



Farm Service Agency

www.fsa.usda.gov

1400 Independence Ave., SW
Washington, DC 20250

Frequently Asked Questions (FAQs)

Agriculture Risk Coverage (ARC) Program and the Price Loss Coverage (PLC) Program

Background: The Agricultural Improvement Act of 2018 (the 2018 Farm Bill) reauthorized and modified the Agriculture Risk Coverage (ARC) Program and the Price Loss Coverage (PLC) programs, administered by USDA's Farm Service Agency (FSA).

ARC and PLC provide income support through revenue and price loss payments to eligible producers for the 2019 through 2023 crop years.

Question: *When does signup for ARC and PLC start?*

Answer: Program implementation for 2019 ARC and PLC will start September 3, 2019 with both elections and enrolments for crop year 2019. Enrollment for the 2020 crop year will begin October 7, 2019.

Question: *What are the requirements for ARC and PLC?*

Answer:

- All the 2019 producers must make a one-time, unanimous election for their farm of: (1) PLC/ARC-County (ARC-CO) on a covered-commodity-by-covered-commodity basis; or (2) ARC-Individual (ARC-IC) for all covered commodities on the farm for 2019.
- Producers are defined as those having an interest in the cropland on the farm. Cash rent owners are not considered producers when making the election on the farm.
- If PLC or ARC-CO is elected, the producers must also make a one-time election to select which base acres on the farm are enrolled in PLC and which base acres are enrolled in ARC-CO.
- If ARC-IC is selected, then every covered commodity on the farm must participate in individual ARC.
- Payments for PLC and ARC are issued at the end of the respective crop year, but not before Oct. 1.

Question: How does the election and enrollment process work?

Answer:

- ***2019 Election & Enrollment*** – On September 3, 2019, producers with an interest in cropland on a farm can complete the election of PLC, ARC-County (ARC-CO) or ARC-Individual (ARC-IC) and enroll the farm for the 2019 program year.
- ***2020 Enrollment*** – Beginning in October 2019, once the 2019 election and enrollment process has been completed for 2019, producers can submit their enrollment contract for 2020 since the election on the farm will be the same as 2019 and cannot be updated or changed for the 2020 program year.

Question: What commodities are considered, “covered commodities” for ARC and PLC program purposes?

Answer: Covered commodities include wheat, oats, barley, corn, grain sorghum, rice, soybeans, sunflower seed, rapeseed, canola, safflower, flaxseed, mustard seed, crambe and sesame seed, seed cotton, dry peas, lentils, small chickpeas, large chickpeas and peanuts.

Question: What is the deadline for election and enrollment for the 2019 crop year?

Answer: The deadline to complete the election and enrollment process for 2019 is March 15, 2020. The deadline to complete the 2020 enrollment is June 30, 2020.

Question: What happens if no election is made for 2019?

Answer: If no election is made for 2019 by March 15, 2020 for ARC (County or Individual) or PLC, the election defaults to the current election on the farm from the 2014 through 2018 program years. Also, no payments will be made for 2019.

Question: If the elections default because an election was not made on the farm, can the farm earn payments in 2020?

Answer: The provision to exclude payments applies to 2019 only. If a farm has enrolled in 2020 and payments are triggered for the farm’s covered commodities, then those 2020 payments may be made.

Question: At any time, will producers have the opportunity to make new elections for their farm?

Answer: Yes, whether an election is made by producers or is defaulted for 2019, a new election can be submitted for the farm on an annual basis starting with the 2021 ARC/PLC program year.

Question: *Will producers be able to reallocate base acres?*

Answer: No, base reallocation is NOT authorized under the 2018 Farm Bill.

Question: *Can a farm that has zero base acres create base acres under the 2018 Farm Bill?*

Answer: No. Unfortunately, the 2018 does not provide for the establishment of any new base acres on a farm.

Question: *Can the PLC yield be updated? If yes, what evidence do producers need to provide to FSA when updating yields for a crop?*

Answer:

- The 2018 Farm Bill does allow another one-time PLC yield update for program year 2020. The PLC yield update is completed by an owner on the farm and can be submitted October 1, 2019 through September 30, 2020. The yield update uses the years 2013 through 2017 by taking a simple average of the years the crop was planted times 90 percent.
- A second factor is also required and is determined by taking the national average yield 2008 through 2012 for the crop, divided by the national average yield 2013 through 2017. The factor cannot be below 90% or exceed 100%.
- An owner can request to update their PLC yield in 2020 no matter what program has been elected on the farm in 2019.
- FSA will soon provide specifics on how to provide yield data, by crop, to FSA for consideration. However, in preparation for FSA's release of acceptable evidentiary documentation, producers should immediately begin gathering all yield data by crop (**not production**).

Question: *Are both owners and operators required to complete the election and enrollment process for a farm?*

Answer: No, cash rent landowners or zero share landowners do not complete the election and enrollment process for the farm. And, the process has been streamlined to allow both election and enrollment to be completed on the same form by producers with a share/interest in the farm.

Question: If ARC and PLC payments trigger, are certain acres ineligible for payment?

Answer: Yes.

- Unassigned base acres resulting from the 2018 allocation of generic base acres are ineligible for payment.
- Base acres on farms where all cropland acres have been planted to grass or pasture; including cropland that was idle or fallow from Jan. 1, 2009 through Dec. 31, 2017 will be maintained but ineligible for ARC and PLC payments from 2019 through 2023.
- No ARC or PLC payments will be made on farm where the sum of base acres on all farms in which the producer has an interest is 10 acres or less. ***Exceptions:*** socially disadvantaged farmers or ranchers, limited resource farmers or ranchers, beginning farmers or ranchers, or veteran farmers or ranchers.

Question: Are there decision-making tools available to assist producers with the base acre reallocation process?

Answer: Yes, producers should visit FSA’s ARC/PLC website www.fsa.usda.gov/arc-plc and review two web-based election decision-making tools that will assist in making the decision to elect ARC-County (ARC-CO), ARC-Individual (ARC-IC) or PLC for each respective farm.

These decision tools were developed in partnership with the University of Illinois and Texas A&M University’s Agricultural and Food Policy Center.

Question: Will there be local informational meetings scheduled to discuss ARC and PLC?

Answer: Possibly. FSA and Cooperative Extension Service may host some informational meetings for producers to discuss ARC and PLC policies and procedures. Producers should stay in touch with their local FSA office and keep an eye out for local meeting announcements. To find contact information for your local FSA office, visit farmers.gov/service-locator.

Question: Does participation in ARC and PLC impact crop insurance?

Answer: Yes, producers are reminded that ARC or PLC election and enrollment decisions can impact eligibility for some forms of crop insurance.

- Producers who elect and enroll in PLC also have the option of purchasing Supplemental Coverage Option (SCO) which has been referred to as “shallow loss coverage” through the [USDA Risk Management Agency \(RMA\)](http://USDA Risk Management Agency (RMA)). Producers of covered commodities who elect ARC (for both county and individual) are ineligible for SCO on their planted acres.

- 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. To be eligible for STAX coverage, producers must not enroll their seed cotton base acres into the ARC or PLC programs.

Question: *Is there a difference in determining payments under the 2018 [Farm Bill as opposed to the 2014 Farm Bill](#)?*

Answer: The biggest difference is that payments are now based on the physical location of the base acres, which is different from the 2014 Farm Bill where the payments were based on the administrative county of the farm. Also, the data to obtain the county yield comes from RMA first where in years past the first option was NASS.