



October 28, 2024

Farm Assistance and Revenue Mitigation Act (FARM Act)

Rep. Trent Kelly (R-Miss.), along with 48 other cosponsors including Rep. Rick Crawford (R-Ark.) recently introduced the FARM Act, aimed at providing critical emergency assistance to producers of eligible commodities whose anticipated revenue in the 2024 crop year falls below projected per-acre production costs. This financial support is expected to help farmers manage debt associated with the 2024 crop and aid in securing financing for the 2025 crop year. Click [here](#) to read the full legislation and to follow the FARM Act's progress.

Eligible commodities include barley, corn, cotton, dry peas, grain sorghum, lentils, large chickpeas, oats, peanuts, rice, small chickpeas, soybeans, other oilseeds, and wheat, whether acres were planted or prevented from being planted in 2024. Assistance is calculated to cover 60% of eligible losses according to the following formula:

$$\text{FARM Act Payment} = (\text{Projected Cost} - \text{Projected Returns}) \times \text{Eligible Acres} \times 60\%$$

Key points for this calculation:

- **Projected Cost:** Based on USDA's Economic Research Service estimates for primary crops, with other costs determined similarly by the Secretary.
- **Projected Returns:** Calculated by multiplying the projected 2024 marketing year average price from the WASDE report by the 10-year national average yield for each eligible crop, or as otherwise determined by the Secretary.
- **Eligible Acres:** Consists of 100% of the planted acres and 50% of the prevented planted acres, as reported by the producer to the FSA.

Additional provisions, including existing regulations on payment attribution and active engagement in farming, will apply under the FARM Act. For producers earning less than 75% of their income from farming, ranching, or forestry, the maximum assistance is capped at \$175,000. For those earning 75% or more, the cap is \$350,000.

The table (see page two) provides estimated per-acre payments under the FARM Act, based on preliminary September 2024 WASDE prices and yield estimates from NASS. These figures are preliminary and may change based on legislative or regulatory adjustments.

Arkansas Farm Bureau will be keeping members informed on the progress of the FARM Act as it moves through Congress. We will provide regular updates, including insights on any changes or advancements in the Act's provisions. Once the FARM Act is finalized, we plan to offer detailed information to help you understand how to apply for the various programs available.

FARM Act Projected Payment Rates

Eligible Commodity	10-Yr. Avg. Yield	2024 Sep. WASDE Price	2024 Proj. Revenue/Acre	2024 Cost of Production Per Acre	2024 Loss/Acre	Payment Factor	FARM Act Payment Rate
Corn	173.33	\$4.10	\$710.65	\$877.53	\$(166.88)	60%	\$100.13
Soybeans	49.76	\$10.80	\$537.41	\$620.03	\$(82.62)	60%	\$ 49.57
Wheat	47.48	\$5.70	\$270.64	\$413.20	\$(142.56)	60%	\$ 85.54
Cotton	861.8	\$0.66	\$568.79	\$902.14	\$(333.35)	60%	\$200.01
Rice	7,532.20	\$0.16	\$1,175.02	\$1,309.79	\$(134.77)	60%	\$ 80.86
Sorghum	67.36	\$4.10	\$276.18	\$435.83	\$(159.65)	60%	\$ 95.79
Oats	65.55	\$3.60	\$235.98	\$523.41	\$(287.43)	60%	\$172.46
Barley	72.96	\$6.30	\$459.65	\$470.77	\$(11.12)	60%	\$6.67



Analysis by Brandy Carroll, John McMinn and Tyler Oxner.

For more information, contact:

Brandy at (501) 228-1268, brandy.carroll@arfb.com

John at (501) 228-1267, john.mcminn@arfb.com

Tyler at (501) 228-1311, tyler.oxner@arfb.com.