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Wheat ARC-County Payments Announced for 2024/2025 Marketing Year, Estimates for Corn, Soybeans, & Grain Sorghum

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The 2024/2025 marketing year for wheat concluded on May 31, 2025, with the final Marketing Year Average (MYA) price announced at \$5.52 per bushel. This price exceeds the effective reference price of \$5.50 per bushel by \$0.02, meaning no payments will be issued under the Price Loss Coverage (PLC) program for the 2024 wheat crop. However, due to drought conditions across much of central Kansas during the growing season, many counties in the region will receive substantial Agricultural Risk Coverage (ARC)-County payments. These payments reflect significant yield losses that drove county-level revenues below their respective ARC benchmarks, providing financial relief to impacted producers.

Many county yields that will be used to calculate ARC-County payments for corn, grain sorghum, and soybeans were also recently released by the Farm Service Agency (FSA). While the marketing year for these crops does not conclude until the end of August, with official Marketing Year Average (MYA) prices to be announced at the end of September, current estimates <u>HERE</u> indicate that corn is projected at \$4.29 per bushel, soybeans at \$10.03, and grain sorghum at \$4.10. Each of these projected prices is above the respective effective reference prices for the 2024 crop year, meaning Price Loss Coverage (PLC) payments will not be made. However, similar to the situation with wheat, widespread drought conditions across Kansas in 2024 have resulted in reduced county yields, and many counties are anticipated to receive ARC-County payments for corn, soybeans, and grain sorghum due to revenue shortfalls relative to benchmark levels.

ARC-County payments rates can be found in interactive map format <u>HERE</u> for Kansas and <u>HERE</u> for the national map (zoom features will need to be used). Note that payments are on a per acre basis and will be made on <u>85%</u> of a farm's base acres in that commodity. <u>ARC-County payments will be made by USDA-FSA in October 2025 for</u> these 2024 harvested crops. On the map, the dropdown feature can be used to change between crops and irrigation designations. Some counties have a combined irrigated and non-irrigated ARC calculation and some counties are split by irrigation practice. These were determined by the 2018 Farm Bill and have stayed the same ever since.

By using the interactive map format, the user can hover their curser over their county to get detailed information, as shown in Figure 1. This way, the user can compare their county's guarantee to the actual yield and MYA price. Figures 2-4 show wheat payments for Kansas that were recently announced.

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			2024/2025 Maximum Payment Rate: \$46.41 2024/2025 ARC-CO Payment Rate: \$46.41				

Figure 1 Detailed ARC-CO Payment Estimate information for Saline County, KS Non-Irrigated Corn

In this example, the Benchmark Yield of 95.7 bushels per acre is multiplied by the Benchmark Price of \$4.85 to get Benchmark Revenue of \$464.10 per acre. The Guaranteed Revenue is 86% of the Benchmark, which is \$399.13 per acre for non-irrigated corn in Saline County.

Saline County had a 71.6-bushel county corn yield in 2024. Multiplying this by \$4.29 estimated Marketing Year Average national price; Actual Revenue was only \$307.29 per acre.

The loss in revenue is the Guaranteed Revenue minus Actual Revenue, but this is greater than the Maximum Payment rate of \$46.41, so this will be the payment received. The maximum payment rate is calculated by taking 10% of the Benchmark Revenue.

The farmer's payment would be \$46.41 per acre multiplied by 85% of their corn base acres in Saline County.

Figure 2 ARC-County Wheat Payments for Counties with Combined Irrigation/Dryland Designations



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Figure 3 ARC-County Wheat Payments for Counties with Non-Irrigated Designations

Figure 4 ARC-County Wheat Payments for Counties with Irrigated Designations



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