

## Updating Yield

This is Ag Outlook on 1420 KJCK, I'm Chuck Otte, Geary County, K-State Research and Extension Ag & Natural Resources Agent. In the coming weeks you are going to hear a lot about the new farm bill and you're going to read a lot about the new farm bill. But I'm just going to tell you that you probably need to hear it, a lot, before you'll feel like you're getting a handle on it. There's a couple of deadlines out there and the first one is February 27<sup>th</sup> which is the date you need to have updated your yields and or reallocated your bases. For the first time in over a decade we are being allowed to update yields and have base acres reallocated. You can't add acres to your base, but you can update them to reflect what you are really planting. Updating yields should be a no-brainer as they say. Look at your paperwork from the FSA office and then check your proven yields from crop insurance or wherever - if the yields from the past five years are higher than you existing yields, update. While you may not have to produce any paperwork when you update, there is a chance you'll be spot checked and if that happens, then you'll have to pull out the paperwork to prove your yields. Depending on which option you go with on the farm program, payment yields may or may not be utilized ( in a nutshell they will used with PLC but not ARC), BUT we don't know when you'll have another chance to update those yields and the next version of the farm bill, whenever that is, those yields may be very critical. Remember, all the decisions you'll be making in the next few months will lock you in for the life of the farm bill, at least to 2018. This has been Ag Outlook on the Talk of JC, 1420 KJCK, I'm Chuck Otte.

## Reallocating Bases

This is Ag Outlook on 1420 KJCK, I'm Chuck Otte, Geary County, K-State Research and Extension Ag & Natural Resources Agent. Yesterday I was talking about the ability to update your payment yields for the crops on your farm - today I want to talk about reallocating bases. The last time bases got be adjusted was in 2002. I'm willing to bet that quite a few of you have changed your cropping rotation just a little bit since 2002. I'm thinking more soybeans, more corn, maybe a little less wheat and probably a lot less sorghum. So I think it is time for you to take a look at your bases. Just as a reminder, it doesn't matter what version of the farm program you sign up for, you can keep yields and bases exactly as they are. You can update yields but not reallocate bases. You can reallocate bases and not update yields. You can update yields AND reallocate bases. It's a complete mix and match on each and every farm number that you have. If there are payments in the upcoming years of the farm program it won't matter what you have planted - it will depend on what your bases are. You can have no wheat planted, retain your wheat base acres and if you are in PLC and the price is low enough to trigger a payment, you'll get a payment even though you have no wheat planted. **HOWEVER**, the way that I'm looking at it, that is the farm program is another risk management tool, then I would want to align my acreage base sort of with what I'm planting. If you kept that wheat base, and planted it all to corn, and then corn yield tanked, but wheat was good so no payment on wheat you'd be out of luck. The FSA can already tell you what your new bases would be so take a look at that information before deciding! This has been Ag Outlook on the Talk of JC, 1420 KJCK, I'm

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## What's Your Goal with the Farm Program

This is Ag Outlook on 1420 KJCK, I'm Chuck Otte, Geary County, K-State Research and Extension Ag & Natural Resources Agent. I've been hearing a lot of people talking about the new farm bill and whether you should go PLC or ARC or ARC-Individual, but what I haven't been hearing a lot about is planning a strategy with the new farm bill. The new farm bill is NOT designed to replace crop insurance. If you are thinking that, then you are looking at it all wrong. I view the new farm bill as another production and marketing risk management tool. If your objective is to maximize your payment each year, then your marketing plan for your grains is also probably to hit the top of the market each year. And how many times have you done that? The farm bill is another risk management tool. If prices head back up AND we have decent production over the next 5 years, you won't get any payments anyway. So it doesn't matter. The way it is looking right now there probably won't be any PLC payments from the first year and ARC payments may be small if at all. The challenge, the REAL challenge is that once you sign up for this farm bill, you are locked in until at least 2018 and maybe longer seeing as how the past two farm bills have been extended a year or two because congress couldn't make up their minds! And future payments are going to depend on yields and marketing year average prices. Can any of you predict yields or prices for next year or 2016, or 2017, or 2018? If I knew that information, I could tell you how to maximize your payments. Since nobody can, I'd suggest that you approach this as another risk management tool! And look for upcoming meetings to attend to ask questions! This has been Ag Outlook on the Talk of JC, 1420 KJCK, I'm Chuck Otte.