

2019 Market Facilitation Program and 2019 Whole-Farm Revenue Protection Interaction

Will the 2019 Market Facilitation Program (MFP) payments be counted as revenue-to-count for 2019 Whole-Farm Revenue Protection (WFRP) claims?

The Risk Management Agency has determined that 2019 MFP payments will not be counted as revenue-to-count for:

- Non-specialty crops, including alfalfa hay, barley, canola, corn, crambe, dried beans, dry peas, extra-long staple cotton, flaxseed, lentils, long grain and medium grain rice, millet, mustard seed, oats, peanuts, rapeseed, rye, safflower, sesame seed, small and large chickpeas, sorghum, soybeans, sunflower seed, temperate japonica rice, triticale, upland cotton, and wheat;
- Specialty crops, including almonds, cranberries, cultivated ginseng, fresh grapes, fresh sweet cherries, hazelnuts, macadamia nuts, pecans, pistachios, and walnuts; and
- Dairy (milk).

However, the 2019 MFP payment will be counted as revenue-to-count for hogs.

Unlike the 2018 MFP payment calculation, the 2019 MFP payment calculation for non-specialty crops is not based on an eligible producers' production of a qualifying crop. Therefore, 2019 MFP payments for non-specialty crops will not be considered revenue-to-count because the payments are not based on current year production.

The 2019 MFP payment calculation differs for specialty crops. The 2019 MFP payment for specialty crops will be based on eligible producers' 2019 fruit and bearing plant acres, not the producers' current year or historical production. Therefore, 2019 MFP payments for specialty crops will not be considered revenue-to-count because

the payments are not based on current year production.

Furthermore, the 2019 MFP payments for dairy (milk) and hogs will be calculated using a different methodology. For, eligible dairy (milk) producers, the 2019 MFP payment will be calculated based on the eligible producers' production history (not current year production). Therefore, 2019 MFP payments for dairy will not be considered revenue-to-count under Section 9(a) of the 2019 WFRP policy because the payments are not based on current year production.

The 2019 MFP payment for eligible hog producers will be calculated using the number of live hogs owned on a day selected by the producer between April 1 and May 15, 2019. Therefore, 2019 MFP payments for hogs will be considered revenue-to-count under Section 9(a) of the 2019 WFRP policy because the payments are based on current year production.

It should be noted that ad hoc program payments, such as MFP, are excluded from allowable revenue for 2019, just as they were for 2018. Per changes approved by the FCIC Board, beginning with the 2020 policy year, disaster payments and other State and Federal program payments will be excluded from revenue-to-count and allowable revenue under WFRP.