

Disaster and Economic Relief for Producers in H.R. 10545, the American Relief Act, 2025, Public Law 118-158

Economic Assistance for Crop Year 2024 Losses

Funding:

\$10 Billion (Payment rates/formulas are designed and estimated to spend this entire amount)

Timeline:

Must be disbursed by March 21 (could be earlier, but will be after Jan. 20 Inauguration)

Payment Rates:

For crop year 2024 planted acres of program crops (generally, crops eligible for a marketing assistance loan under the Farm Bill), per acre payment rates are calculated as the higher of: (1) 26% of the difference (by crop) between national USDA ERS cost of production per acre, and a national projected return per acre, using a 10-year national average yield multiplied by the USDA WASDE price; or (2) 8% of established PLC Reference Price multiplied by the national PLC yield for that crop.

Note: Payment rates in the table to the right are from the House and Senate Agriculture Committees. They represent the best estimate for actual payment rates at this time. See the official brief sheet.

- Paid on planted acres determined by FSA certifications (grazing, haying, silage, and similar uses included)
- 50 % of “PP” acres on a farm that were prevented from being planted
- Payments are not subject to budget sequestration
- Payments are not subject to an AGI means test

Payment Limits:

Like other recent disaster programs, the limit per farmer or entity is determined by how much of the entity’s income is derived from agriculture.

Note, however, that this statute is changed from past laws to be based on average gross income rather than “adjusted gross income” (AGI).

- If < 75% of average gross income from 2020-2022 is from agriculture, then limit is \$125,000
- If 75% or more of average gross income from 2020-2022 is from agriculture, then limit is \$250,000
- Standard FSA “actively engaged in farming” requirements apply

Commodity	Estimated Payment (\$/Acre)
Corn	\$43.80/acre
Soybeans	\$30.61/acre
Wheat	\$31.80/acre
Cotton	\$84.70/acre
Rice (L/M)*	\$71.37/acre
Sorghum	\$41.85/acre
Oats	\$78.42/acre
Barley*	\$21.76/acre
Peanuts*	\$76.30/acre
Dry Peas*	\$16.16/acre
Lentils*	\$19.32/acre
Chickpeas, large*	\$24.16/acre
Chickpeas, small*	\$25.04/acre
Sunflower	\$23.38/acre
Rapeseed*	\$23.23/acre
Canola*	\$26.76/acre
Safflower*	\$15.71/acre
Flaxseed*	\$17.48/acre
Mustard*	\$11.42/acre
Crambe*	\$19.37/acre
Sesame*	\$5.28/acre

**indicates minimum payment formula was used*

Common Questions:

- ***Will there be enough money to pay the economic aid above?*** We believe so. Careful analysis was done to ensure that available funds achieve the prescribed payment rates.
- ***What if I planted and certified wheat for grazing and then followed on the same ground in the spring with certified corn or cotton?*** There is some complex history here, and USDA will need to determine how to treat the various certifications (from our experience, different counties often certify such practices differently) that might have been made in a manner consistent with the law that treats farms most fairly.
- ***When will we know the exact payment rates?*** Those published by the U.S. House and Senate Agriculture Committees should be very close (a reliable guide), but we will not know final numbers until USDA publishes them sometime after January 20th.

Other Questions:

Please call or e-mail us. Your questions help us provide critical input to improve the roll-out.