COOPERATIVE EXTENSION SERVICE

UK University of Kentucky

College of Agriculture, Food and Environment

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EXTENDING KNOWLEDGE *Changing Lives*

UKAg EXTENSION

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When you support Extension, agricultural producers make informed decisions to protect their investments and manage risk.

The options that grain and dairy producers made in 2015 are irreversible for the life of the 2014 Farm Bill.

Extension Provided Information and Tools that Enabled Dairy and Grain Producers and Landowners to Make Informed Decisions on the 2014 Farm Bill

"I heard the Farm Bill presentation before but understand it better after working through the scenarios at the Extension meeting."

Taylor County Grain Producer

Kentucky State University

After attending the Extension program, I have a better understanding of the new Farm Bill and was able to decide which program is best for my operation.

Union County Corn and Soybean Producer

The Agricultural Act of 2014 became law on February 7, 2014 with a budget of $489 billion to go to America's agricultural and food policies. Of the total budget, $63.57 billion went to provide financial stability to the farmers which included $39.12 billion for Crop Insurance and $24.45 billion for Crop Commodity programs. As a provision of the law, producers were directed to Cooperative Extension for assistance. Landowners and farmers faced deadlines in early 2015 to make their farm bill program election decisions. Extension specialists and agents conducted 32 regional educational programs attended by over 580 producers, met with individual producers, published information through newsletters and local newspaper articles, and broadcast on local radio. Extension personnel also developed user-friendly spreadsheets to determine revenue and price analysis. Producers applied information when determining which Farm Bill programs were best for their operation. Extension collaborated with state and local Farm Service Agency (FSA) offices to make enrollment easier for participants.

Grain and Oilseed producers had to choose between Price Loss Coverage or Agricultural Risk Coverage.

Grain and Oilseed. The 2014 Farm Bill offered a new program for grain and oilseed farmers and landowners moving away from direct subsidy to a model based on price and revenue coverage. Landowners had the opportunity to make a one-time election to reallocate crop base acres and update program payment yields which would carry forward in future farm programs over the next five years. Farmers had the decision of choosing a program that only provides price protection (Price Loss Coverage or PLC) or revenue protection based on each county's historic revenue (Agricultural Risk Coverage-County or ARC-CO).

Dairy producers chose between MPP-Dairy and the existing LGM-Dairy programs.

Dairy. The Margin Protection Program for Dairy (MPP-Dairy) established in the 2014 Farm Bill represented a significant shift in U.S. dairy policy. Dairy producers decided whether to participate in the new MPP-Dairy, the existing LGM-Dairy program, or neither. During regional trainings, Extension personnel helped dairy producers understand the two potential programs, recognize their potential as risk management tools, and how to use available decision aids to help make enrollment decisions. At the end of the first enrollment year, 47% of Kentucky dairy operations have enrolled in the new MPP – Dairy Program.

Educating agriculture producers on the 2014 Farm Bill is one example of Extension increasing the knowledge of government processes. More than 22,000 people increased their knowledge of government processes as a result of Extension programing during 2015 (KERS).