



# NEWSLETTER



**Big Horn County**

**408 Greybull Ave - Greybull, WY 82426**

**November 2014**

**Farm Service Agency**

307-765-2689 phone  
855-415-3432 fax  
www.fsa.usda.gov

**FSA Staff**

Brenda Miller, CED  
Connie Werbelow, PT

**Office Hours:**

Monday - Friday  
8:00 am – 4:30 pm

**County Committee**

Jan Barnett, Chairperson  
Wilford Tippetts, Vice-Chairman  
Michael Rasmussen, Member

**NRCS Staff**

Monte Bush- DC

**Conservation District**

Janet Hallsted, Greybull  
Kristen Tilley, Lovell

**Farm Loan Staff**

Bill Morrison, FLM  
Worland (307)247-2456  
Kathy Palazollo, FLO  
Powell (307)754-9411

## 2014 Farm Bill and ARC/PLC

The 2014 Farm Bill has arrived with some big changes from the previous farm bill. If you have base acres on your farm this information is for you. The direct payments we have had since 2002 are gone. Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) have replaced the former DCP/ACRE program. The enrollment for ARC/PLC is a multi-step process beginning with updating yields and/or reallocating base acres, followed by the election process, then enrollment. Updating yields and reallocating bases is taking place now thru February 27, 2015. Election begins on November 17, 2014 and continues thru March 31, 2015. Enrollment is scheduled to begin in mid April and run thru next summer.

### Yield Updates

The 2014 Farm Bill offers land owners a one-time only opportunity to update their yields. If you want to maximize your commodities payment it is very important that you take a look at your yield data and take this opportunity to increase your yields when possible. Letters were sent to every land owner in July listing their planting history and base and yield information on covered commodities.

Many of the established yields in Big Horn County are based on historical yields going back as far as the 1980s. With the evolution of seed, irrigation practices, equipment, fertilizers, and overall farm knowledge yields in Big Horn County will most likely have improved.

It only takes one year of having planted a covered commodity crop, barley, corn, oats, or wheat to be able to update your yield. Silage and other crops grown for forage/hay instead of grain are also eligible and will allow you to update your yield. 90% of the 2008-2012 crop production will be used to establish new yields, excluding any year where no acreage was planted to the covered commodity.

In order to update your yields, please bring your production data into the county office. Only covered commodities planted from 2008-2012 are used for yield updates.

### Base Reallocation

Along with yield updates the farm bill also allows you a one-time opportunity to reallocate you base acres. Your farm base acres are already allocated to covered commodity crops that were historically grown on that farm and cannot be increased, but you can reallocate your farm's base acres to the covered commodity crops you have actually grown in the years 2009-2012. Only you can decide if you want to reallocate, as the future markets are unknown.

### What is ARC/PLC?

The 2014 Farm Bill authorized a new safety net approach for farm commodities, known as the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs. These programs combine provisions from previous programs delivered by the Farm Service Agency (FSA), which were the counter-cyclical portion of the Direct and Counter-Cyclical Program, the Supplemental Revenue Assistance Payments Program, and the Average Crop Revenue Election Program with revenue insurance delivered by the Risk Management Agency.

## What is PLC?

Payments are issued when the effective price of a covered commodity is less than the respective reference price for that commodity established in the statute for 2014-2018 crops. The effective price equals the higher of the market year average price or the national average loan rate. The PLC payment is equal to 85 percent of the base acres of the covered commodity times the difference between the reference price and the effective price times the PLC payment yield for the covered commodity.

The Reference Price below has already been established for the life of the Farm Bill. In order for a payment to trigger the Marketing Year Average Price (MYA) has to be less than:

- \$4.95/bu. for barley
- \$3.70/bu. for corn
- \$2.40/bu. for oats
- \$5.50/bu. for wheat

## What is County ARC (ARC-CO)?

Payments are issued when the actual county crop revenue of a covered commodity is less than the ARC-CO guarantee for the covered commodity. The ARC-CO guarantee equals 86 percent of the previous five-year market year average price, excluding the years with the highest and lowest price (the ARC guarantee price), times the five-year average county yield, excluding the years with the highest and lowest yield (the ARC county guarantee yield). The payment is equal to 85 percent of the base acres of the covered commodity times the difference between the county guarantee and the actual county crop revenue for the covered commodity.

## What is Individual ARC (ARC-IC)?

Payments are issued when actual ARC-IC revenue, summed across all covered commodities on the farm, is less than the associated ARC-IC guarantee. The farm for ARC-IC purposes is the sum of the producer's interest in all ARC-IC farms in the state. The farm's ARC individual guarantee equals 86 percent of the farm's individual benchmark guarantee, defined as the five-year average of a producer's annual benchmark revenue for each commodity, excluding the high and low annual revenues. The resulting revenues are averaged across all crops on the farm, based on plantings, to obtain the revenue guarantee. Actual revenue is computed similarly. The ARC-IC payment equals: 65 percent of the sum of the base acres of all covered commodities on the farm, times the difference between the individual guarantee revenue and the actual individual crop revenue across all covered commodities planted on the farm. Payments may not exceed 10 percent of the individual benchmark revenue.

## ???? How Do I Decide ????

The USDA has partnered with Texas A & M and the University of Illinois to create web tools to help producers decide what options might benefit them the most. Here are some links to websites to help in your decision making process. The county office staff will not be able to make this decision for you so it is up to you to do the research. Both of the decision making tools allow you to input your actual information and market predictions, or use USDA or FAPRI market predictions to assist you.

<http://www.fsa.usda.gov/FSA/webapp?area=home&subject=arpl&topic=landing>

<http://fsa.usapas.com/>

<https://usda.afpc.tamu.edu/>

Also the University of Wyoming Extension will be providing training on Farm Bill 2014. It would be very beneficial for all producers to attend this training where they will discuss the options available and answer question you may have about the programs and how they affect you. Training in our area is scheduled for:

**December 12 in Worland**

**December 18 in Powell**

The exact times and locations for the meetings are yet to be determined, but check your email for a flyer once it has been established or call the office closer to those dates to find out the starting time and location. Currently they are both scheduled for the morning.

## **LIVESTOCK DISASTER ASSISTANCE PROGRAMS**

### **Livestock Forage Disaster Program**

The 2014 Farm Bill makes the Livestock Forage Disaster Program (LFP) a permanent program. Any livestock producer that grazed non-irrigated grazing land in Big Horn County may be eligible for a payment. LFP payments for drought are equal to 60 percent of the monthly feed cost for 4 months.

Sign-up began on April 15, 2014. Documentation on beginning inventory numbers and non-irrigated grazing lands will be required. Some eligibility restrictions may apply. Please consult your local FSA office for details.

Eligible producers in Big Horn County will be eligible for 4 monthly payments for 2012 and 2013. The sign up deadline is January 30, 2014.

### **Livestock Indemnity Payments**

LIP provides compensation to eligible livestock producers who have suffered livestock death losses in excess of normal mortality due to adverse weather and attacks by animals reintroduced into the wild by the federal government or protected by federal law, including wolves and avian predators. LIP payments are equal to 75 percent of the market value of the applicable livestock on the day before the date of death of the livestock as determined by the Secretary.

Sign-up began on April 15th, 2014 and continues until January 30, 2015 for losses occurring in 2012-2014. Some eligibility restrictions may apply. Please consult a local FSA office for details. Losses occurring after January 1, 2015 must be reported within 30 calendar days of when the loss was apparent.

Additional information regarding LIP or other FSA programs can be found by visiting a nearby FSA Service Center or online at [fsa.usda.gov](http://fsa.usda.gov).

## **NAP Insurance**

The Non-insurable Assistance Program (NAP) is available for crops which crop insurance is not available. In Big Horn County this includes grazing crops, mixed forage hay and small grain hay. NAP protects the producer against catastrophic losses. The deadline to purchase NAP for forage (hay), and pasture is December 1, 2014. The fee for NAP is \$250 per crop per county, with a county maximum of \$750 and a multi county maximum of \$1,875. With the livestock forage program (LFP) that was funded thru the duration of the 2014 farm bill producers will not be eligible for payment under both NAP and LFP. If both programs qualify for payment, producers will have to decide between programs.

Producers will have a buy up option for the 2015 NAP coverage on crops other than grazing. The county office will be attending training for this option in December so watch future newsletters for information concerning the 2015 NAP Buy Up.

To qualify for NAP benefits producers must 1) file an annual acreage report, 2) File a Notice of Loss within 15 days of an apparent loss, and 3) Report production to the county office (hay crops only).

Continuous letters have been mailed to 2014 NAP policy holders. Call the county office for more information and to apply for 2015 NAP benefits.

## **2014 County Committee Election**

This year's election in Big Horn County covers LAA 1, north portion of Big Horn County starting at Sheep Mountain including Lovell, Deaver, Byron, Frannie, and Cowley.

Ballots will be mailed to eligible voters around November 3. Instructions for voting will be included. December 1 is the last day to have ballots postmarked or return them to the county office. Please take some time to vote and select your representative on the County Committee.

## **Commodity Loans Available**

We remind you of the availability of the commodity loan program. The interest rate for November 2014 is 1.125% and loan terms are 9 months. The 2014 loan rates for crops in Big Horn County are:

Wheat HRS \$3.37/bu.    Corn \$2.11/bu.    Barley \$1.88/bu.    Oats \$1.32/bu.    Sunflowers \$9.99/cwt.

2014 loans on small grains can be requested through March 31, 2015. 2014 corn/sunflower loans can be requested through May 31, 2015. The grower must maintain title and control of the commodity (beneficial interest) while the grain is under loan. For more information, contact this office.

Big Horn County FSA Office  
408 Greybull Ave  
Greybull, WY 82426



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## **\*\* Attention \*\***

If you are not receiving our newsletters and updates electronically, now is the time to sign up. The paper newsletters will soon be gone so it is vitally important that you sign up for GovDelivery. Contact this office to find out how you can subscribe to GovDelivery or subscribe online at: <http://www.fsa.usda.gov/subscribe>. This may soon be our only option of advertising our programs.

### **Dates to Remember**

**November 27** Office Closed- Thanksgiving  
**December 1** NAP Deadline  
**December 1** COC Ballots Due  
**December 25** Office Closed- Christmas  
**January 1** Office Closed- New Years  
**January 30** LFP and LIP Deadline  
**February 27** Yield Update and Base Acre Reallocation Deadline

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