

2014 Farm Bill Decision: Deploying Generic Base Acres

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The logo for the Agricultural and Food Policy Center (AFPC) is displayed in a bold, dark blue, sans-serif font. The letters are thick and closely spaced, with the 'A' and 'F' being particularly prominent.

Generic Base

- All cotton base was converted to Generic Base in the 2014 Farm Bill
- Generic Base used in place of eliminating the historical benefits of cotton base
 - Lessons learned from eliminating allotments and terminating peanut quota



What is Generic Base Good For?

- Generic base can be “deployed” to covered crops planted on the farm in 2014-2018
 - Deployed means you can add generic base to existing base
- Two simple rules used to determine how “deployed” base acres are calculated each year
 - Total Deployable Generic Base Acres (TDG) =
MIN(Generic Base **OR** Total Acres Planted Covered Crops)
 - Deployed Acres Allocated to A Covered Crop =
TDG * (Planted Acres for The Covered Crop / Total Acres Planted to Covered Crops)



Examples of Deploying Generic Base Acres

	Total Generic Base Acres	Total Acres Planted to GS and Wheat	Deployed Generic Base Acres	Deployed Generic Acres to GS	Deployed Generic Acres to Wheat
Example 1	50	50 GS & 50 Wht =100 total	50	25	25
Example 2	50	100 wheat so =100 total	50	0	50
Example 3	50	No planted acres to covered crops	0	0	0
Example 4	50	50 wheat so =50 total	50	0	50
Example 5	50	25 wheat so =25 total	25	0	25
Example 6	50	1 acre wheat so =1 total	1	0	1

Bottom Line for Generic Base

- As long as the farm plants more acres of covered crops than the generic base all generic base acres can be deployed to the covered crops
- You **cannot** indicate which covered crop receives the generic base acres, other than which crops you plant
- Generic base is allocated in proportion to the acres planted for the covered crops



Farm Bill Education Materials

www.afpc.tamu.edu



Agricultural Policy Specialist Dr. Joe Outlaw and colleagues from the Agricultural and Food Policy Center provide brief weekly updates on current agricultural policy issues. See the [list of podcasts](#) available now.

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Agricultural Policy Specialist Dr. Joe Outlaw and colleagues from the Agricultural and Food Policy Center provide brief weekly updates on current agricultural policy issues.

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There are also links to each of the podcasts on YouTube. Please feel free to check out our [YouTube channel](#), where you can choose to subscribe and be notified every time a new podcast is uploaded.

21 - Brief Discussion of ARC/PLC Evaluator for Generic Base

[1080i](#) (267 MB)

[720p](#) (151 MB)

[480p](#) (69 MB)

[audio only](#) (7 MB)

[YouTube](#)

AFPC Decision Includes Generic Base Deployment

- In the Base Reallocation, ARC and PLC calculation module we include the benefits from generic base deployment when calculating the ARC and PLC payments
- The Farm Bill Decision Aid is at
<https://decisionaid.afpc.tamu.edu>



Questions

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Time is Running Out: ARC or PLC

March						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	Yield & Base + PLC or ARC 31				

Phases of the moon: 5:○ 13:◐ 20:◑ 27:◒