



United States Department of Agriculture



2018 Farm Bill: ARC/PLC

Farm
Service
Agency

fsa.usda.gov

ARCPLC BASIC PROVISIONS

2024 ARCPLC Program is an extension 2018 Farm Bill

Two programs:

--Agriculture Risk Coverage (ARC)

-- Price Loss Coverage (PLC)

ARCPLC Basic Provisions

22 Covered Commodities

Barley	Canola	Corn	Crambe
Flaxseed	Garbanzo, Large	Garbanzo, Small	Grain Sorghum
Lentils	Mustard Seed	Oats	Peanuts
Peas, Dry	Rapeseed	Rice, Long Grain	Rice Medium Grain
Safflower	Seed Cotton	Sesame Seed	Soybeans
Sunflower Seed	Wheat		

ARCPLC BASIC PROVISIONS

ARC program offers income support when guarantee revenues are not met for selected covered commodities

Two Options under ARC program

- **ARC-CO:** County Level Loss Coverage
- **ARC-IC:** Individual Level Loss Coverage

ARCPLC Basic Provisions

ARC-County:

- protects against crop **revenue shortfalls**
- price **and/or** production declines per covered commodity
- at the “**COUNTY**” level

ARC-Individual Coverage:

- protects against crop **revenue shortfalls**
- price **and/or** Production declines across
- **ALL** covered commodities planted at the “**Farm**” level across **ALL** farms enrolled in ARC-IC in the STATE

ARCPLC Basic Provisions

Price Loss Coverage

- Provides an income support when effective price of covered commodity is below the “effective reference” price set by statute (Price Protection)
- Decline in “production” is NOT covered under PLC

ARCPLC Basic Provisions Program Comparison

PLC	ARC-CO	ARC-IC
<p style="text-align: center;">Uses Price plus PLC Yield</p>	<p style="text-align: center;">Uses Price Plus “County” Level Yield</p>	<p style="text-align: center;">Uses Price Plus Producer’s yield on the farm(s)</p>
<p style="text-align: center;">Payment determined by individual covered commodity crop base acres</p>	<p style="text-align: center;">Payment determined by individual covered commodity crop base acres</p>	<p style="text-align: center;">Payment determined by all crops planted of covered commodities combined on the farm(s) in the State</p>

ARCPLC Basic Provisions Program Comparison

PLC	ARC-CO	ARC-IC
<p>Payments made on 85% of specific crop based on farm</p>	<p>Payments made on 85% of specific crop base acres on farm</p>	<p>Payments made on 65% of TOTAL base acres on farm</p>
<p>Production report NOT required</p>	<p>Production report NOT required</p>	<p>Requires annual Production report of all covered commodities planted</p>

ARCPLC Basic Provisions Program Comparison

PLC	ARC-CO	ARC-IC
<p style="text-align: center;">Planting of covered commodities NOT required</p>	<p style="text-align: center;">Planting of covered commodities NOT required</p>	<p style="text-align: center;">Planting of covered commodities REQUIRED</p>
<p style="text-align: center;">Elect by Covered Commodity Base Acres by farm</p> <p style="text-align: center;"><i>May mix ARC-CO and PLC on same farm by base crop</i></p>	<p style="text-align: center;">Elect by Covered Commodity Base Acres by farm</p> <p style="text-align: center;"><i>May mix ARC-CO and PLC on same farm by base crop</i></p>	<p style="text-align: center;">Elect on ALL Covered Commodities on the farm</p> <p style="text-align: center;"><i>ARC-CO and PLC not eligible on farm</i></p>

ARCPLC BASIC PROVISION

Contract Requirements

- ARC-CO and PLC, producers are required to designate shares and sign a contract for farms enrolled
- ARC-IC, producers sharing in covered commodities on farm enrolled are required to sign a contract
 - Payment shares will be determined by using the producer shares of all covered commodities certified (FSA-578) on the ARC-IC enrolled farm

2024 ARC/PLC

Signup Began: December 18, 2023

Signup Ends: March 15, 2024

ARCPLC BASIC PROVISIONS

- Enrollment will occur on a covered commodity-by-covered commodity base acre crop basis
- If an election is not submitted by the deadline of March 15, 2024, the election defaults to the current election for crops on farm from the prior year
- To be eligible for payments, producers must annually enroll their respective share interest of covered commodity base acres.

Important ARCPLC Deadlines

- **March 15, 2024 Enrollment and Election Deadline**
- **July 15, 2024 Deadline to report planted acres**
- **July 15, 2024 Deadline to report production for ARC-IC for 2023 ARC-IC enrolled farms**
- **September 30, 2024 Deadline to sign any contract revisions, successions, and late-files**
- **Early October 2025 once Marketing Year Average (MYA) price has been determined payments for 2024 will be paid**

ARCPLC BASIC PROVISIONS

Why March 15th?

This date closely aligns with RMA sales closing dates for:

- **Enhanced Coverage Option (ECO)**
- **Supplemental Coverage Option (SCO)**
- **Stacked Income Protection Plan for Upland Cotton (STAX)**

ARCPLC BASIC PROVISIONS

ECO, SCO, & STAX are all RMA programs which USDA does not have any control over...

- **ECO is not affected by enrollment in the ARCPLC program**
- **To be eligible for SCO**
 - **Producers cannot be enrolled in ARC**
- **To be eligible for STAX**
 - **Producer cannot enroll Seed Cotton base acres**

A large, white, 3D question mark stands on a light-colored wooden plank floor. To its right, the word "QUESTIONS" is written in a large, white, sans-serif font against a light blue-grey background. The scene is lit from the left, casting soft shadows.