

NDSU NORTH DAKOTA
STATE UNIVERSITY

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Farm Program Payments

September 2015

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Farm Program Payments - Timeline

- Payments for the 2014 crop year will be made beginning in October 2015.
- Payments for the 2015 crop year will be made beginning in October 2016.

PLC payment rates for 2014 are projected to be:

- Canola \$0.0315 pound
- Corn \$0.02 bushel
- Peanuts \$0.0475 pound
- Rice (long grain) \$0.021 pound

Payment rate is the same in all counties, all states

No other crops will receive a PLC payment for 2014

ARC – county payments vary by county

Benchmark revenue minus current revenue equals payment rate

Where:

County benchmark yield x benchmark price x 86% = BR

Current year county yield x current year price = current revenue

Benchmark yields and prices use the most recent 5 years values. High and low values are dropped and remaining 3 are averaged.

For 2014

- All payments will be reduced due to sequestration legislation
- Estimated reduction is 7%

2015 Crop

- 1) With a county yield equal to the benchmark yield and
- 2) Current USDA price projections for 2015

These crops would yield the maximum ARC-CO payment

Wheat 1 bu

Flax 1 bu

Soybeans 1 bu

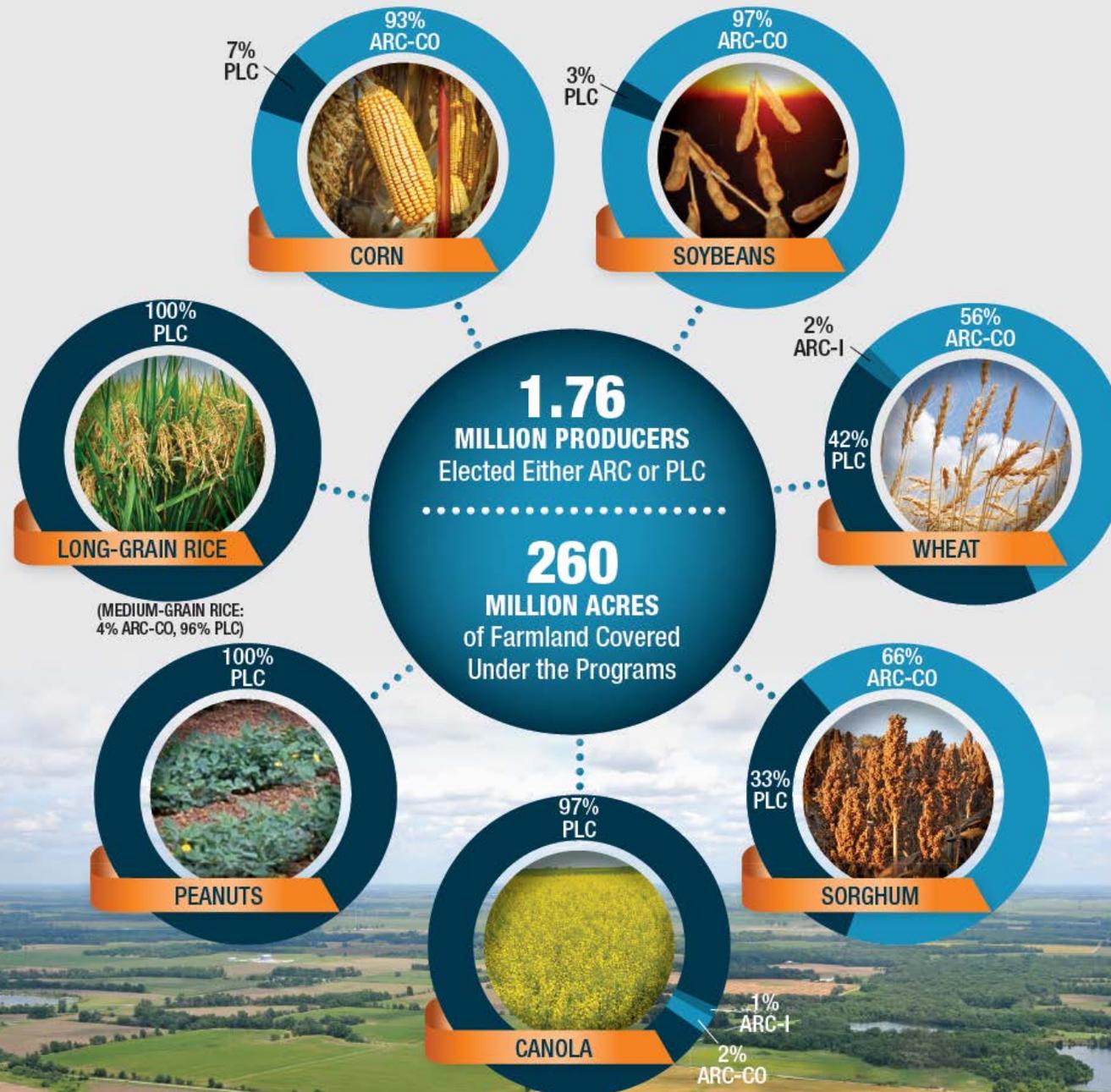
Dry Peas 100 lbs

Corn 8 bu

Lg Chickpeas 100 lbs

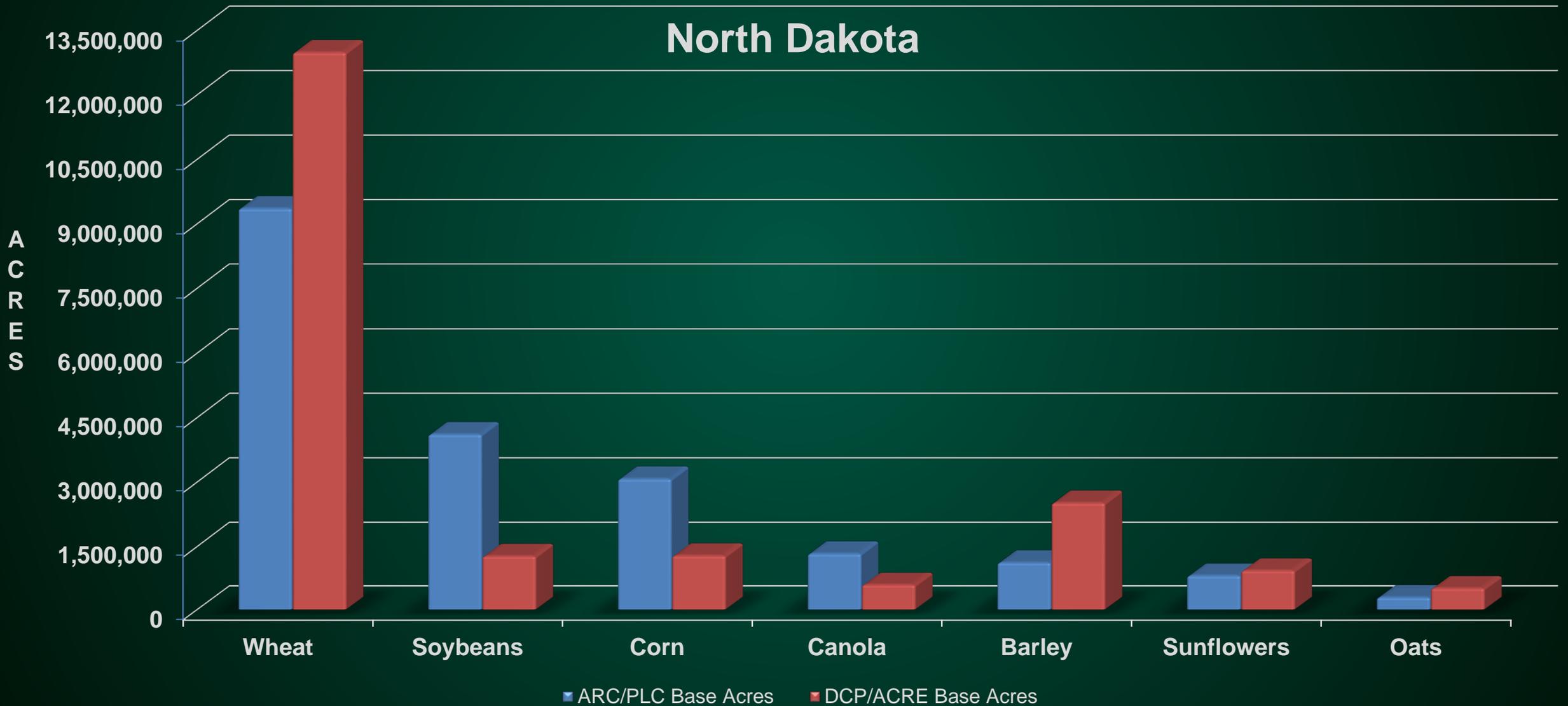
Oats 7 bu

Farmer Elections for Key Commodity Crops in Terms of Acres

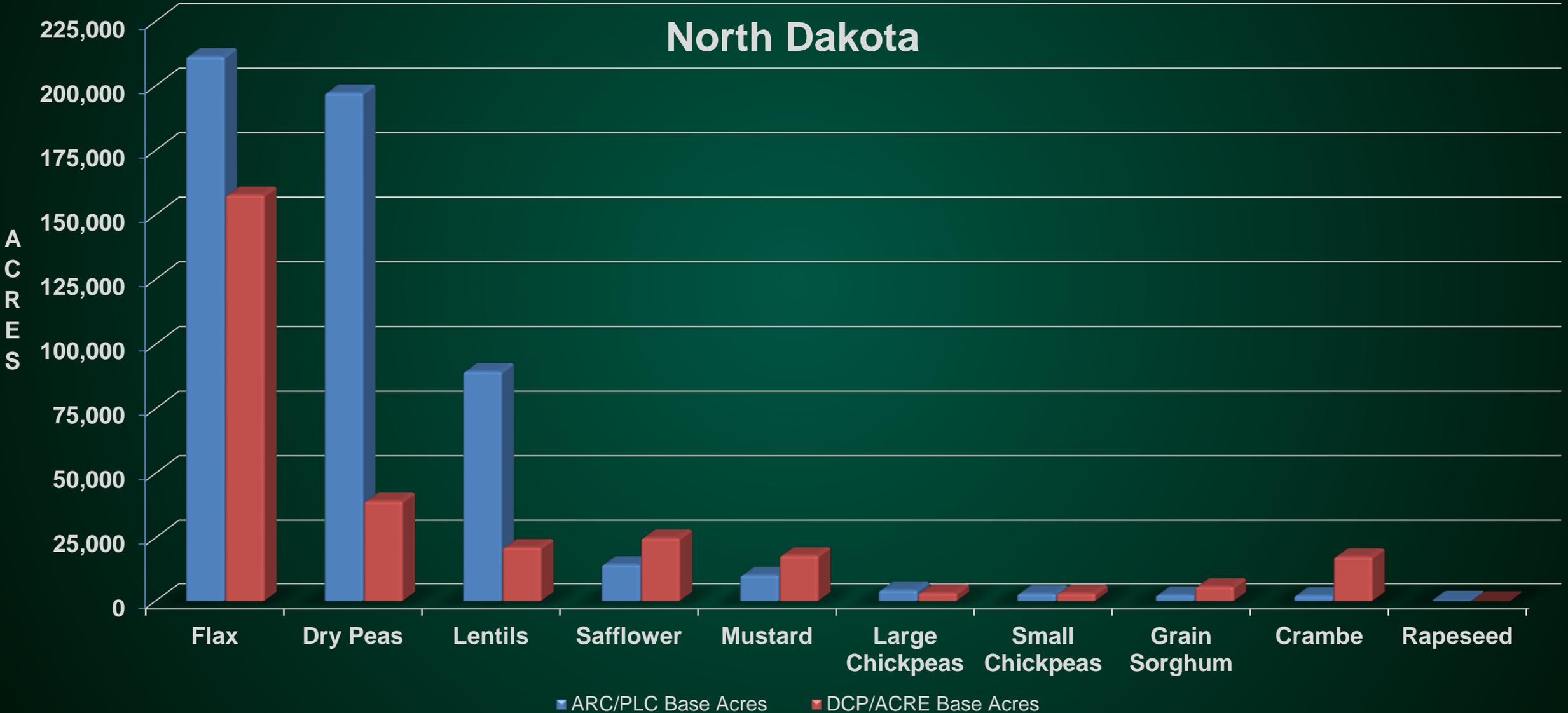


Credit:
Lindsey Benne/Farm Journal Media

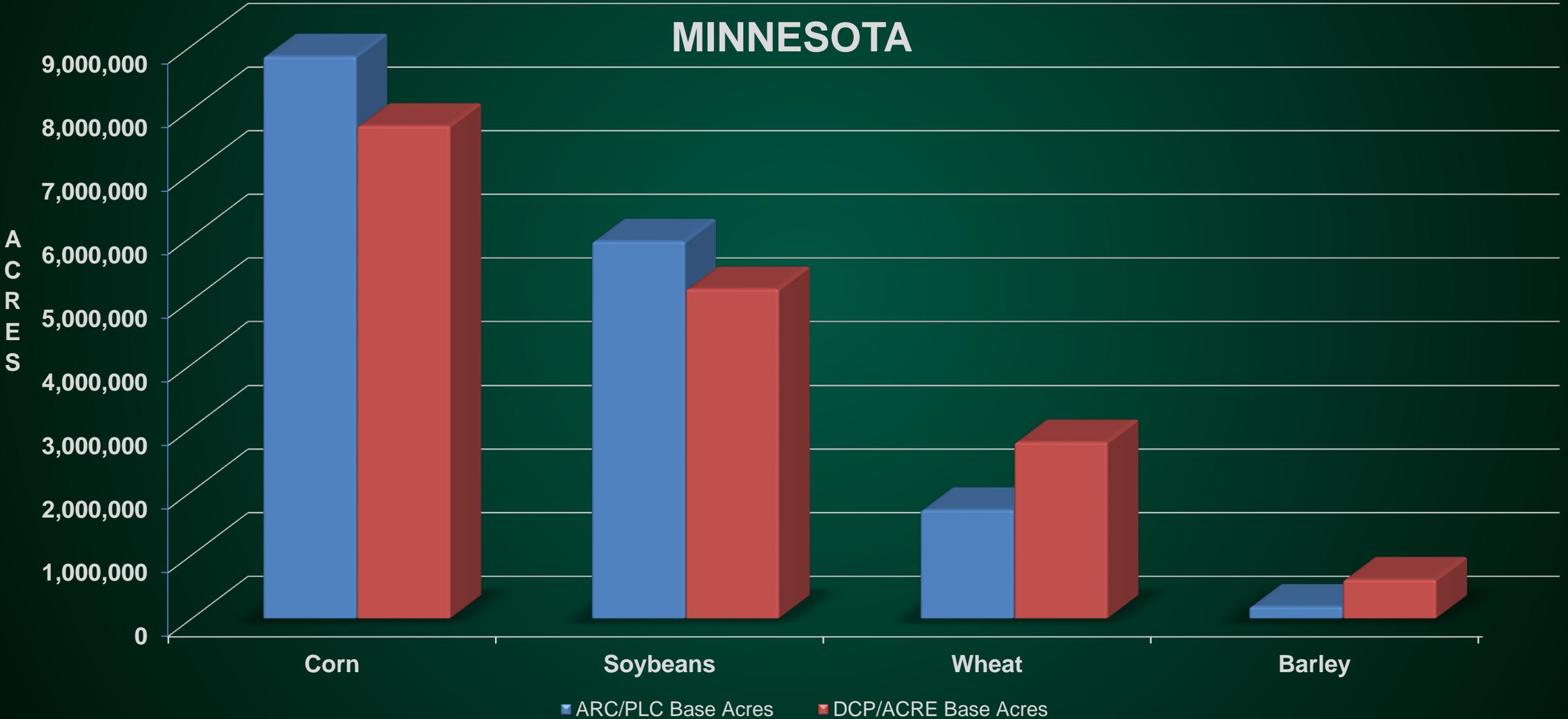
Comparison of ARC/PLC Elections and 2013 DCP/ACRE Enrolled Bases by State and Crop



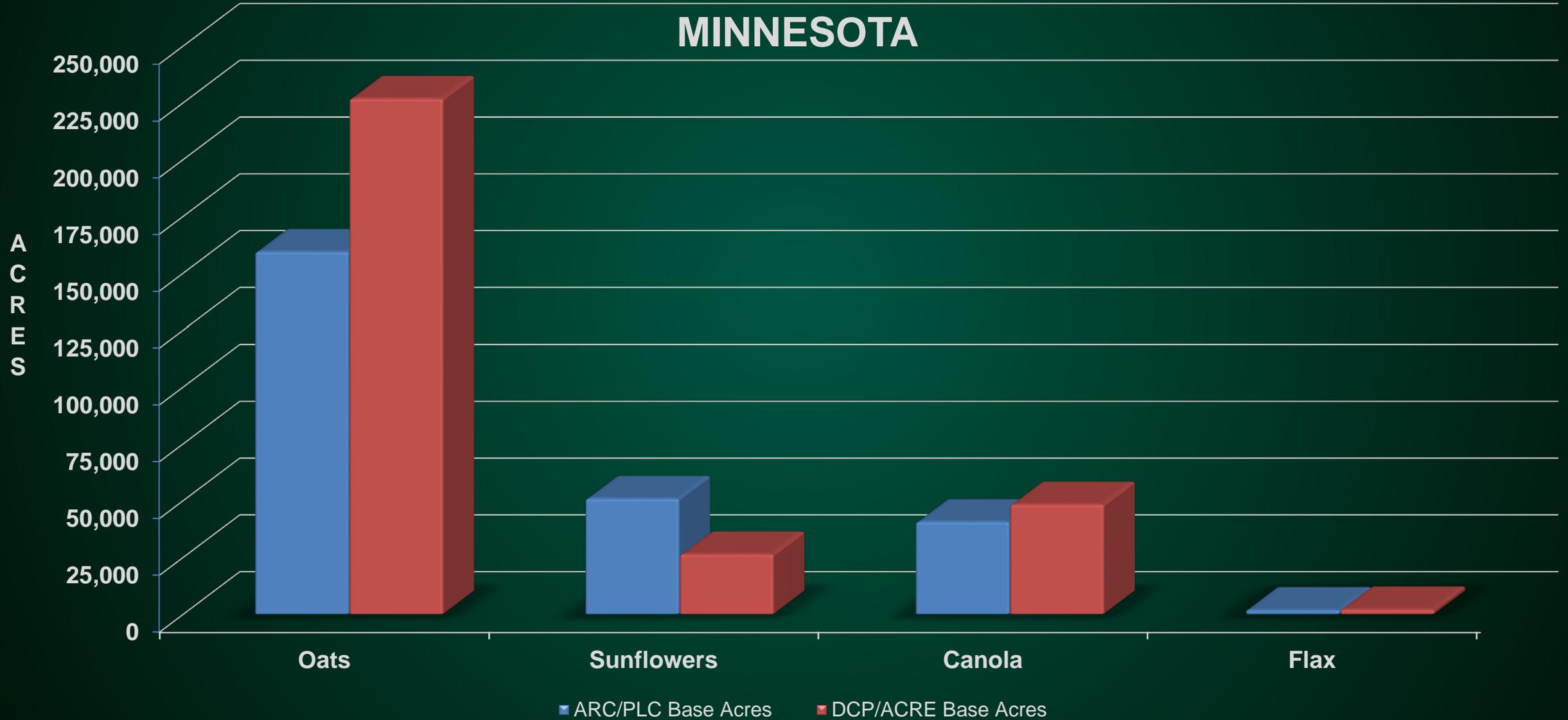
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Comparison of ARC/PLC Elections and 2013 DCP/ACRE Enrolled Bases by State and Crop



Percent of Base Acres that Made an ARC/PLC Election

| NORTH DAKOTA | Percent of Bases Electing... | | |
|-----------------|------------------------------|--------|--------|
| | PLC | ARC-CO | ARC-IC |
| Barley | 81% | 18% | 1% |
| Canola | 99% | 1% | 0% |
| Corn | 2% | 97% | 1% |
| Crambe | 61% | 38% | 1% |
| Dry Peas | 41% | 58% | 1% |
| Flax | 63% | 36% | 0% |
| Grain Sorghum | 37% | 63% | 1% |
| Lentils | 65% | 29% | 5% |
| Large Chickpeas | 25% | 70% | 4% |
| Mustard | 49% | 48% | 3% |
| Oats | 32% | 67% | 1% |
| Rapeseed | 19% | 81% | 0% |
| Safflower | 47% | 50% | 3% |
| Small Chickpeas | 32% | 67% | 0% |
| Soybeans | 1% | 98% | 1% |
| Sunflowers | 54% | 45% | 1% |
| Wheat | 23% | 75% | 1% |

Percent of Base Acres that Made an ARC/PLC Election

| MINNESOTA | Percent of Bases Electing... | | |
|-----------------|------------------------------|--------|--------|
| | PLC | ARC-CO | ARC-IC |
| Barley | 44% | 55% | 1% |
| Canola | 90% | 8% | 2% |
| Corn | 1% | 99% | 0% |
| Dry Peas | 0% | 100% | 0% |
| Flax | 50% | 50% | 0% |
| Grain Sorghum | 0% | 100% | 0% |
| Oats | 10% | 90% | 0% |
| Rapeseed | 52% | 48% | 0% |
| Safflower | 0% | 100% | 0% |
| Sesame | 0% | 100% | 0% |
| Small Chickpeas | 0% | 100% | 0% |
| Soybeans | 1% | 99% | 1% |
| Sunflowers | 31% | 68% | 1% |
| Wheat | 10% | 88% | 2% |