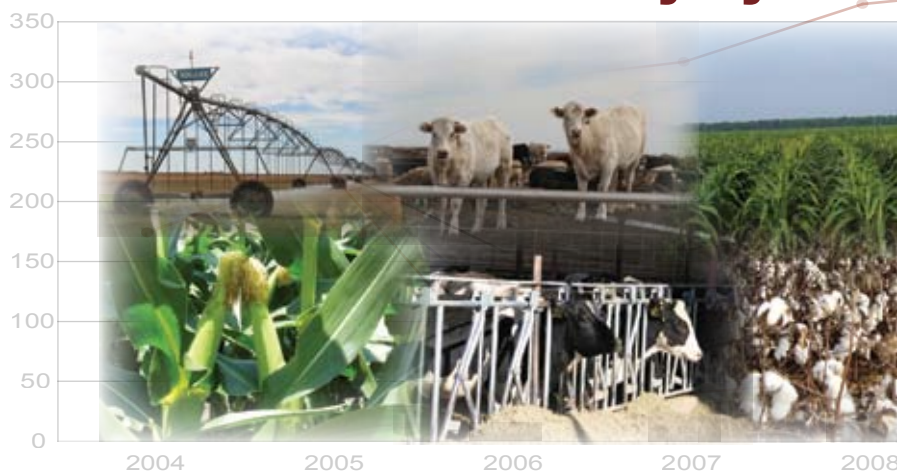

Impacts of the Administration's 2007 Farm Bill Proposal on Representative Crops, Dairy and Beef Cattle Farms-Revised

AFPC Briefing Paper 07-7

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Teaching Research Extension

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Impacts of the Administration's 2007 Farm Bill Proposal on Representative Crops, Dairy and Beef Cattle Farms -- Revised¹

For the first time in two decades, the Secretary of Agriculture provided the House and Senate Agriculture Committees a farm bill proposal from the Administration. The Administration's Proposal is a comprehensive revision of the 2002 farm bill with suggested changes to all titles. Four major proposed changes to Title 1 Commodity Programs are analyzed and reported in this Briefing Paper. The four key policy changes analyzed are:

- an increase in direct payment rates,
- a reduction in loan rates for most crops,
- the replacement of the counter cyclical payment (CCP) program with a counter cyclical revenue (CCR) program, and
- a change in eligibility for farm program payments by using \$200,000 adjusted gross income (AGI) for a means test.

The economic impact of the Administration's Proposal on the viability of 99 representative crop, dairy, and beef cattle farms is compared to a base situation of continuing the current farm bill through 2012. This report is a companion to FAPRI-UMC Report #11-07 that contains sector level impacts.

Policy Scenarios

The Base scenario is the continuation of the 2002 farm bill with no changes in target prices, loan rates, and direct payment rates. Two Administration scenarios are analyzed:

- Administration without an AGI means test, and
- Administration with an AGI means test.

¹ Results for rice farms were revised to reflect FAPRI's revised estimate of CCR payment rates.

For both Administration scenarios the proposed lower loan rates, higher direct payment rates, and CCR replacing the CCP were the same.

The Administration's proposed farm bill includes changes in direct payment rates and lower loan rates for all major program crops. The increases in direct payment rates vary by crop and year (Table 1). Payment rates for soybeans would be held constant for 2008 and 2009, increased for 2010-2012, and then reduced slightly thereafter. Cotton direct payment rates would increase in 2008 and be held at the higher level for all years. Feed grains, wheat, rice, and peanuts would see higher direct payments from 2010-2012 and a return to current payment rates thereafter.

Loan rates would be calculated each year using the Administration's proposed formula. The loan rates equal the lesser of 85 percent of a five year Olympic moving average of prices or a maximum loan rate. The current farm bill loan rates and the Olympic average loan rates for the Administration's proposal are summarized in Table 2.

The Administration's proposal calls for replacing the CCP with a CCR. The CCR triggers payments if the product of national average price (or loan rates) and yield are less than a national trigger revenue. The national trigger revenue equals a five year Olympic average (2002-2006) of yield per harvested acre multiplied by the target price minus the direct payment rate (Table 2). This provision utilizes the proposed loan rates and direct payment rates in the Administration's farm bill.

The Administration's proposal calls for reducing the adjusted gross income (AGI) means test from \$2.5 million to \$200,000. If a producer's three year moving average for AGI exceeds \$200,000, the farm would lose all farm program payments for that year. Lower AGI values in subsequent years would result in reinstatement of farm program payment eligibility. For the

present analysis, the Administration's proposal is analyzed with and without the \$200,000 means test.

Sector Level Impacts

The Food and Agricultural Policy Research Institute (FAPRI) at the University of Missouri-Columbia provided probabilistic baseline projections for continuation of the 2002 farm bill and for the Administration's proposal. Average annual prices for the two FAPRI policy analyses are summarized in Table 3 for 2008-2012. Changes in average annual prices are quite small, generally less than one or two cents per bushel for grains and soybeans. Cotton price changes between the two policies, though also small, are relatively more significant. Prices for cattle and milk also are not expected to move very much due to the differences in the current farm bill and the Administration's proposed farm bill.

FAPRI's analysis of the Administration's proposal does not include the effects of an AGI means test of eligibility for government payments. The farm level analysis uses the FAPRI price projections for both the with and without AGI means test scenarios. It is assumed that the proposed AGI means test provision would not result in a significant supply response, therefore, FAPRI's price projections are relevant for both scenarios.

Farm Level Results

The projected prices from the FAPRI analyses were used as input in the AFPC representative farms to estimate the probable impact of the Administration's proposal on representative crop, dairy, and beef cattle farms. The AFPC maintains a data base of representative farms to analyze the economic impacts of alternative farm policies on actual farming operations in key production regions of the United States (Figure 1). These farms are located in the major production areas for each commodity. Information necessary to simulate the

economic activity on the representative farms is developed from panels of producers using a consensus-building interview process.

The data from the farms are analyzed using a farm level simulation model (FLIPSIM) developed by AFPC. The FLIPSIM model simulates the annual production and economic activities of a farm for 2008-2012 using the policy assumptions in Tables 1 and 2 and the probabilistic projections of prices and CCP/CCR payment rates in the FAPRI Baseline and the Administration's proposal. The results of the impacts on the representative farms are presented in the next section.

Results

The change in average annual receipts, government payments and net cash income (NCI) from the Base scenario to the Administration's proposal without an AGI means test is summarized in Table 4 for each representative farm. For feed grain and wheat farms the impacts are quite small and mixed. Fourteen of the 19 representative feed grain farms have lower average annual NCI, and for 13 of the 14, NCI is lower by less than \$1,000 per year. All of the feed grain farms but two (TXPG 3760 and TXUG 1200) see an increase in government payments under the Administration's proposal. The two farms with lower government payments grow more acres of cotton than they have cotton base. The lower loan rates for cotton result in lower loan deficiency payments that are not fully offset by higher direct payment rates for cotton. Four of the five feed grain farms that show a higher NCI under the Administration's proposal grow cotton and all 5 have a significant amount of cotton base.

Seven of the 11 wheat farms would have slightly higher average annual NCIs (less than \$1,000). The NCI is increased by small average annual increases in government payments. The KSCW 1600 wheat farm is the only one projected to lose government payments and that is

because it grows 160 acres of cotton without a cotton base. The other two wheat farms that would have lower average annual NCIs (KSCW 4000 and KSNW 5000) are diversified into corn and sorghum, so the farms' net incomes are more like the feed grain farms with small losses in NCI.

Eighteen of the 20 cotton farms would experience moderate to large increases in average annual NCI under the Administration's proposal without the AGI limit (Table 4). The two cotton farms that have lower average annual NCIs (TXNP 3000 and TXNP 7000) plant more cotton than they have cotton base. Four other cotton farms (ARC 6000, ARNC 5000, TXMC 1800, and TXPC 2500) lose government payments under the Administration's proposal. Increased direct payments are not enough to overcome their losses of CCP and LDP's. However, their gains in market receipts results in a slightly positive change in NCI.

Thirteen of the 14 representative rice farms are in worse economic condition under the Administration's proposal. Increased direct payment rates starting in 2010 do not make up for the decreases in CCP payments throughout the period. Losses in CCP payments account for most of the losses in average annual cash receipts for the rice farms.

Impacts on dairy farms and beef cattle ranches are very small based on the average annual changes in NCI (Table 4). Twenty of the dairy farms would expect slightly lower NCI while three would see slightly higher NCI.

The effects of the Administration's proposal on the representative feed grain farms is significantly different if one includes the \$200,000 three year moving average AGI means test for program payment eligibility. The results for the means test analysis are summarized in Table 5. Fifteen of the feed grain farms would see lower average annual NCIs than the Base, but this time the losses are quite large. The IAG 3400 farm would see NCI fall more than \$50,400 on

average and the IAG 1350 farm sees a \$5,000 lower average annual NCI. Some of the smaller farms experience little or no decrease in NCI due to the means test (TXHG 2000, TXWG 1400, TXUG 1200, TNG 900, and SCG 1500).

The AGI means test would result in seven of the 11 wheat farms experiencing lower average annual NCIs (Table 5) instead of eight farms seeing higher NCIs. Two of the farms would see more than a \$13,000 per year decrease in NCI (MTW 4500 and KSNW 5000) relative to the Base scenario.

Eight of the cotton farms would see lower average annual NCI relative to the Base scenario when the AGI limit is imposed, as compared to only two farms experiencing lower NCIs without the means test. Thus, the means test part of the proposal more than offsets gains from higher direct payment rates for six of the farms.

Two of the representative rice farms (MOWR 4000 and ARSR 3640) would expect to see lower average annual NCI due to the AGI means test. The limited impact of the means test on rice farms is due to these farms as a whole having very low AGI over the planning horizon and other provisions in the Administration's proposal reducing NCI relative to the Base.

Three of the 23 representative dairies would experience a noticeable adverse impact as a result of implementing the AGI means test, reducing NCI by more than \$8,200 on each farm relative to the Base. The three dairies most affected are: CAD 1710, IDD 3000, and WID 775.

Summary

The Administration's proposal to lower loan rates, raise direct payment rates, replace the CCP with a CCR, and impose a \$200,000 moving average AGI as a means test was analyzed for 99 representative farms. Results of a five year analysis over 2008-2012 using FAPRIs

probabilistic sector level price projections and AFPC representative farms are presented relative to a continuation of the 2002 farm bill.

Results for the representative farms show that the Administration's proposal would reduce average annual NCI for a majority of the AFPC representative feed grain, wheat, and rice farms, along with about half of the cotton farms. In the absence of the AGI means test, the Administration's proposal is about neutral on NCI for feed grain farms, slightly favorable for wheat farms, largely favorable for cotton farms, negative for rice farms, slightly negative for dairies, and, on average, neutral for beef cattle ranches.

Table 1. Policy Assumptions of Direct Payment Rates for the Scenarios

	Baseline	Administration
Corn (\$/bu), 2008/09-2009/10, 2013/14+	0.28	0.28
Corn (\$/bu), 2010/11-2012/13	0.28	0.30
Soybeans (\$/bu), 2008/09-2009/10, 2013/14+	0.44	0.47
Soybeans (\$/bu), 2010/11-2012/13	0.44	0.50
Wheat (\$/bu), 2008/09-2009/10, 2013/14+	0.52	0.52
Wheat (\$/bu), 2010/11-2012/13	0.52	0.56
Upland Cotton (\$/lb), 2008/09-2016/17	0.0667	0.1108
Upland Cotton (\$/lb), 2008/09-2016/17	0.0667	0.1108
Rice (\$/cwt), 2008/09-2009/10, 2013/14+	2.35	2.35
Rice (\$/cwt), 2010/11-2012/13	2.35	2.52
Peanuts (\$/ton), 2008/09-2009/10, 2013/14+	36.00	36.00
Peanuts (\$/ton), 2010/11-2012/13	36.00	38.61

Table 2. Policy Assumptions of Loan Rates and Countercyclical Revenue Trigger for the Scenarios

	Baseline	Administration Max	Olympic Average*
Loan Rates			
Corn (\$/bu), 2008/09-2012/13	1.95	1.89	**
Soybeans (\$/bu), 2008/09-2012/13	5.00	4.92	**
Wheat (\$/bu), 2008/09-2012/13	2.75	2.58	**
Upland Cotton (\$/lb), 2008/09	0.5200	0.5192	0.4185
Upland Cotton (\$/lb), 2009/10	0.5200	0.5192	0.4126
Upland Cotton (\$/lb), 2010/11	0.5200	0.5192	0.4340
Upland Cotton (\$/lb), 2011/12	0.5200	0.5192	0.4545
Upland Cotton (\$/lb), 2012/13	0.5200	0.5192	0.4726
Rice (\$/cwt), 2008/09-2012/13	6.50	6.50	**
Peanuts (\$/ton), 2008/09	355.00	350.00	317.20
Peanuts (\$/ton), 2009/10	355.00	350.00	325.00
Peanuts (\$/ton), 2010/11	355.00	350.00	337.80
Peanuts (\$/ton), 2011/12	355.00	350.00	346.40
Peanuts (\$/ton), 2012/13	355.00	350.00	349.00
Countercyclical Revenue Trigger***			
Corn	N/A	344.11	N/A
Soybeans	N/A	219.74	N/A
Wheat	N/A	140.39	N/A
Upland Cotton	N/A	517.00	N/A
Rice	N/A	548.05	N/A
Peanuts	N/A	683.86	N/A

* - Olympic Average of the 500 Outcomes

** - Olympic Average higher than Administration Max, therefore Administration Max used

*** - \$/acre, 2008/09-2012/13

Table 3. Crop and Livestock Prices under Base Situation and Administration Proposal, 2008-2012.

	2008	2009	2010	2011	2012
Barley (\$/bu)					
Base	3.24	3.18	3.16	3.12	3.11
Administration	3.23	3.18	3.15	3.12	3.11
Corn (\$/bu)					
Base	3.22	3.23	3.21	3.18	3.16
Administration	3.21	3.22	3.21	3.18	3.16
Cotton (\$/lb)					
Base	0.5443	0.5540	0.5642	0.5693	0.5745
Administration	0.5582	0.5604	0.5696	0.5736	0.5776
Oats (\$/bu)					
Base	1.92	1.93	1.92	1.91	1.90
Administration	1.92	1.93	1.92	1.91	1.90
Rice (\$/cwt)					
Base	7.89	8.21	8.37	8.43	8.63
Administration	7.87	8.21	8.37	8.43	8.63
Soybeans (\$/bu)					
Base	7.05	7.03	6.92	6.81	6.79
Administration	7.03	7.02	6.91	6.81	6.79
Sorghum (\$/bu)					
Base	2.98	3.01	3.02	3.02	3.02
Administration	2.96	3.00	3.01	3.01	3.01
Wheat (\$/bu)					
Base	4.06	4.11	4.14	4.16	4.19
Administration	4.05	4.10	4.14	4.16	4.19
Utility Cows (\$/cwt)					
Base	48.29	47.09	45.52	45.51	46.69
Administration	48.29	47.07	45.50	45.47	46.66
Feeder Steers (\$/cwt)					
Base	102.57	95.72	90.02	90.70	95.10
Administration	102.58	95.81	90.03	90.70	95.09
Fed Steers (\$/cwt)					
Base	86.13	84.41	82.12	82.00	82.77
Administration	86.13	84.39	82.09	81.97	82.74
U.S. All Milk (\$/cwt)					
Base	14.52	14.54	14.51	14.53	14.45
Administration	14.52	14.53	14.51	14.53	14.45

Source: Food and Agricultural Policy Research Institute (FAPRI), University of Missouri-Columbia

Table 4. Base and Change in Average Annual Receipts, Government Payments and Net Cash Farm Income, 2008-12, for Representative Farms, Assuming a Change from 2002 Farm Bill to the Administration's Proposed Farm Bill No AGI Limit

	Base Cash Receipts	Change in Cash Receipts	Base Govt Payments	Change in Govt Payments	Base Net Cash Income	Change in Net Cash Income
	(\$1,000's)	(\$1,000's)	(\$1,000's)	(\$1,000's)	(\$1,000's)	(\$1,000's)
Feed Grain Farms						
IAG1350	648.37	(0.05)	29.18	0.88	187.64	(0.10)
IAG3400	1,604.62	(0.11)	71.88	2.19	532.98	(0.28)
NEG1960	1,213.01	(0.12)	51.23	1.40	371.35	(0.19)
NEG4300	2,457.39	(0.19)	101.57	2.88	732.36	(0.44)
NDG2180	545.66	(0.14)	25.25	0.63	192.66	(0.19)
NDG7500	2,420.17	(0.82)	100.17	2.37	1,087.06	(0.83)
MOCG2050	801.84	(0.13)	33.41	0.95	402.12	(0.14)
MOCG3630	1,338.33	(0.35)	50.72	1.46	730.09	(0.35)
MONG1850	825.40	(0.03)	30.54	0.89	277.75	(0.09)
ING1000	431.51	0.01	21.22	0.60	104.53	(0.04)
ING2200	1,022.85	0.00	46.48	1.31	313.96	(0.03)
TXPG3760	2,558.67	(2.76)	211.73	(14.11)	98.96	(4.51)
TXHG2000	507.47	2.87	42.86	2.77	30.75	3.10
TXWG1400	364.81	7.65	43.63	7.29	25.15	8.52
TXUG1200	734.71	2.91	70.61	(0.62)	2.10	2.77
TNG900	323.29	(0.09)	11.50	0.35	42.27	(0.16)
TNG2750	1,026.74	(0.37)	38.19	1.04	339.07	(0.52)
SCG1500	653.17	17.65	76.52	18.51	49.59	18.89
SCG3500	1,660.28	20.01	158.95	19.52	293.07	20.78
Wheat Farms						
WAW1725	440.78	0.33	34.28	0.97	71.86	0.25
WAW5000	1,329.95	1.16	94.34	2.94	156.13	0.97
WAAW3500	264.82	0.32	23.53	0.69	76.43	0.28
ORW4000	328.26	0.31	26.84	0.75	111.45	0.26
MTW4500	450.23	0.90	45.83	1.49	192.81	0.89
COW3000	313.05	0.02	15.63	0.38	160.99	0.02
COW5640	604.55	0.08	32.70	0.79	208.86	0.00
KSCW1600	295.27	(0.95)	22.08	(0.96)	52.33	(1.25)
KSCW4000	712.41	(0.13)	47.14	1.21	210.88	(0.31)
KSNW2800	400.41	0.17	27.68	0.71	73.62	0.09
KSNW5000	993.90	(0.03)	52.35	1.41	241.63	(0.11)
Cotton Farms						
TXNP3000	1,244.45	(11.85)	74.17	(16.66)	(83.28)	(14.76)
TXNP7000	2,770.68	(27.33)	165.82	(37.95)	44.49	(34.09)
TXSP2239	592.46	7.02	104.09	1.88	(13.64)	7.64
TXSP3745	1,010.90	9.87	175.52	1.38	(31.40)	10.58
TXPC2500	1,300.43	1.21	166.54	(6.67)	165.85	0.92
TXEC5000	1,596.70	20.45	278.03	6.28	237.47	20.91
TXRP2500	350.41	6.92	61.09	4.49	49.90	7.66
TXMC1800	694.93	2.77	94.49	(1.03)	91.75	2.55
TXCB2250	760.96	6.54	115.68	1.39	55.90	6.89
TXCB5500	1,735.22	12.03	245.78	1.25	12.01	12.26
TXVC4500	1,652.63	27.47	244.32	19.28	327.87	28.71
CAC4000	6,219.69	25.35	195.60	3.54	408.25	26.89
LAC2640	1,423.02	29.38	219.68	24.27	133.78	31.49
ARC6000	3,244.36	8.32	463.15	(5.64)	(222.06)	7.58
ARNC5000	2,934.89	15.76	432.41	(11.64)	(42.14)	15.29
TNC1900	982.19	10.77	116.98	5.17	309.46	10.84
TNC4050	1,830.55	28.89	280.44	16.92	(104.51)	31.99
ALC3000	1,240.02	33.53	230.02	25.16	16.51	36.83
GAC2300	1,915.97	13.66	288.79	2.44	278.38	13.81
NCC1100	582.68	8.49	86.64	4.94	(62.74)	9.43

Table 4. Continued

	Base Cash Receipts (\$1,000's)	Change in Cash Receipts (\$1,000's)	Base Govt Payments (\$1,000's)	Change in Govt Payments (\$1,000's)	Base Net Cash Income (\$1,000's)	Change in Net Cash Income (\$1,000's)
Rice Farms						
CAR550	457.00	(0.41)	86.15	(0.32)	(149.92)	(0.61)
CAR2365	1,994.26	(3.12)	399.92	(2.71)	(1,119.72)	(4.21)
CABR1100	857.96	(1.01)	177.51	(0.82)	(494.39)	(1.34)
CACR715	603.08	(0.68)	120.30	(0.55)	(381.01)	(0.96)
TXR1350	367.35	(0.38)	74.16	(0.30)	(78.28)	(0.56)
TXR2400	767.47	(0.85)	138.42	(0.67)	(149.71)	(1.20)
TXBR1800	635.22	(0.66)	115.97	(0.52)	(100.13)	(0.90)
TXER3200	1,019.82	(1.08)	197.80	(0.74)	(327.11)	(1.54)
LASR1200	378.67	(0.52)	63.05	(0.39)	(187.33)	(0.72)
LANR2500	1,191.56	3.56	182.58	2.20	(154.36)	3.64
MOWR4000	1,882.06	(2.70)	275.05	(1.44)	303.02	(3.33)
ARSR3640	1,141.97	(1.15)	170.87	(0.32)	105.21	(1.56)
ARWR1200	547.07	(0.42)	85.09	(0.06)	(292.25)	(0.71)
ARHR3000	1,460.90	(2.33)	231.66	(1.52)	(421.46)	(3.07)
Dairy Farms						
CAD1710	5,733.28	(0.48)	18.67	0.53	431.45	(1.49)
NMD2125	7,060.10	(1.16)	-	-	922.03	(2.23)
WAD250	880.83	(0.11)	1.34	0.04	111.73	(0.70)
WAD850	2,999.59	(0.24)	10.03	0.29	(202.01)	(0.05)
IDD1000	3,634.36	(0.57)	-	-	84.79	(1.50)
IDD3000	10,609.16	(1.13)	20.07	0.56	1,025.66	(2.99)
TXND3000	9,547.37	(1.57)	-	-	(332.19)	(6.01)
TXCD550	1,646.68	(0.26)	-	-	(358.27)	(2.39)
TXCD1300	4,359.41	(0.65)	-	-	392.47	(0.35)
TXED450	1,296.38	(0.19)	-	-	(22.36)	(1.98)
TXED1000	3,150.11	(0.48)	-	-	(77.41)	(2.60)
WID145	580.91	0.01	3.01	0.09	97.75	(0.22)
WID775	3,127.62	(0.16)	9.48	0.27	734.70	0.79
NYWD800	3,139.67	0.08	19.59	0.57	(242.69)	(1.70)
NYWD1200	4,690.53	0.05	26.89	0.78	(232.29)	(0.99)
NYCD110	487.85	0.03	3.43	0.10	145.71	(0.03)
NYCD500	2,077.34	0.01	10.87	0.31	148.64	0.03
VTD140	599.42	0.03	3.87	0.11	98.67	(0.65)
VTD400	1,590.46	0.18	13.96	0.40	61.27	(0.29)
MOD85	258.45	(0.04)	-	-	31.99	(0.68)
MOD400	1,363.37	(0.21)	-	-	173.07	(0.70)
FLND550	1,915.57	(0.24)	-	-	574.08	1.39
FLSD1500	4,921.28	(0.67)	-	-	(1,060.76)	(0.22)
Beef Ranches						
CAB500	272.84	(0.03)	-	-	(69.98)	(0.01)
NVB700	300.16	0.03	-	-	(19.46)	0.07
MTB500	243.84	0.02	-	-	47.09	0.07
WYB335	231.62	0.02	-	-	(35.66)	0.03
COB250	180.75	0.01	-	-	9.71	0.02
NMB240	253.59	(0.01)	-	-	(6.72)	(0.02)
SDB450	245.37	(0.02)	0.04	(0.03)	32.60	(0.01)
MOB240	207.27	(0.00)	3.47	0.08	99.72	0.00
MOCB400	219.07	0.03	-	-	32.53	0.04
TXRB500	415.31	(0.08)	-	-	138.63	(0.05)
TXSB175	121.20	0.01	-	-	14.49	0.02
FLB1155	515.00	0.06	-	-	(96.51)	0.09

Table 5. Base and Change in Average Annual Receipts, Government Payments and Net Cash Farm Income, 2008-12, for Representative Farms, Assuming a Change from 2002 Farm Bill to the Administration's Proposed Farm Bill with AGI Limit

	Base Cash Receipts	Change in Cash Receipts	Base Govt Payments	Change in Govt Payments	Base Net Cash Income	Change in Net Cash Income
	(\$1,000's)	(\$1,000's)	(\$1,000's)	(\$1,000's)	(\$1,000's)	(\$1,000's)
Feed Grain Farms						
IAG1350	648.37	(4.92)	29.18	(3.99)	187.64	(5.03)
IAG3400	1,604.62	(48.15)	71.88	(45.85)	532.98	(50.48)
NEG1960	1,213.01	(26.53)	51.23	(25.02)	371.35	(27.21)
NEG4300	2,457.39	(56.07)	101.57	(53.01)	732.36	(58.11)
NDG2180	545.66	(4.92)	25.25	(4.15)	192.66	(5.03)
NDG7500	2,420.17	(99.23)	100.17	(96.04)	1,087.06	(99.32)
MOCG2050	801.84	(24.19)	33.41	(23.10)	402.12	(24.24)
MOCG3630	1,338.33	(52.20)	50.72	(50.39)	730.09	(52.22)
MONG1850	825.40	(15.17)	30.54	(14.25)	277.75	(16.15)
ING1000	431.51	(0.00)	21.22	0.58	104.53	(0.06)
ING2200	1,022.85	(20.58)	46.48	(19.28)	313.96	(20.78)
TXPG3760	2,558.67	(13.15)	211.73	(24.49)	98.96	(15.49)
TXHG2000	507.47	2.85	42.86	2.76	30.75	3.09
TXWG1400	364.81	7.65	43.63	7.29	25.15	8.52
TXUG1200	734.71	2.91	70.61	(0.62)	2.10	2.77
TNG900	323.29	(0.09)	11.50	0.35	42.27	(0.16)
TNG2750	1,026.74	(13.48)	38.19	(12.07)	339.07	(14.25)
SCG1500	653.17	17.51	76.52	18.36	49.59	18.74
SCG3500	1,660.28	(35.52)	158.95	(36.01)	293.07	(37.32)
Wheat Farms						
WAW1725	440.78	0.33	34.28	0.97	71.86	0.25
WAW5000	1,329.95	(1.03)	94.34	0.75	156.13	(1.34)
WAAW3500	264.82	0.32	23.53	0.69	76.43	0.28
ORW4000	328.26	0.28	26.84	0.72	111.45	0.23
MTW4500	450.23	(13.06)	45.83	(12.48)	192.81	(13.08)
COW3000	313.05	(0.03)	15.63	0.34	160.99	(0.03)
COW5640	604.55	(2.20)	32.70	(1.50)	208.86	(2.33)
KSCW1600	295.27	(0.95)	22.08	(0.96)	52.33	(1.25)
KSCW4000	712.41	(3.62)	47.14	(2.27)	210.88	(3.85)
KSNW2800	400.41	0.14	27.68	0.69	73.62	0.07
KSNW5000	993.90	(16.52)	52.35	(15.07)	241.63	(16.94)
Cotton Farms						
TXNP3000	1,244.45	(11.85)	74.17	(16.66)	(83.28)	(14.76)
TXNP7000	2,770.68	(28.14)	165.82	(38.77)	44.49	(34.94)
TXSP2239	592.46	7.02	104.09	1.88	(13.64)	7.64
TXSP3745	1,010.90	9.54	175.52	1.04	(31.40)	10.22
TXPC2500	1,300.43	(0.52)	166.54	(8.40)	165.85	(0.83)
TXEC5000	1,596.70	(53.95)	278.03	(68.12)	237.47	(59.96)
TXRP2500	350.41	6.68	61.09	4.25	49.90	7.42
TXMC1800	694.93	2.46	94.49	(1.34)	91.75	2.24
TXCB2250	760.96	5.67	115.68	0.53	55.90	6.00
TXCB5500	1,735.22	11.14	245.78	0.36	12.01	11.35
TXVC4500	1,652.63	(32.18)	244.32	(40.37)	327.87	(33.07)
CAC4000	6,219.69	(89.41)	195.60	(111.22)	408.25	(97.72)
LAC2640	1,423.02	15.84	219.68	10.74	133.78	17.39
ARC6000	3,244.36	8.32	463.15	(5.64)	(222.06)	7.58
ARNC5000	2,934.89	13.03	432.41	(14.37)	(42.14)	12.35
TNC1900	982.19	(33.66)	116.98	(39.25)	309.46	(34.24)
TNC4050	1,830.55	28.67	280.44	16.69	(104.51)	31.75
ALC3000	1,240.02	33.53	230.02	25.16	16.51	36.83
GAC2300	1,915.97	(16.79)	288.79	(28.01)	278.38	(18.03)
NCC1100	582.68	8.49	86.64	4.94	(62.74)	9.43

Table 5. Continued

	Base Cash Receipts (\$1,000's)	Change in Cash Receipts (\$1,000's)	Base Govt Payments (\$1,000's)	Change in Govt Payments (\$1,000's)	Base Net Cash Income (\$1,000's)	Change in Net Cash Income (\$1,000's)
Rice Farms						
CAR550	457.00	(0.41)	86.15	(0.32)	(149.92)	(0.61)
CAR2365	1,994.26	(3.12)	399.92	(2.71)	(1,119.72)	(4.21)
CABR1100	857.96	(1.01)	177.51	(0.82)	(494.39)	(1.34)
CACR715	603.08	(0.68)	120.30	(0.55)	(381.01)	(0.96)
TXR1350	367.35	(0.38)	74.16	(0.30)	(78.28)	(0.56)
TXR2400	767.47	(0.85)	138.42	(0.67)	(149.71)	(1.20)
TXBR1800	635.22	(0.66)	115.97	(0.52)	(100.13)	(0.90)
TXER3200	1,019.82	(1.08)	197.80	(0.74)	(327.11)	(1.54)
LASR1200	378.67	(0.52)	63.05	(0.39)	(187.33)	(0.72)
LANR2500	1,191.56	3.56	182.58	2.20	(154.36)	3.64
MOWR4000	1,882.06	(36.51)	275.05	(35.25)	303.02	(41.25)
ARSR3640	1,141.97	(1.23)	170.87	(0.40)	105.21	(1.65)
ARWR1200	547.07	(0.42)	85.09	(0.06)	(292.25)	(0.71)
ARHR3000	1,460.90	(2.33)	231.66	(1.52)	(421.46)	(3.07)
Dairy Farms						
CAD1710	5,733.28	(15.20)	18.67	(14.18)	431.45	(16.59)
NMD2125	7,060.10	(1.16)	-	-	922.03	(2.23)
WAD250	880.83	(0.13)	1.34	0.02	111.73	(0.72)
WAD850	2,999.59	(0.28)	10.03	0.25	(202.01)	(0.09)
IDD1000	3,634.36	(0.57)	-	-	84.79	(1.50)
IDD3000	10,609.16	(18.53)	20.07	(16.83)	1,025.66	(21.09)
TXND3000	9,547.37	(1.57)	-	-	(332.19)	(6.01)
TXCD550	1,646.68	(0.26)	-	-	(358.27)	(2.39)
TXCD1300	4,359.41	(0.65)	-	-	392.47	(0.35)
TXED450	1,296.38	(0.19)	-	-	(22.36)	(1.98)
TXED1000	3,150.11	(0.48)	-	-	(77.41)	(2.60)
WID145	580.91	0.01	3.01	0.09	97.75	(0.22)
WID775	3,127.62	(9.02)	9.48	(8.59)	734.70	(8.21)
NYWD800	3,139.67	0.08	19.59	0.57	(242.69)	(1.70)
NYWD1200	4,690.53	0.04	26.89	0.77	(232.29)	(1.00)
NYCD110	487.85	0.02	3.43	0.09	145.71	(0.04)
NYCD500	2,077.34	(1.95)	10.87	(1.65)	148.64	(2.04)
VTD140	599.42	0.03	3.87	0.11	98.67	(0.65)
VTD400	1,590.46	(0.03)	13.96	0.20	61.27	(0.50)
MOD85	258.45	(0.04)	-	-	31.99	(0.68)
MOD400	1,363.37	(0.21)	-	-	173.07	(0.70)
FLND550	1,915.57	(0.24)	-	-	574.08	1.39
FLSD1500	4,921.28	(0.67)	-	-	(1,060.76)	(0.22)
Beef Ranches						
CAB500	272.84	(0.03)	-	-	(69.98)	(0.01)
NVB700	300.16	0.03	-	-	(19.46)	0.07
MTB500	243.84	0.02	-	-	47.09	0.07
WYB335	231.62	0.02	-	-	(35.66)	0.03
COB250	180.75	0.01	-	-	9.71	0.02
NMB240	253.59	(0.01)	-	-	(6.72)	(0.02)
SDB450	245.37	(0.02)	0.04	(0.03)	32.60	(0.01)
MOB240	207.27	(0.00)	3.47	0.08	99.72	0.00
MOCB400	219.07	0.03	-	-	32.53	0.04
TXRB500	415.31	(0.08)	-	-	138.63	(0.05)
TXSB175	121.20	0.01	-	-	14.49	0.02
FLB1155	515.00	0.06	-	-	(96.51)	0.09

Appendix Table 1. Characteristics of AFPC Representative Farms, Ranches, and Dairies, 2006.

	State	County	Cropland (Acres)	Total Assets (\$1,000's)	Total Receipts (\$1,000's)
Feed Grain Farms					
IAG1350	Iowa	Webster	1,350	1,371	591
IAG3400	Iowa	Webster	3,400	4,618	1,463
NEG1960	Nebraska	Dawson	1,960	1,972	862
NEG4300	Nebraska	Dawson	4,300	4,971	1,698
NDG2180	North Dakota	Barnes	2,180	686	463
NDG7500	North Dakota	Barnes	7,500	5,343	2,047
MOCG2050	Missouri	Carroll	2,050	4,482	709
MOCG3630	Missouri	Carroll	3,630	6,172	1,191
MONG1850	Missouri	Nodaway	1,850	4,246	766
ING1000	Indiana	Shelby	1,000	1,857	390
ING2200	Indiana	Shelby	2,200	4,693	930
TXPG3760	Texas	Castro	3,760	2,724	2,154
TXHG2000	Texas	Hill	2,000	1,076	467
TXWG1400	Texas	Williamson	1,400	706	320
TXUG1200	Texas	Uvalde	1,201	378	625
TNG900	Tennessee	Henry	900	876	293
TNG2750	Tennessee	Henry	2,750	2,835	923
SCG1500	South Carolina	Clarendon	1,500	1,025	763
SCG3500	South Carolina	Clarendon	3,500	4,570	1,458
Wheat Farms					
WAW1725	Washington	Whitman	1,725	1,188	435
WAW5000	Washington	Whitman	5,000	4,461	1,313
WAAW3500	Washington	Adams	3,500	1,098	270
ORW4000	Oregon	Morrow	3,600	1,188	335
MTW4500	Montana	Chouteau	4,500	2,381	581
COW3000	Colorado	Washington	3,000	1,337	305
COW5640	Colorado	Washington	5,640	2,220	590
KSCW1600	Kansas	Sumner	1,600	1,036	281
KSCW4000	Kansas	Sumner	4,000	2,021	705
KSNW2800	Kansas	Thomas	2,800	1,416	396
KSNW5000	Kansas	Thomas	5,000	2,442	953
Cotton Farms					
TXNP3000	Texas	Moore	3,000	852	1,058
TXNP7000	Texas	Moore	7,000	2,775	2,399
TXSP2239	Texas	Dawson	2,239	862	415
TXSP3745	Texas	Dawson	3,745	2,074	711
TXPC2500	Texas	Deaf Smith	2,500	2,202	944
TXEC5000	Texas	Crosby	5,000	1,322	1,169
TXRP2500	Texas	Jones	2,500	559	199
TXMC1800	Texas	Wharton	1,800	850	576
TXCB2250	Texas	San Patricio	2,250	1,064	575
TXCB5500	Texas	Nueces	5,500	1,240	1,368
TXVC4500	Texas	Willacy	4,500	2,553	899
CAC4000	California	Kings	4,000	12,255	6,164
LAC2640	Louisiana	Morehouse	2,640	905	1,165
ARC6000	Arkansas	Desha	6,000	6,406	2,878
ARNC5000	Arkansas	Mississippi	5,000	5,412	2,252
TNC1900	Tennessee	Fayette	1,900	2,065	801
TNC4050	Tennessee	Haywood	4,050	4,113	1,373
ALC3000	Alabama	Lawrence	3,000	1,567	957
GAC2300	Georgia	Decatur	2,300	3,351	1,717
NCC1100	North Carolina	Wayne	1,100	1,726	460

Appendix Table 1. Continued

	State	County	Cropland (Acres)	Total Assets (\$1,000's)	Total Receipts (\$1,000's)
Rice Farms					
CAR550	California	Sutter	550	1,640	487
CAR2365	California	Sutter	2,365	4,802	2,136
CABR1100	California	Butte	1,100	2,200	921
CACR715	California	Colusa	715	1,841	648
TXR1350	Texas	Colorado	1,350	1,008	392
TXR2400	Texas	Colorado	2,400	939	825
TXBR1800	Texas	Matagorda	1,800	828	681
TXER3200	Texas	Wharton	3,200	1,109	1,084
LASR1200	Louisiana	Acadia	1,200	412	394
LANR2500	Louisiana	Madison	2,500	3,358	1,149
MOWR4000	Missouri	Butler	4,000	8,030	1,881
ARSR3640	Arkansas	Arkansas	3,640	3,323	1,130
ARWR1200	Arkansas	Cross	1,200	2,086	551
ARHR3000	Arkansas	Lawrence	3,000	4,946	1,500
Dairy Farms					
CAD1710	California	Tulare	1,710	12,585	5,114
NMD2125	New Mexico	Chaves	2,125	9,839	6,352
WAD250	Washington	Whatcom	250	2,698	815
WAD850	Washington	Whatcom	850	6,484	2,722
IDD1000	Idaho	Twin Falls	1,000	5,794	3,297
IDD3000	Idaho	Twin Falls	3,000	19,550	9,559
TXND3000	Texas	Bailey	3,000	12,182	8,537
TXCD550	Texas	Erath	550	2,534	1,492
TXCD1300	Texas	Erath	1,300	6,269	3,939
TXED450	Texas	Hopkins	450	2,646	1,208
TXED1000	Texas	Lamar	1,000	5,606	2,870
WID145	Wisconsin	Winnebago	145	2,683	550
WID775	Wisconsin	Winnebago	775	5,340	2,879
NYWD800	New York	Wyoming	800	5,648	2,794
NYWD1200	New York	Wyoming	1,200	8,537	4,172
NYCD110	New York	Cayuga	110	969	451
NYCD500	New York	Cayuga	500	3,688	1,863
VTD140	Vermont	Washington	140	1,620	558
VTD400	Vermont	Washington	400	3,987	1,445
MOD85	Missouri	Christian	85	1,336	247
MOD400	Missouri	Dade	400	3,582	1,260
FLND550	Florida	Lafayette	550	3,783	1,761
FLSD1500	Florida	Okeechobee	1,500	8,578	4,481
Beef Ranches					
CAB500	California	Tehama	500	11,379	307
NVB700	Nevada	Elko	700	3,910	354
MTB500	Montana	Custer	500	3,727	299
WYB335	Wyoming	Washakie	335	2,792	259
COB250	Colorado	Routt	250	12,759	226
NMB240	New Mexico	Union	240	4,507	292
SDB450	South Dakota	Meade	450	3,427	284
MOB240	Missouri	Dade	250	2,282	233
MOCB400	Missouri	Dent	400	3,334	280
TXRB500	Texas	King	500	5,639	429
TXSB175	Texas	Gonzales	250	2,339	191
FLB1155	Florida	Osceola	1,155	13,097	629

AFPC Briefing Series

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