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# American Relief Act, 2025: Economic Assistance for Wisconsin Agricultural Producers

#### Silva Gaku

University of Wisconsin-Madison, Division of Extension

#### **Alejandro Plastina**

Rural and Farm Finance Policy Analysis Center, University of Missouri

#### Marc Rosenbohm

Food and Agricultural Policy Research Institute, University of Missouri

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# This brief provides estimates of economic assistance for Wisconsin producers following the passage of the American Relief Act, 2025, on December 20, 2024.

Recently, the U.S. Congress passed the American Relief Act, 2025 partly to provide a \$10 billion ad hoc relief to crop producers. Under the provisions of the Act, the United States Department of Agriculture (USDA) is authorized to provide economic assistance payments to crop producers within 90 days of the Act's passage. The amount of assistance each producer or entity receives is determined by multiplying the economic aid allocated per acre by the total number of eligible acres for each crop.

The Act specifies that the per-acre economic assistance payment for each crop will be the higher of the following two options: 26% of the estimated economic loss, or 8% of the revenue, calculated by multiplying the statutory reference price by the national average PLC payment yield.

The estimated economic loss is the difference between the 2024 expected cost of production per acre and expected gross return per acre, using data from the USDA Economic Research Service, the World Agricultural Supply and Demand Estimates (WASDE) and the USDA Farm Service Agency (FSA). Table 1 presents the estimated economic assistance calculated by the Rural and Farm Finance Policy Analysis Center (RaFF) at the University of Missouri. For the selected crops, per-acre final payments are expected to range from \$22 for barley to \$87 for cotton.







The Act establishes a separate payment cap for economic assistance payments. Producers or entities are eligible to receive up to \$125,000 from the economic assistance program. This cap increases to \$250,000 if the recipient's average gross income from farming in 2020, 2021, and 2022 is at least 75 percent of their total average gross income.

Eligible	Unit	Economic Assistance	Minimum Payment	Final Payment Rate
Crops		Rate (a)	Rate (b)	(greater of (a) and (b))
BARLEY	bushel	\$0.00	\$21.76	\$21.76
CORN	bushel	\$42.51	\$42.35	\$42.51
OATS	bushel	\$77.66	\$10.01	\$77.66
SORGHUM <sup>1</sup>	bushel	\$42.58	\$20.17	\$42.58
SOYBEANS	bushel	\$29.50	\$27.46	\$29.50
WHEAT	bushel	\$30.69	\$18.39	\$30.69

#### Table 1: Per-Acre Economic Assistance Estimates for Selected Crops

<sup>1</sup> Sorghum: grain sorghum

Source: Plastina and Rosenbohm (2024)

RaFF estimated the economic assistance payments using eligible acres, which include all planted acres for harvest, grazing, haying, silage, or similar purposes for the 2024 crop year, along with 50% of the prevented planted acres in 2024. To calculate the eligible acres by county, RaFF used FSA data on planted acres (including failed acres) and prevented planted acres, accessed on December 2, 2024. Based upon this formula, an estimated 6.2 million acres in Wisconsin qualify for economic assistance.

Table 2 displays the eligible acres for selected crops in Wisconsin. Acres for corn production represent the largest share, with 60% of the eligible acres, followed by soybeans at 34%. Wheat accounts for 3%, while oats account for only 2% of eligible acres.

#### **Table 2: Eligible Acres for Selected Crops**

COUNTY	BARLEY	CORN	OATS	SOYBEANS	WHEAT	SUBTOTAL
Adams	-	23,533	672	13,415	359	37,979
Ashland	-	3,126	216	1,658	-	5,000
Barron	161	90,454	1,341	54,366	3,358	149,694
Bayfield	205	1,809	223	1,719	82	4,038
Brown	21	61,136	1,166	22,132	9,562	94,017
Buffalo	315	62,678	2,282	31,851	562	97,852
Burnett	4	12,688	883	7,712	27	21,315
Calumet	56	41,296	592	28,043	11,195	81,183
Chippewa	283	81,379	1,914	56,725	1,907	142,267
Clark	64	67,383	3,449	33,668	1,730	106,295
Columbia	42	112,525	858	54,949	5,766	174,141
Crawford	106	34,150	2,772	21,239	936	59,203



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COUNTY	BARLEY	CORN	OATS	SOYBEANS	WHEAT	SUBTOTAL
Dane	213	176,560	1,545	90,882	10,213	279,413
Dodge	125	136,116	1,953	84,353	13,862	236,420
Door	235	27,956	1,904	15,414	8,396	53,904
Douglas	-	83	-	7	-	90
Dunn	490	102,905	2,506	66,805	292	172,998
Eau Claire	25	44,663	1,949	29,594	318	76,558
Florence	-	159	272	208	215	853
Fond du Lac	136	106,432	2,271	56,194	14,347	179,379
Forest	-	1,006	473	225	-	1,703
Grant	333	145,190	8,773	84,217	3,345	241,927
Green	40	108,661	2,819	67,674	5,433	184,626
Green Lake	256	51,068	972	21,697	3,573	77,565
lowa	134	76,550	3,195	50,422	2,255	132,555
Iron	-	834	94	-	-	928
Jackson	138	44,715	2,457	30,150	139	77,631
Jefferson	-	75,214	734	51,362	4,776	132,085
Juneau	-	41,785	1,630	29,410	1,452	74,277
Kenosha	-	23,367	226	23,720	3,103	50,416
Kewaunee	287	52,517	2,931	14,528	10,080	80,342
La Crosse	15	31,242	1,386	17,857	185	50,728
Lafayette	181	125,497	4,103	63,271	2,148	195,255
Langlade	473	14,544	9,263	5,844	954	31,145
Lincoln	206	7,709	1,150	5,723	152	14,940
Manitowoc	409	69,036	3,392	31,771	14,005	118,658
Marathon	511	106,251	4,980	53,825	3,428	168,995
Marinette	-	37,554	876	9,625	1,856	49,911
Marquette	-	29,110	400	14,959	524	44,994
Menominee	-	176	-	14	-	190
Milwaukee	-	686	-	1,173	123	1,982
Monroe	292	55,986	3,193	27,312	377	87,168
Oconto	67	58,921	1,171	30,575	4,000	94,734
Oneida	52	566	1,784	248	-	2,650
Outagamie	73	75,777	1,555	51,530	6,799	135,734
Ozaukee	41	14,754	622	11,854	4,263	31,534
Pepin	43	30,558	642	18,536	191	49,971
Pierce	656	79,690	2,168	47,154	544	130,220
Polk	122	64,563	1,411	37,022	996	104,113
Portage	59	54,939	1,702	22,371	856	79,963
Price	19	3,640	311	806	-	4,777
Racine	-	30,210	114	33,674	5,234	69,257
Richland	37	44,161	2,052	17,313	1,289	64,852
Rock	4	148,222	704	103,920	6,120	259,248
Rusk	205	21,043	652	14,037	271	36,223

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COUNTY	BARLEY	CORN	OATS	SOYBEANS	WHEAT	SUBTOTAL
Sauk	162	82,071	3,322	42,611	4,193	132,359
Sawyer	57	5,952	315	1,879	74	8,277
Shawano	74	75,935	1,890	30,727	4,148	112,775
Sheboygan	23	49,533	1,008	35,486	9,082	95,135
St. Croix	107	97,181	1,926	59,342	512	159,077
Taylor	43	46,097	3,024	28,375	914	78,453
Trempealeau	120	85,641	2,150	45,717	765	134,411
Vernon	340	58,146	4,418	32,203	1,147	96,619
Vilas	-	-	356	-	-	356
Walworth	3	96,143	579	57,763	4,188	158,713
Washburn	88	13,639	502	8,037	673	22,939
Washington	71	30,069	2,057	23,824	4,437	60,458
Waukesha	23	21,051	318	19,743	2,176	43,311
Waupaca	51	56,292	1,707	32,498	2,938	93,485
Waushara	-	16,899	381	8,197	370	25,848
Winnebago	136	52,266	390	41,369	8,460	102,622
Wood	60	33,643	672	16,883	1,472	52,730
State Total	8,494	3,733,328	121,716	2,149,408	217,148	6,231,465
% of Total	0.1%	59.9%	2.0%	34.5%	3.5%	100.0%

Note: Acres for sorghum production are included in the state total acres, but they are not presented here.

Source: Plastina and Rosenbohm (2024)

Figure 1 shows the total economic assistance across all Wisconsin counties. Based on data from Tables 1 and 2, Wisconsin producers are anticipated to receive nearly \$240 million in economic aid for the selected crops. The counties expected to receive the most assistance are Dane (\$11 million), Rock (\$10 million), Grant (\$10 million), Dodge (\$9 million), and Lafayette (\$8 million). On the other end, the counties projected to receive the least assistance are Douglas (\$3,749), Menominee (\$7,882), Vilas (\$31,102), Florence (\$43,177), and Iron (\$43,660). These assistance estimates are primarily influenced by corn and soybean production.

Figure 2 shows that the average estimated economic assistance per acre ranges from \$34 to \$78 per acre. Counties in southeastern Wisconsin are expected to receive lower average assistance per acre, while northern counties are projected to receive higher average assistance per acre. The variations in average estimated payments across counties are driven by greater projected economic losses for corn and sorghum compared to wheat and soybeans.

Milwaukee county receives the lowest average estimated economic assistance per acre of \$34, while Vilas receive the highest average estimated economic assistance per acre of \$78.







#### Figure 1: Total Estimated Economic Assistance by County (\$'0000), All Selected Crops



Source: Plastina and Rosenbohm (2024)









#### Figure 2: Average Estimated Economic Assistance Per acre, All Selected Crops

Source: Plastina and Rosenbohm (2024)



## Disclaimer

Many provisions in the legislative text allow or require the Secretary of Agriculture's discretion in determining certain relevant variables (e.g., prices, costs, yields). USDA may possibly interpret the act's provisions differently than the authors of this report during enactment and calculate actual payments differently. This would lead to payment disbursements being different from what this article projects.

#### Legislative Text

H.R.10545. American Relief Act, 2025 (12.20.24). https://docs.house.gov/billsthisweek/20241216/ARA%2012.20.pdf

#### Reference

Plastina, A., and M. Rosenbohm. "American Relief Act, 2025: Economic Assistance for Crop Producers." *RaFF Policy Brief 2024-12(2)*, Division of Applied Social Sciences, University of Missouri-Columbia, December 21, 2024. Available at <u>www.RaFF.missouri.edu</u>

#### **Contact Information**

Alejandro Plastina: <u>aplastina@missouri.edu;</u> Silva Gaku: <u>silva.gaku@wisc.edu</u> Marc Rosenbohm: <u>mrosenbohm@missouri.edu</u>

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