

## Economic Assistance for Arkansas Crop Producers (American Relief Act of 2025)

Congress averted a government shutdown by passing legislation late in the evening to keep federal agencies funded through March 14, 2025. The American Relief Act of 2025, signed into law Dec. 20 provides \$10 billion in disaster relief payments for eligible U.S. crop producers. Payments are determined by economic loss or a minimum rate linked to Price Loss Coverage (PLC) program reference prices.

### Key Components

- **Eligibility:** Includes planted acres (irrigated and non-irrigated), failed acres and 50% of prevented planted acres from 2024.
- **Payment Limitations:** \$250,000 for entities earning at least 75% of income from farming; \$125,000 otherwise.
- **Calculation Basis:** Payments are the higher of 26% of economic losses per crop acre or 8% of reference price times PLC yield.

### Estimated Economic Assistance Payments from the December 2024 Continuing Resolution

Eligible Commodity	10-Yr. Avg. Yield	2024 Dec. WASDE Price	2024 Proj. Revenue/Acre	2024 Cost of Production / Acre	2024 Loss/Acre	Payment Factor	Estimated Payment/ Acre
Corn	173.33	\$4.10	\$710.65	\$879.10	\$(168.45)	26%	\$43.80
Soybeans	49.76	\$10.20	\$507.55	\$625.29	\$(117.74)	26%	\$30.61
Wheat	47.48	\$5.60	\$265.89	\$388.19	\$(122.30)	26%	\$31.80
Cotton	861.80	\$0.66	\$568.79	\$894.56	\$(325.77)	26%	\$84.70
Sorghum	67.36	\$4.10	\$276.18	\$437.14	\$(160.96)	26%	\$41.85

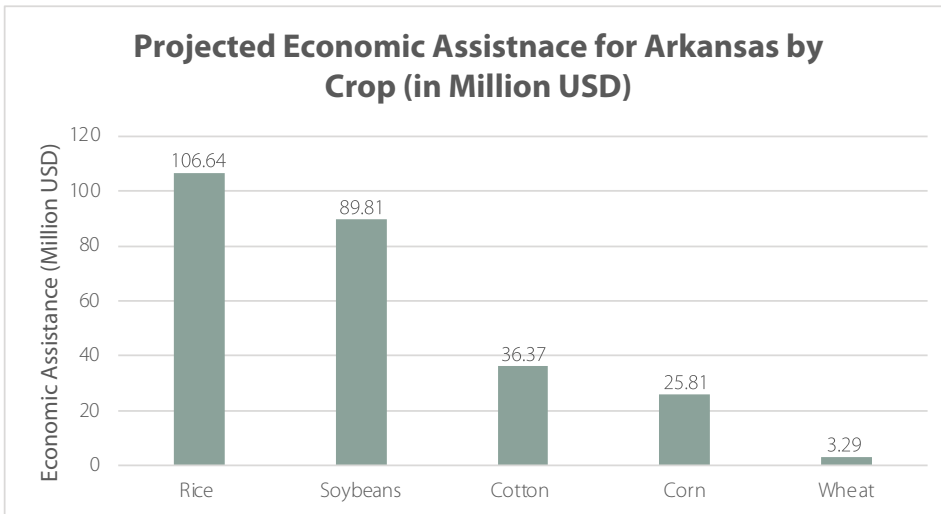
Eligible Commodity	2024 National Average PLC Payment Yield	Statutory Reference Price	2024 Proj. Revenue/Acre	2024 Cost of Production/ Acre	2024 Loss/Acre	Payment Factor	Estimated Payment/ Acre
Rice	6,219.59	\$0.14	\$870.74	\$1,314.84	\$(444.10)	8%	\$69.66
Peanuts	3,565.54	\$0.27	\$953.78	\$1,184.95	\$(231.17)	8%	\$76.30

Notes: 2024 Cost of Production/ Acre is based on "Cost-of-production forecasts for major U.S. field crop" published by the Economic Research service of the Department of Agriculture. The 2024 Effective Reference Price and 2024 National Average PLC Payment Yield come from [fsa.usda.gov/resources/programs/arc-plc/program-data](https://fsa.usda.gov/resources/programs/arc-plc/program-data). The 2024 National Average PLC Payment Yield is found by taking the national average of all county-level payment yields reported by USDA-FSA for each program crop.

The eligible crops for economic assistance under the legislation include wheat, corn, grain sorghum, barley, oats, cotton (both extra-long staple and upland), rice (long grain and medium grain), peanuts and soybeans. However, certain commodities are excluded from eligibility under this section, including graded wool, nongraded wool, mohair and honey. These excluded crops qualify for assistance based on criteria related to production costs and gross returns as outlined in another section of this legislation.

**Impact on Arkansas**

- **Economic Assistance:** Arkansas ranks among the highest recipients due to its large rice acreage and soybean production. Projected payments include:



This relief package underscores Arkansas’ vital role in U.S. agriculture, with rice production leading in eligible assistance. These funds aim to mitigate economic challenges from high input costs and market volatility, securing livelihoods and reinforcing the state’s farming economy. The farmer aid should be available 90 days after the legislation’s enactment, meaning once the legislation is signed into law by the president. We will continue to keep you updated on when and how to apply for this assistance.



*Analysis by Tyler Oxner.*  
 For more information, contact:  
 Tyler at (501) 228-1311, [tyler.oxner@arfb.com](mailto:tyler.oxner@arfb.com).