Ag Radio programs for December 22 - 28, 2014

Is Snow Good for Wheat?

This is Ag Outlook on 1420 KJCK, I'm Chuck Otte, Geary County, K-State Research and Extension Ag & Natural Resources Agent. We got a couple inches of snow last week. This often starts folks talking about all the wonderful things that snow does for wheat and other plants. There is absolutely no doubt that snow cover during the winter is beneficial to wheat, but not in the ways that most people think it is. There was always the long held belief that snow contained lots of nitrogen and that is why the wheat looked so good after a winter that had a lot of snow. The truth of the matter is that snow doesn't really hold very much nitrogen at all. Average snowfall for our area is about 20 inches and that holds less than 6 pounds of nitrogen. Six pounds won't account for the differences we see after a snowy winter. At one time, rain and snow carried a lot of sulfur - perhaps as much as 20 to 40 pounds per year. But since we cleaned up power generation and got rid of the acid rain, that number is now much lower and we are actually having to start applying sulfur on crops. No, the big things that snow does boil down to is water and insulation. Even an inch or two of snow provides a lot of protection against desiccating winds and severe cold. Terrace tops often die out in bare winters because the wind just dries out the crown of the plant. With a little bit of snow out there, that doesn't happen. Snow cover also helps hold the plant dormant and keeps us out of early growth problems. But the best part about snow is that it contains water, water that is released slowly and soaks in! So snow is good for wheat! This has been Ag Outlook on the Talk of JC, 1420 KJCK, I'm Chuck Otte.

Is any part of the new farm bill going to pay on the 2014 crop

This is Ag Outlook on 1420 KJCK,  I'm Chuck Otte, Geary County, K-State Research and Extension Ag & Natural Resources Agent. We've started having educational meetings on the 2014 farm bill and as you can imagine, there's been a lot of questions. Just as a reminder, I'll be holding a farm bill (and ag lease) meeting Wednesday evening, January 14th at the fairgrounds at 7 p.m. With the exception of the highly complex ARC-Individual part of the program, potential payments to farm program participants will be based on county yield and marketing year average price. Which is why decisions for this farm bill are far more complex. And whatever you sign up for, you are looked in to for the full life of the farm bill. We have no idea what yields and prices will do next year or any other year, but we are starting to get a pretty good feel on the 2014 wheat crop details and in another month or two, the prospects for payments on fall harvested crops will be getting much more solid. At this point in time it is starting to look like Geary County producers may not receive any payments on either PLC or ARC-CO. In fact it's pretty certain that wheat won't trigger a PLC payment. At current price levels, grain sorghum has the greatest chance of a PLC payment but that's starting to be questionable and the marketing year average price will need to drop about 25 cents lower than currently anticipated before PLC would pay more than ARC. Dickinson county, because of it's much lower yielding wheat crop in 2014 probably will qualify for payments. Stay tuned as the next update on marketing year average price will be out in a couple more weeks which should help clarify the picture a little bit! This has been Ag Outlook on the Talk of JC, 1420 KJCK, I'm Chuck Otte.

Trying to Decide

This is Ag Outlook on 1420 KJCK,  I'm Chuck Otte, Geary County, K-State Research and Extension Ag & Natural Resources Agent. The recurring question I'm getting from producers is quite simply, do I enroll in PLC - price loss coverage or ARC - agricultural risk coverage? A lot of it comes down to your particular farm bases and yields, but on the bigger picture, it comes down to what you feel your biggest risk is. From now through 2018 or 2019, what do you worry about most - commodity prices tanking, or dry weather and production risk. Over the life of the program ARC has a better chance of paying in any given year under normal or forecasted price conditions. However, if prices or yields fall well below average ranges, ARC also maxs out very quickly because it's set up to pay no more than 10% of the benchmark revenue. Unless you have a lot of acres it is unlikely that you'd ever hit the $125,000 payment limit with ARC. On the other hand, if prices tank and tank really bad then PLC would be the way to go. PLC doesn't have the same limits. Like it's name says, it is price loss coverage. If you think about it, both of these programs are designed to go hand in hand with crop insurance. Do you have to have crop insurance to be in the farm program? No, UNLESS you are in PLC and want to take out the SCO supplemental coverage option. What I will tell you though is that you need to have crop insurance coverage every year. Period. I'm going to run through some sample scenarios in the next couple of weeks and show what happens if price or yield falls severely during any or all of the years of the farm program and I'll show you these at my January 14th Farm Bill meeting, so keep listening! This has been Ag Outlook on the Talk of JC, 1420 KJCK, I'm Chuck Otte.