

# Agricultural Act of 2014

- Repeals the DCP, ACRE and SURE Programs.
- Eliminates Direct Payments and Countercyclical Payments.
- Replaces for all covered commodities with:
  - Price Loss Coverage (PLC) or
  - Agricultural Risk Coverage (ARC)

# Price Loss Coverage

- Establishes new “countercyclical-like” program (PLC) for all covered commodities except cotton
- Target Price/Reference Price for Peanuts
  - 2002 & 2008: \$495
  - 2014: \$535

# Marketing Assistance Loan

- \$355 Per Ton National Loan Rate
  - Same as 2002, 2008, 2014
- No Sequestration applied to MAL
- Storage, Handling and Associated Cost
- No change from 2008 Farm Bill

# Eligibility and Limits

- AGI of person or legal entity, less than or equal to 3-year average of \$900,000
- “Actively engaged” = USDA will define “significant contribution of active personal management. Family members not subject.

# Eligibility and Limits

- **Payment limit per person or legal entity \$125,000 for PLC, ARC, and MLG/LDP**
- **Loan forfeitures do not apply to MLG**
- **Spousal rule applies**
- **Equal and separate limit for peanuts**





# Crop Insurance

- Peanut Revenue Insurance: Mandates for 2015 crop
- Establishes a new “shallow loss” insurance policy Supplemental Coverage Option (SCO):
  - Available for commodities enrolled in PLC and non-STAX cotton
  - 65% subsidy
  - Available in 2015

# Crop Insurance

- Permanent higher subsidy for enterprise units
- Separate enterprise units for irrigated/non-irrigated crops
- Different coverage levels for irrigated/non-irrigated crops
- Option to exclude certain yield history from APH database