

## *Adams on Agriculture*

**Richard Fordyce**

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Mike Adams: We're going to start things off, kind of get into some of the details that we know on these programs and how they will be administered. We'll start off by talking with the administrator of the Farm Service Agency, Richard Fordyce. Richard, thanks for joining us.

Fordyce: Hey, Mike. It's good to be with you.

Adams: Okay, let's get into the trade assistance package, the \$16 billion announced yesterday at the White House by President Trump. Fourteen and a half billion will be payments made to producers of a wide variety of commodities. Certainly a different approach than the last round. Tell us about how this is going to work.

Fordyce: Absolutely. Well, you know, the President announced a couple of weeks ago, I guess, that when we had a little bit of a bump in the road with the negotiations with China and the trade deal, that he definitely wanted to support agriculture and support farmers, and so, you know, the President asked the Secretary to put together a program to assist producers as we continue to navigate through that trade issue.

And so we've come up with a new program, a Market Facilitation Program Part 2, I guess. And it is a little bit of a different approach. I think it's the President and the Secretary's desire to get some dollars to producers sooner rather than later. And as you know, the MFP program of last year was kind of based on production. And so we've taken a different look at it this time and we're going to create a single county payment based on a number of factors that will create that county payment.

And so producers will, depending on the agriculture in their county and what is historically planted in that county, will receive a payment per acre based on planted acres in 2019. The hope is to get, kind of initiate these payments, get those payments out the door late summer, so July, August kind of time frame is kind of the goal at this point. So again, a bit of a different approach. Not waiting on harvest, not waiting on certifying production for the 2019 growing season, but developing an individual county payment based on planted acres.

Adams: So the county payment rates were not released. When will we get those?

Fordyce: So I think there's still some work that needs to be done to kind of perfect those and finalize those. But there's a lot of calculation that goes into that to make those as accurate as they possibly can be. But the other reason to kind of go this approach is we do not want this program in any way to affect plantings, so not to skew plantings toward one commodity over another one.

And so producers need to know that they are also...that they're going to be paid by planted acres, so it's not going to matter if it's a Title 1 or some other crops that'll probably be included in that as well, that if they are planted, they will get a payment per acre. So folks shouldn't think that one crop is going to pay more than another because there will be a specific payment per acre by county based on planted acres, no matter what that's planted to as far as a Title 1 crop.

Adams: But prevent acres, which will be many this year, it looks like, will not be part of this. That will be covered under the disaster aid package, is that correct?

Fordyce: It could be, Mike. And I think that we're still trying to understand what that is and what that's going to be at this point. But at this time the MFP Part 2 will pay on planted acres only at this point.

Adams: Now how will the payments be made, like last time, or how will it be done?

Fordyce: So the idea is that the payments will be made in three tranches, the first payment being that late summer type payment. And that would probably—again, we haven't completely hammered out what kind of a percentage it would be—but probably a larger percentage of the payment would be that one in late summer. And then we would look again, you know, maybe in a November time frame for a second payment, and then a third payment potentially, you know, maybe in a January time frame. So three tranches of payments. The first one would probably be the largest percentage of the total payment, then the other two.

Adams: What will farmers need to do?

Fordyce: So we would encourage producers, when they finish planting, obviously to go to their local Farm Service Agency and complete that acreage report that the producers know so well. Acreage reporting deadline at this point—and again, you know, as you mentioned, we've got just a lot of tough weather out there—but right now the acreage reporting deadline is July 15<sup>th</sup>. So when producers are finished planting, they need to go and complete that acreage report, and that will give us then the number of acres that that producer has planted.

Adams: Double crop acres counted in this, too?

Fordyce: So the...yes. The acres... So the acres on the farm need to be planted. And so they would. But it's a total number of acres planted in that producer's operation, so by farm, by producer. So very similar, at the end of the process of acreage reporting, we know the number of acres that that producer has planted, and we'll pay based on that. So if it were a double crop situation, for example, say soybeans following wheat, we're just going to make a payment on that acre once. We're not going to, you know, we won't pay for double cropped acres twice, if that makes sense.

Adams: All right, so we'll wait for those county rates and then we'll talk with you again at that time, Richard, and get more details and information out, okay?

Fordyce: Absolutely, Mike. I would also mention that we're going to do dairy and hogs. Again, there will be a payment for those. The payment rate obviously is not settled yet. But those will be done like they were in the MFP 1 program, so by production and by number of hogs.

Adams: Very good. Thanks, Richard.

Fordyce: All right, thank you, Mike.

Adams: FSA Administrator Richard Fordyce with us here on AOA.

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