said FSA Administrator Zach Ducheneaux. "We recognize that market prices have generally been very good, but if the ongoing COVID-19 pandemic, frequent catastrophic weather events and the Ukraine war have taught us anything, it's that we must prepare for the unexpected. It's through programs like ARC and PLC that FSA can provide producers the economic support and security they need to manage market volatility and disasters."

### **2023 Elections and Enrollment??**

Producers can elect coverage and enroll in ARC-County (ARC-CO) or PLC, which provide crop-by-crop protection, or ARC-Individual (ARC-IC), which protects the entire farm. Although election changes for 2023 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 2023, they must sign a new contract.???

If producers do not submit their election by the March 15, 2023 deadline, their election remains the same as their 2022 election for crops on the farm.? Farm owners cannot enroll in either program unless they have a share interest in the farm.????

Covered commodities include 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.

## Web-Based Decision Tools

In partnership with USDA, the University of Illinois and Texas A&M University offer web-based decision tools to assist producers in making informed, educated decisions using crop data specific to their respective farming operations. Tools include:

- [Gardner-farmdoc Payment Calculator](#), 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 obtain basic information regarding the decision and factors that should be taken into consideration such as future commodity prices and historic yields to estimate payments for 2022.

## 2021 Payments and Contracts

ARC and PLC payments for a given crop year are paid out the following fall to allow actual county yields and the Market Year Average prices to be finalized. This month, FSA processed payments to producers enrolled in 2021 ARC-CO, ARC-IC and PLC for covered commodities that triggered for the crop year.

For ARC-CO, producers can view the [2021 ARC-CO Benchmark Yields and Revenues](#) online database, for payment rates applicable to their county and each covered commodity. For PLC, payments have triggered for rapeseed and peanuts.

For ARC-IC, producers should contact their local FSA office for additional information pertaining to 2021 payment information, which relies on producer-specific yields for the crop and farm to determine benchmark yields and actual year yields when calculating revenues.

## By the Numbers

In 2021, producers signed nearly 1.8 million ARC or PLC contracts, and 251 million out of 273 million base acres were enrolled in the programs. For the 2022 crop year signed contracts surpassed 1.8 million, to be paid in the fall of 2023, if a payment triggers.

Since ARC and PLC were first authorized by the 2014 Farm Bill and reauthorized by the 2018 Farm Bill, these safety-net programs have paid out more than \$34.9 billion to producers of covered commodities.

## **Crop Insurance Considerations??**

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.???

## **More Information???**

For more information on ARC and PLC, visit the [ARC and PLC webpage](#) or contact your local [USDA Service Center](#).?

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