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EXTENSION SERVICE



2014 Farm Bill

Farm Program Decision Aid Example

Farm Bill Implementation Seminar
Part 1



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- Review data required to carry out an economic analysis of producer alternatives for the Agricultural Act of 2014.
- Present MSU-ES base reallocation and generic base redistribution decision aids.
- Review steps required for using the USDA/NFFPA Decision Aid.

FSA Data for Delta Example

Crop	Base Acres	CCP Yield
Cotton	310.4	839
Soybeans	3.0	27
Corn	282.4	49
Wheat	236.2	41
Grain Sorghum	1.7	50
LG Rice	4.0	4158
Total	837.7	

Note: FSA did not include cotton acreage in the original mail-out.

Base acreage update uses 2009-2012 data.

FSA Planted & Failed Acreage	2008	2009	2010	2011	2012
Cotton					
Soybeans	477.1	511.3	698.4	570.4	433.2
Soybeans DC	253.7	186.5	184.3		
Corn	311.7	345.2	160.3	310.4	
Wheat	254.2	186.5	184.3		
Wheat DC					
Grain Sorghum					
LG Rice					
Total P&F	1296.7	1229.5	1227.3	880.8	433.2

Base Acreage Update Calculator

Mississippi State University Extension Service
Developed by
Lawrence Falconer, Keith Coble, John Michael Riley and Barry Barnett

This data is found on form FSA-156

Crops	"Existing" Base	Planted Acreage by Year				4 Year Planted Acreage		% Planted to Covered Crops	"Reallocated" Base
		2009	2010	2011	2012	All Crops	Covered Crops		
Wheat	236.2	186.5	184.3	0.0	0.0	93	93	9.86%	52.0
Corn	282.4	345.2	160.3	310.4	0.0	204	204	21.63%	114.1
Grain Sorghum	1.7	0.0	0.0	0.0	0.0	0	0	0.00%	-
Barley	0.0	0.0	0.0	0.0	0.0	0	0	0.00%	-
Oats	0.0	0.0	0.0	0.0	0.0	0	0	0.00%	-
Long Grain Rice	4.0	0.0	0.0	0.0	0.0	0	0	0.00%	-
Medium Grain Rice	0.0	0.0	0.0	0.0	0.0	0	0	0.00%	-
Soybeans	3.0	697.8	882.7	570.4	433.2	646	646	68.50%	361.2
Other Oilseeds	0.0	0.0	0.0	0.0	0.0	0	0	0.00%	-
Peanuts	0.0	0.0	0.0	0.0	0.0	0	0	0.00%	-
Dry Peas	0.0	0.0	0.0	0.0	0.0	0	0	0.00%	-
Dry Beans	0.0	0.0	0.0	0.0	0.0	0	0	0.00%	-
Lentils	0.0	0.0	0.0	0.0	0.0	0	0	0.00%	-
Chickpeas	0.0	0.0	0.0	0.0	0.0	0	0	0.00%	-
Cotton	310.4	0.0	0.0	154.8	572.1	182			
Total Base Acres	837.7	1,229.5	1,227.3	1,035.6	1,005.3	1,125	943	100%	527.3

Crops	Alternative Base Acreages	
	"Existing" Base	"Reallocated" Base
Wheat	236.2	52.0
Corn	282.4	114.1
Grain Sorghum	1.7	-
Barley	-	-
Oats	-	-
Long Grain Rice	4.0	-
Medium Grain Rice	-	-
Soybeans	3.0	361.2
Other Oilseeds	-	-
Peanuts	-	-
Dry Peas	-	-
Dry Beans	-	-
Lentils	-	-
Chickpeas	-	-
Generic Base	310.4	310.4
Total Base Acres	837.7	837.7

Landowners have a one-time choice between these two alternative sets of base acres for the life of this farm bill on a farm by farm basis.

This calculator reflects our understanding of the Agricultural Act of 2014 as of April 11, 2014. If subsequent regulations change this understanding we will attempt to incorporate those changes into revisions of this calculator.

"Generic Base" acres are the existing base acres for cotton on a farm. Because cotton cannot participate in the Price Loss Coverage or Agricultural Risk Coverage Program, existing cotton base is reallocated to the "Generic Base". When "Generic Base" acres are planted to a covered commodity or acreage planted to a covered commodity is attributed to "Generic Base" acres, the generic base acres are in addition to the other base acres of that commodity on the farm.

Version 1 (04/11/2014) CAUTION: This information is for educational purposes only. Use this program as a Guide Only. The users assume the risk of using or otherwise relying upon any calculator output. Mississippi State Extension Service does not warrant the functionality of the calculator or that any errors can or will be discovered or corrected. Mississippi State Extension Service does not warrant the accuracy or completeness of any calculator output. The calculators, their operation and any output is provided "as is" and without any express or implied warranty, including merchantability or fitness for a particular purpose. Mississippi State Extension Service shall not be bound by any calculator output and is not responsible for use or reliance on such output.

This percentage (9.86%) is the 2009-2012 average acres planted to wheat (93 acres) of the 2009-2012 average acres planted to covered crops (943 acres).

Reallocated wheat base (52 acres) is the wheat % Planted to Covered Crops (9.86%) multiplied by the amount of base acres that can be reallocated (527.3 acre).

2009-2012 average acres planted to wheat (93 acres).


Crops	"Existing" Base	Planted Acreage by Year				4 Year Planted Acreage		% Planted to Covered Crops	"Reallocated" Base
		2009	2010	2011	2012	All Crops	Covered Crops		
Wheat	236.2	186.5	184.3	0.0	0.0	93	93	9.86%	52.0
Corn	282.4	345.2	160.3	310.4	0.0	204	204	21.63%	114.1
Grain Sorghum	1.7	0.0	0.0	0.0	0.0	0	0	0.00%	-
Barley	0.0	0.0	0.0	0.0	0.0	0	0	0.00%	-
Oats	0.0	0.0	0.0	0.0	0.0	0	0	0.00%	-
Long Grain Rice	4.0	0.0	0.0	0.0	0.0	0	0	0.00%	-
Medium Grain Rice	0.0	0.0	0.0	0.0	0.0	0	0	0.00%	-
Soybeans	3.0	697.8	882.7	570.4	433.2	646	646	68.50%	361.2
Other Oilseeds	0.0	0.0	0.0	0.0	0.0	0	0	0.00%	-
Peanuts	0.0	0.0	0.0	0.0	0.0	0	0	0.00%	-
Dry Peas	0.0	0.0	0.0	0.0	0.0	0	0	0.00%	-
Dry Beans	0.0	0.0	0.0	0.0	0.0	0	0	0.00%	-
Lentils	0.0	0.0	0.0	0.0	0.0	0	0	0.00%	-
Chickpeas	0.0	0.0	0.0	0.0	0.0	0	0	0.00%	-
Cotton	310.4	0.0	0.0	154.8	572.1	182			
Total Base Acres	837.7	1,229.5	1,227.3	1,035.6	1,005.3	1,125	943	100%	527.3

Base acres as of 9/30/2013.

2009-2012 average acres planted to program crops other than cotton (943 = 1,125-182).

Base acres as of 9/30/2013 less cotton base (837.4 - 310.4 = 527.3) are the base acres that can be reallocated.


Generic Base Distribution Example—"Existing" Base



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Generic Base Acreage Distribution Calculator

Mississippi State University Extension Service
Developed by
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Landowners have a one-time choice between two alternative sets of base acres for the life of this farm bill on a farm by farm basis. These values are the base selected by the landowner for the specific farm number.

"Generic Base" acres are the existing base acres for cotton on a farm. Because cotton cannot participate in the Price Loss Coverage or Agricultural Risk Coverage Program, existing cotton base is reallocated to the "Generic Base". When "Generic Base" acres are planted to a covered commodity or acreage planted to a covered commodity is attributed to "Generic Base" acres, the generic base acres are in addition to the other base acres of that commodity on the farm.

Base Acres	Planted Acres for Crop Year	Base Plus Distributed	
		Distributed Generic	Generic for Crop Year
Wheat	236.2	0.0	236.2
Corn	282.4	0.0	282.4
Grain Sorghum	1.7	0.0	1.7
Barley	0	0.0	0
Oats	0	0.0	0
Long Grain Rice	4	0.0	4
Medium Grain Rice	0	0.0	0
Soybeans	3	540.0	313.4
Other Oilseeds	0	0.0	0
Peanuts	0	0.0	0
Dry Peas	0	0.0	0
Dry Beans	0	0.0	0
Lentils	0	0.0	0
Chickpeas	0	0.0	0
Generic	310.4	400.0	0
		Non-Program Crop	0.0
	837.7	940.0	310.4
			837.7

FOR COUNTY ARC AND PLC payment acres equal 85 percent of base acres for the covered commodity and any generic base acres on the farm planted to the covered commodity for the crop year. Over the life of the farm bill, if planted acres change from year to year the base plus distributed generic base acres will change. This calculator will be of use in estimating those values each year of the farm bill.

This calculator reflects our understanding of the Agricultural Act of 2014 as of April 11, 2014. If subsequent regulations change this understanding we will attempt to incorporate those changes into revisions of this calculator.

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Existing Base Case

Base Acres	Planted Acres for Crop Year	Distributed Generic	Generic for Crop Year
Wheat	236.2	0.0	236.2
Corn	282.4	0.0	282.4
Grain Sorghum	1.7	0.0	1.7
Barley	0	0.0	0
Oats	0	0.0	0
Long Grain Rice	4	0.0	4
Medium Grain Rice	0	0.0	0
Soybeans	3	540.0	313.4
Other Oilseeds	0	0.0	0
Peanuts	0	0.0	0
Dry Peas	0	0.0	0
Dry Beans	0	0.0	0
Lentils	0	0.0	0
Chickpeas	0	0.0	0
Generic	310.4	310.4	
	837.7	940.0	837.7

2014 Planted Acres

Soybeans are a Title 1 covered crop so are eligible for distribution of generic base. Since no other covered crop was planted, 100% of the generic base is distributed to soybeans in this case. Total soybean base acres for 2014 will be $313.4 = 3 + 310.4$.


Generic Base Distribution Example – “Reallocated” Base



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Generic Base Acreage Distribution Calculator

Mississippi State University Extension Service
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Landowners have a one-time choice between two alternative sets of base acres for the life of this farm bill on a farm by farm basis. These values are the base selected by the landowner for the specific farm number.

“Generic Base” acres are the existing base acres for cotton on a farm. Because cotton cannot participate in the Price Loss Coverage or Agricultural Risk Coverage Program, existing cotton base is reallocated to the “Generic Base”. When “Generic Base” acres are planted to a covered commodity or acreage planted to a covered commodity is attributed to “Generic Base” acres, the generic base acres are in addition to the other base acres of that commodity on the farm.

Base Acres	Planted Acres for Crop Year	Base Plus Distributed	
		Distributed Generic	Generic for Crop Year
Wheat	52	0.0	52
Corn	114.1	0.0	114.1
Grain Sorghum	0	0.0	0
Barley	0	0.0	0
Oats	0	0.0	0
Long Grain Rice	0	0.0	0
Medium Grain Rice	0	0.0	0
Soybeans	361.2	540.0	671.6
Other Oilseeds	0	0.0	0
Peanuts	0	0.0	0
Dry Peas	0	0.0	0
Dry Beans	0	0.0	0
Lentils	0	0.0	0
Chickpeas	0	0.0	0
Generic	310.4	400.0	0
	Non-Program Crop	0.0	
	837.7	940.0	310.4
			837.7

FOR COUNTY ARC AND PLC payment acres equal 85 percent of base acres for the covered commodity and any generic base acres on the farm planted to the covered commodity for the crop year. Over the life of the farm bill, if planted acres change from year to year the base plus distributed generic base acres will change. This calculator will be of use in estimating those values each year of the farm bill.

This calculator reflects our understanding of the Agricultural Act of 2014 as of April 11, 2014. If subsequent regulations change this understanding we will attempt to incorporate those changes into revisions of this calculator.

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Reallocated Base Case

Base Acres	Planted Acres for Crop Year	Distributed Generic	Base Plus Distributed Generic for Crop Year
Wheat	52	0.0	52
Corn	114.1	0.0	114.1
Grain Sorghum	0	0.0	0
Barley	0	0.0	0
Oats	0	0.0	0
Long Grain Rice	0	0.0	0
Medium Grain Rice	0	0.0	0
Soybeans	361.2	540.0	671.6
Other Oilseeds	0	0.0	0
Peanuts	0	0.0	0
Dry Peas	0	0.0	0
Dry Beans	0	0.0	0
Lentils	0	0.0	0
Chickpeas	0	0.0	0
Generic	310.4	310.4	310.4
	Non-Program Crop	400.0	
		0.0	
837.7	940.0	310.4	837.7

2014 Planted Acres

Soybeans are a Title 1 covered crop so are eligible for distribution of generic base. Since no other covered crop was planted, 100% of the generic base is distributed to soybeans in this case. Total soybean base acres for 2014 will be $671.6 = 361.2 + 310.4$.

Crop Insurance Data for Delta Example

Crop	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	APH
NFAC IRR Corn - Acres	538.9	439	247.2	269.3	468.1	292.8	345.2	157.6	295.4		494	
NFAC IRR Corn - Yields	153	152	192	160	162	150	122	129	190		190	160
NFAC NIRR Corn- Acres	16	48	21.5	35.4	21.9	18.9			15			
NFAC NIRR Corn- Yields	153	152	192	160	162	150			72			157
Total Corn Acres	554.9	487	268.7	304.7	490	311.7	345.2	157.6	310.4	0	494	
NFAC IRR Cotton - Acres	199.7	217.7	264.6	315.1	262.9				71.3	461.2		
NFAC IRR Cotton - Yields	1234	1251	931	1344	1077				797	1262		1045
NFAC NIRR Cotton - Acres			35.4	20	17				83.5	110.9		
NFAC NIRR Cotton - Yields			931	1344	1077				1152	1100		1121
Total Cotton Acres	199.7	217.7	300	335.1	279.9	0	0	0	154.8	572.1	0	
FAC NIRR Soybeans - Acres						77.2	107.5	67.1				
FAC NIRR Soybeans - Yield						46	32	30				33
NFAC NIRR Soybeans - Acres	37		57.1	53.1	57.2			25.2	20	5		
NFAC NIRR Soybeans - Yield	58		54	48	58			41	55	50		49
NFAC IRR Soybeans - Acres		337.3	430.6	366.1	216.1	476.6	511.5	672.5	550.4	482.2	540	
NFAC IRR Soybeans - Yield		52	54	48	58	57	46	41	55	58	50	52
FAC IRR Soybeans - Acres						177	79	119.9				
FAC IRR Soybeans - Yield						46	32	30				27
Total Soybean Acres	37	337.3	487.7	419.2	273.3	730.8	698	884.7	570.4	487.2	540	

Delta Example – Yield Update Calculation

Updated yield is 90% of weighted average yield.

FSN 271 - Crop Insurance Data						Weighted	Updated
Crop	2008	2009	2010	2011	2012	Yield	Yield
NFAC IRR Corn - Acres	292.8	345.2	157.6	295.4			
NFAC IRR Corn - Yields	150	122	129	190			
NFAC NIRR Corn- Acres	18.9			15			
NFAC NIRR Corn- Yields	150			72			
Total Corn Acres	311.7	345.2	157.6	310.4	-		
Total Corn Production - Bushels	46,755	42,114	20,330	57,206	-	147.9	133.1
FAC NIRR Soybeans - Acres	77.2	107.5	67.1				
FAC NIRR Soybeans - Yield	46	32	30				
NFAC NIRR Soybeans - Acres			25.2	20	5		
NFAC NIRR Soybeans - Yield			41	55	50		
NFAC IRR Soybeans - Acres	476.6	511.5	672.5	550.4	482.2		
NFAC IRR Soybeans - Yield	57	46	41	55	58		
FAC IRR Soybeans - Acres	177	79	119.9				
FAC IRR Soybeans - Yield	46	32	30				
Total Soybean Acres	730.8	698	884.7	570.4	487.2		
Total Soybean Production - Bushels	38,859	29,497	34,216	31,372	28,218	48.1	43.3

Current CCP Yield is 49 Bushels/Acre.

Current CCP Yield is 27 Bushels/Acre.

Welcome screen requires acknowledgement of disclaimer.

The screenshot shows a Mozilla Firefox browser window with several tabs open. The address bar displays the URL <https://www.afpc.tamu.edu/models/decisionaid.php>. The page header features the logo of The Agricultural & Food Policy Center @Texas A&M University. Below the header is a banner image depicting a farm scene with a tractor, corn, hay, and a cow. On the left side, there is a navigation menu with the following items: Home, About Us, Announcements, Important Links, Publications, Our People, Mailing List, Economic Models, Courses, Search, Login to Web Mail, Contact Information, and E-Mail AFPC. The main content area is titled "2014 Farm Bill - Farm Program and Insurance Decision Aid" and contains the following text:

We are making this version available to you now so that you can gather your information, enter the data, and analyze your options to gain a familiarity with the tool and the output.

Once you have established an account, input your data, and the version containing the implementation rules from FSA is made available later this year, we will send a message to the registered email address with information on how to access the official version. It is essential that you analyze your choices with the version containing the implementation rules developed by FSA before making your sign-up decisions. Your information will already be in place; you can log in with your existing account information and run the new version without having to re-enter any data.

This information and tool are provided for educational use only. While we take responsibility for all calculations, we also remind users that the results are highly dependent upon their assumed commodity prices over the lifetime of the farm bill. Users are urged to analyze their choices over a wide range of possible future prices.

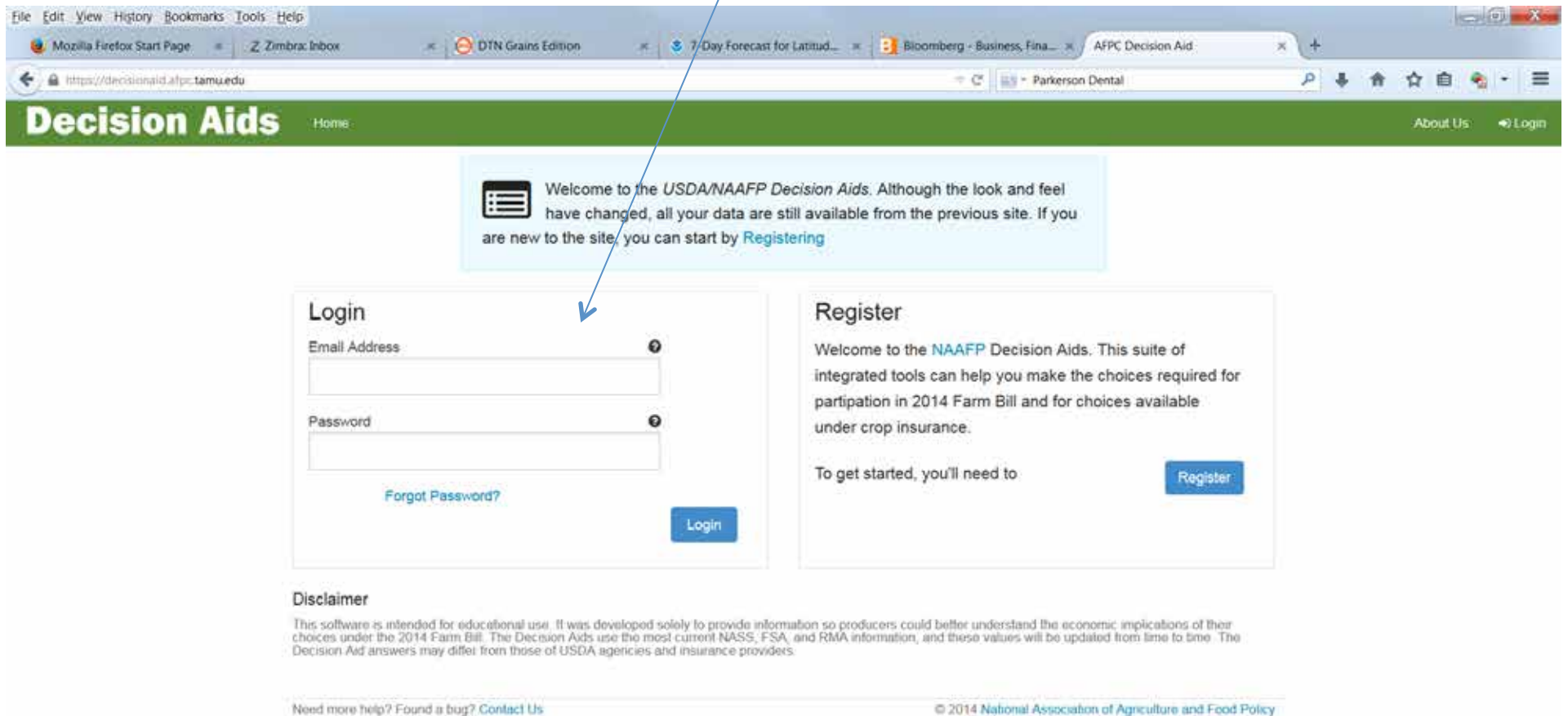
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[I agree](#)

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<https://www.afpc.tamu.edu/models/decisionaid.php>

Email is the user name with address requested to update users on updates.



The screenshot shows a web browser window with the URL <https://decisionaid.afpc.tamu.edu>. The page features a green header with the text "Decision Aids" and navigation links for "Home", "About Us", and "Login". A light blue notification box contains the following text: "Welcome to the *USDA/NAAFP Decision Aids*. Although the look and feel have changed, all your data are still available from the previous site. If you are new to the site, you can start by [Registering](#)". Below this, there are two main sections: "Login" and "Register". The "Login" section includes input fields for "Email Address" and "Password", a "Forgot Password?" link, and a "Login" button. The "Register" section includes a welcome message, a "Register" button, and the text "To get started, you'll need to". At the bottom, there is a "Disclaimer" section and a footer with the text "Need more help? Found a bug? [Contact Us](#)" and "© 2014 National Association of Agriculture and Food Policy". A blue arrow points from the text above to the "Email Address" input field in the login form.

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

Create an Account

Disclaimer

This software is intended for educational use. It was developed solely to provide information so producers could better understand the economic implications of their choices under the 2014 Farm Bill. The Decision Aids use the most current NASS, FSA, and RMA information, and these values will be updated from time to time. The Decision Aid answers may differ from those of USDA agencies and insurance providers.

By checking "I understand and agree", you acknowledge that projected outcomes generated by the software are for demonstration purposes, are not forecasts of future outcomes, and do not guarantee any future outcomes or results.

Help!

Your Name

Email Address

Password

Confirm Password

Account Type

Producer/Farmer Multi-client User

Terms and Conditions

I understand and agree to the terms and disclaimer.

Next

Signed in successfully.

Your Clients

Name	Email	Farm Units	
(Yourself)		0	Become Producer
Lower Delta Eg.	crop@test.com	10	Switch to User

A Multi-client user manages multiple accounts, called clients. To get started, you must first create a client. When you *Switch to User*, you become that user and all actions you take (such as creating farm units or running decision aid tools) occur as that user.

You can create as many clients as you want. Each client's data is separate. The client can later enter their own password to access the account.

[Create a Client](#)