

**For:** State and County Offices

**2015 Price Loss Coverage (PLC) Payment Rates and  
2015 Agriculture Risk Coverage (ARC) Actual Price for  
Long Grain Rice and Medium/Short Grain Rice**

**Approved by:** Acting Deputy Administrator, Farm Programs



**1 Overview**

**A Background**

The Agricultural Act of 2014 provides for payments for covered commodities in:

- PLC when the market year average price is below the reference price
- ARC when the actual revenue is below the guarantee.

The 2015 market year average price for long grain rice and medium/short grain rice was announced on October 31, 2016.

**B Purpose**

This notice provides detailed explanations about determining:

- PLC payment rates for long grain rice and medium/short grain rice
- ARC actual revenue when the actual yield data becomes available.

| <b>Disposal Date</b> | <b>Distribution</b>                                  |
|----------------------|--|
| March 1, 2017        | State Offices; State Offices relay to County Offices |

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**2 2015 PLC Payment Rates or ARC Actual Revenues for Long Grain Rice and Medium/Short Grain Rice**

**A 2015 PLC Payment Rates for Long Grain Rice and Medium/Short Grain Rice**

The following table provides the PLC payment rates for long grain rice and medium/short grain rice.

| Item                               | Long Grain Rice   | Medium/Short Grain Rice |
|------------------------------------|-------------------|-------------------------|
|                                    | Dollars Per Pound |                         |
| <b>Reference Price</b>             | 0.1400            | 0.1400                  |
| National Loan Rate                 | 0.0650            | 0.0650                  |
| Marketing Year Average (MYA) Price | 0.1110            | 0.1120                  |
| Higher of Loan Rate or MYA Price   | 0.1110            | 0.1120                  |
| <b>PLC Payment Rate</b>            | 0.029             | 0.028                   |

**B ARC-CO Actual Revenue for Long Grain Rice and Medium/Short Grain Rice**

The ARC-CO actual crop revenue is calculated by multiplying the actual average county yield for the covered commodity times the higher of either of the following:

- MYA price for the covered commodity
- national loan rate for the covered commodity.

The following table provides the national loan rate and MYA price for long grain rice and medium/short grain rice.

| Item                             | Long Grain Rice   | Medium/Short Grain Rice |
|----------------------------------|-------------------|-------------------------|
|                                  | Dollars Per Pound |                         |
| National Loan Rate               | 0.0650            | 0.0650                  |
| MYA Price                        | 0.1110            | 0.1120                  |
| Higher of Loan Rate or MYA Price | 0.1110            | 0.1120                  |

Once the yield is known for a specific county and covered commodity, the ARC-CO actual revenue can be determined for long grain rice and medium/short grain rice.

**C ARC-IC Actual Revenue for Long Grain Rice and Medium/Short Grain Rice**

ARC-IC uses the same higher of the loan rate or MYA price as ARC-CO; however, the actual crop revenue cannot be calculated until:

- the producer(s) reports all production for all covered commodities planted on the farm, and
- all MYA prices for all covered commodities planted on the farm are known.

Until that time, the ARC-IC actual revenue for the farm **cannot** be calculated.

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### 3 Location of Data and Payment Information

#### A Location of Data

ARC and PLC data, including ARC-CO yields and projected and final PLC payment rates, is made available on FSA's web site at <http://www.fsa.usda.gov/arc-plc>.

#### B Timing of Payments

All 2015 ARC and PLC payments cannot be made until the later of:

- October 1, 2016, or
- the announcement of the final 2015 MYA price for the applicable covered commodity.

#### C Announcement of the Final 2015 MYA Price

The following chart lists the dates for the announcement of the final MYA price for 2015 covered commodities:

| Covered Commodity | Price Publication Date | Covered Commodity       | Price Publication Date |
|-------------------|------------------------|-------------------------|------------------------|
| Wheat             | June 29, 2016          | Short/Medium Grain Rice | October 31, 2016       |
| Barley            | June 29, 2016          | Large Chickpeas         | November 30, 2016      |
| Oats              | June 29, 2016          | Small Chickpeas         | November 30, 2016      |
| Peanuts           | August 31, 2016        | Sunflower Seed          | November 30, 2016      |
| Corn              | September 29, 2016     | Flaxseed                | November 30, 2016      |
| Grain Sorghum     | September 29, 2016     | Mustard Seed            | November 30, 2016      |
| Soybeans          | September 29, 2016     | Rapeseed                | November 30, 2016      |
| Dry Peas          | September 29, 2016     | Safflower               | November 30, 2016      |
| Lentils           | September 29, 2016     | Crambe                  | November 30, 2016      |
| Canola            | September 29, 2016     | Sesame Seed             | November 30, 2016      |
| Long Grain Rice   | October 31, 2016       | Temporate Japonica Rice | January 31, 2017       |