

Update of 2019 FSA Acreage Data and FAQs on USDA Acreage



U.S. Department of Agriculture Office of the Chief Economist August 27, 2019

Update of 2019 FSA Acreage Data and FAQs on USDA Acreage

Summary

On August 12, 2019, the National Agricultural Statistics Service (NASS) released the August 2019 *Crop Production* report which included updates based on the acreage resurvey. Also on August 12, 2019, the Farm Service Agency (FSA) released their reported acreage as of August 1, 2019. Since then, there have been questions from the public on why FSA planted acreage differs from NASS planted acreage. NASS has provided several resources outlining the differences between the acreage figures, which are summarized and linked to in this document. This document also provides figures on the 2019 FSA acreage reported as of August 22, 2019. This updated acreage shows that FSA planted and failed acreage continues to move closer to NASS planted acreage although like previous years will stay below NASS planted acreage for reasons stated below.

Update of FSA Reported Acreage

Table 1 below shows the planted and failed acreage reported to FSA by August 1, the updated acreage recorded by August 22, and the latest NASS planted acreage following the resurvey of planted acreage released in August 2019. Since the NASS resurveying was for corn, cotton, sorghum, and soybeans, those are the crops shown. Between August 1 and August 22, roughly 800,000 acres were added to the FSA planted and failed acreage for both corn and soybeans.

Table 1: FSA planted and failed acres along with the NASS planted acreage estimates (thousand acres)

	FSA Planted and Failed Acres by	FSA Planted and Failed Acres by	NASS August Planted	FSA Planted and Failed Acres added between Aug. 1 and	Difference between NASS August Acreage and FSA P&F Acreage as of
Crops	August 1	August 22	Acreage	Aug. 22	Aug. 22
CORN	85,871	86,692	90,005	821	3,313
COTTON ELS	119	131	273	12	142
COTTON UPLAND	13,161	13,176	13,630	14	454
SORGHUM	4,753	4,800	5,290	46	490
SOYBEANS	74,005	74,788	76,700	783	1,912

Where does acreage from the Farm Service Agency come from?

• Producers who participate in USDA farm programs must report cropland acreage to FSA. Acreage is reported to FSA as planted, failed, or prevented. FSA records acres that have been planted but failed ("failed") separately from planted acres that yield a crop ("planted"). Reporting dates vary but generally acreage for spring seeded crops is reported by July 15. Due to flooding and heavy moisture in some states, for 2019 the acreage reporting deadline was extended to July 22 for producers in Arkansas, Illinois, Indiana, Iowa, Kentucky, Michigan, Missouri, Minnesota, North Dakota, Ohio, Tennessee and Wisconsin. After this date, an acreage report is considered a late file and will only be accepted under extenuating circumstances. Even during a "normal year", the FSA reported acreage as of August 1 will be less than the final reported acreage released in January of the following year, as shown in Table 2.

Table 2: Planted and failed acres reported to the Farm Service Agency for corn and soybeans (thousand acres). The table shows the values for the acreage reported as of August 1, the final report (released January the following year), and the difference in acreage.

FSA Planted and Failed Acres (thousand acres)						
	Corn			Soybeans		
	August 1 FSA Planted and	Final FSA Planted and	Final FSA Minus August	August 1 FSA Planted and	Final FSA Planted and	Final FSA Minus August
Year	Failed	Failed	1 FSA	Failed	Failed	1 FSA
2011	88,306	88,864	558	73,178	73,773	595
2012	93,008	94,070	1,062	74,910	75,879	969
2013	88,771	92,399	3,627	72,061	75,299	3,239
2014	83,322	86,505	3,183	79,249	81,757	2,509
2015	83,147	85,143	1,996	79,478	81,370	1,893
2016	90,365	91,066	702	81,368	82,106	738
2017	86,832	87,361	529	88,219	88,752	533
2018	85,770	86,398	628	86,954	87,965	1,011
2019	85,871			74,005		

How did NASS conduct its acreage survey this summer?

The NASS June *Acreage* report, which estimated planted and harvested acreages, was based on farmer responses between May 30 and June 14 of this year. As is standard procedure when planting delays occur, NASS re-contacted survey respondents who stated in the June survey that they had not yet planted. This resurveying occurred for corn, cotton, sorghum, and soybeans during the period July 8 – July 24. In addition to the updated survey results, NASS also

considered the acreage reported to FSA along with satellite imagery when determining the updated acreage estimates.

Why are FSA reported acres and NASS survey acres different?

• Because not all producers participate in USDA farm programs, not all producers will report their acreage to the Farm Service Agency. Since NASS estimates represent all planted acreage, regardless of participation in USDA farm programs, NASS planted acreage will consistently be larger than the planted and failed acreage reported to Farm Service Agency (see Figure 1).

Figure 1: Figure shows final planted and failed acreage reported to FSA, final planted acreage from NASS, and the difference between FSA reported acreage and the NASS planted acreage. Acreage for 2019 is FSA acreage reported as of August 22 and the August 12 NASS planted acreage.



a) Corn acreage (thousand acres)





- FSA records acres that have been planted but failed separately from planted acres that yield a crop, while NASS includes both of these categories under the single category of planted. NASS does use failed acres reported to FSA as a minimum measure of acres abandoned for their determination of harvested acres. For more information on what is included in the NASS estimates for planted and harvested acres of corn and soybeans see the following links on the NASS website:
 - Corn: <u>https://www.nass.usda.gov/Education_and_Outreach/Understanding_Statistics/Co</u> <u>rn%20Acreage%20Inclusions.pdf</u>
 - Soybean: <u>https://www.nass.usda.gov/Education_and_Outreach/Understanding_Statistics/So</u> <u>ybean%20Acreage%20Inclusions.pdf</u>

Prevented Plantings and Cover Crops

• While prevented acres are reported to FSA, there is no analogous measure from NASS. Therefore, NASS does not account for prevented acreage in planted acres, harvested acres, yield, or production. • As of August 22, prevented plantings reported to FSA across all crops equaled approximately 19.8 million acres with 11.4 million acres prevented for corn and 4.5 million acres prevented for soybeans (see Figure 2). Overall, prevented planting acreage increased by over 300,000 acres between August 1 and August 22 (see Table 3).

Thousand acres	Corn	Soybeans	Other	Total
Prevented acres as of Aug. 1	11,211	4,351	3,920	19,481
Prevented acres as of Aug. 22	11,395	4,452	3,938	19,785
Prevented acres added between Aug. 1 and Aug. 22	184	101	19	304

Table 3: Prevented acres reported to FSA for 2019 (thousand acres)

Figure 2: Acres prevented from planting according to final FSA reported acreage (thousand acres). Prevented acreage for 2019 is FSA acreage reported as of August 22, 2019.



• NASS and FSA also define crops differently. If corn is planted as a cover crop, then NASS will include this in the acreage planted for corn. For FSA any crop planted as cover will be defined as a "cover crop". For example, if a producer plants wheat, rye, and oats as cover crops, the acres from these different crops are all recorded together by FSA under "cover crop" rather than being recorded separately under their respective crop names.

• The same acres can be counted as prevented for one crop and then counted again if planted as a cover crop in the FSA reported acres. The "cover crop" category was added to FSA reported acreage in 2017 (see Table 4). For example, if a producer is prevented from planting 500 acres of corn and then plants 300 of those acres with oats as a cover crop, FSA will record 500 acres of prevented corn and 300 acres of planted cover crop.

Between August 1, 2019 and August 22, 2019 roughly 2 million acres of cover crop were added to FSA reported acreage, increasing cover crop acreage from 2.7 million acres to 4.7 million acres. Although these acres are not identified by crop in the FSA recording, NASS identifies them by crop through farmer-reported surveys and via satellite for the determination of NASS planted acreage estimates. As cover crop acres, they are not harvested for grain and therefore are omitted from the NASS harvested acreage estimates.

This year's prevented planting and policies related to prevented planting may influence the number of acres classified as a cover crop:

- For 2019, if a producer is prevented from planting their intended crop, a producer may plant a cover crop on the prevented acres and still receive 100% of their prevented planting payment through their crop insurance policy if the cover crop is hayed or grazed after September 1. Typically, a cover crop must be hayed or grazed after November 1, in order for a producer to receive their full prevented planting payment.
- If a producer has been prevented from planting their intended crop, they may be eligible to receive a \$15/acre payment from the Market Facilitation Program if they plant a cover crop that is intended for harvest.¹

Table 4: "Cover crop" acres planted according to FSA reported acreage (thousand acres). The August planted acreage for 2017 and 2018 reflects reported acres to FSA as of August 1 of those years. For 2019, the cover crop acreage reflects the reported planted acres as August 22, 2019.

	FSA Cover Crop Planted Acres as of August (1000s)	Final FSA Cover Crop Planted Acres (1000s)	
2017 - Aug .1	1,881	1,882	
2018 - Aug. 1	2,142	2,153	
2019 - Aug. 22	4,745	_	

¹ In order to receive the full 2019 Market Facilitation Program (MFP) payment for non-specialty crops—which, for example, is \$82 per acre in Champaign County, IL—a producer must plant one of the following crops during the 2019 crop year: 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. If a producer plants one of these crops as a cover crop, FSA records the crop as "cover crop", and the producer does not qualify for the full 2019 MFP payment. By planting a cover crop, the highest 2019 MFP payment that a producer can receive is \$15 per acre under the conditions described in the main text. Other eligibility requirements for 2019 MFP can be found at https://www.farmers.gov/manage/mfp.

For additional information from NASS, see the following links below:

- More information from NASS on the differences between NASS and FSA acreage data: <u>https://www.nass.usda.gov/Education_and_Outreach/Understanding_Statistics/FSA_Acreage.pdf</u>.
- The Special Note provided in the NASS August 2019 Crop Production Report: <u>https://downloads.usda.library.cornell.edu/usda-</u> <u>esmis/files/tm70mv177/nv935d60h/5138js48b/crop0819.pdf</u>
- August Crop Production: Executive Summary
 <u>https://www.nass.usda.gov/Newsroom/Executive_Briefings/2019/08-12-2019.pdf</u>
- Methodology for USDA Crop Forecast: <u>https://www.nass.usda.gov/Education_and_Outreach/Understanding_Statistics/pub1554.p</u> <u>df</u>

For questions related to this report, please contact:

Robert Johansson Chief Economist, OCE 202-720-4164 (Main Line) 202-720-5955 (Main Line)

Ashley Hungerford Economist, OCE 202-205-9907