

■ Government Payments by Program and State

Government payments were \$13.4 billion in 1993, up 46 percent (\$4.2 billion), and the highest since 1988. Government payments comprised 6.8 percent of gross cash farm income in 1993. Farmers in the Midwest experienced disastrous losses in crops, facilities, and even soil from flooding along the Mississippi and its tributaries. In the southeastern United States, producers suffered significant losses through drought conditions. Farms suffering losses from natural disasters qualified for benefits from various Government programs, which is a contributing factor to the rise in government payments in 1993. In addition, the exceptionally large feed grain harvest in 1992 depressed market prices received by farmers, boosting deficiency payments, a large portion of which were paid to farmers in 1993. Because crop year Government payments overlap calendar years, deficiency and disaster payments are revealed in different calendar years. Therefore, the full impact of these payments on the farm sector associated with 1993 conditions is not completely reflected in 1993 Government payments.

Government payments represent direct, nonrecoverable transfer payments to producers participating in various programs. The role of farm commodity programs and conservation policies instituted through direct Government payments is to support prices through restricting the supply of specific commodities (Acreage Reduction Program, etc.), to support farm incomes directly through cash transfers to farm operators (deficiency payments, etc.), to support farm income in times of adverse weather or natural catastrophes (disaster payments), and to maintain quality production and environmental controls through conservation reserve programs (Wetlands Reserve Program, etc).

The annual changes in the distribution of payments across States reflects changes in the overall farm sector and U.S. economic environment, crop yields, weather conditions, market prices, and any modifications in farm legislation.

Commodity program recipients vary in type and magnitude across States depending on the State's production specialty, environmental and conservational needs, and the number of acres operated.

Table 3-7.
Government payments, by program and State, 1993¹

State	Feed Grain	Wheat 1,000 dollars	Rice	Cotton	Wool Act	Conservation	Miscellaneous	Total
Alabama	6,327	4,572	0	47,707	105	30,614	47,915	137,240
Alaska	131	0	0	0	3	1,170	485	1,789
Arizona	2,988	5,263	0	82,204	1,897	1,662	19,864	113,878
Arkansas	12,045	34,321	257,938	79,016	340	17,709	303,298	704,667
California	15,093	30,023	127,013	138,427	8,915	14,144	188,531	522,146
Colorado	67,371	73,212	0	0	7,054	85,229	17,387	250,253
Connecticut	911	0	0	0	32	603	1,346	2,892
Delaware	3,585	406	0	0	9	509	1,735	6,244
Florida	3,566	781	288	5,104	7	22,573	78,361	110,680
Georgia	24,062	16,468	0	46,249	28	32,522	106,164	225,493
Hawaii	0	0	0	0	19	1,990	1,122	3,131
Idaho	22,521	72,937	0	0	4,455	43,081	16,322	159,316
Illinois	706,713	36,749	0	0	643	67,869	39,216	851,190
Indiana	315,829	16,445	0	0	289	38,455	7,935	378,953
Iowa	916,663	356	0	0	2,504	185,497	124,524	1,229,544
Kansas	245,269	328,468	0	57	1,694	157,789	50,686	783,963
Kentucky	54,479	8,635	8	0	169	30,937	2,469	96,697
Louisiana	7,457	5,448	103,360	105,898	36	14,094	131,064	367,357
Maine	844	1	0	0	88	4,608	14,126	19,667
Maryland	15,206	2,358	0	0	116	2,699	5,910	26,289
Massachusetts	311	0	0	0	52	602	2,678	3,643
Michigan	140,984	17,551	0	0	747	24,651	57,409	241,342
Minnesota	418,196	86,865	0	0	1,697	107,283	209,209	823,250
Mississippi	5,903	9,622	49,538	169,729	21	42,303	106,675	383,791
Missouri	136,742	43,226	19,995	26,296	1,276	114,810	113,019	455,364
Montana	45,115	148,179	0	0	10,538	110,096	24,080	338,008
Nebraska	601,962	71,262	0	0	1,448	83,600	48,001	806,273
Nevada	227	700	0	0	1,380	951	3,755	7,013

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Table 3-7 continued.
Government payments, by program and State, 1993¹

State	Feed Grain	Wheat	Rice	Cotton	Wool Act	Conservation	Miscellaneous	Total
New Hampshire	243	0	0	0	55	1,060	584	1,942
New Jersey	3,702	461	0	0	31	632	2,472	7,298
New Mexico	14,025	9,164	0	7,729	7,851	21,261	16,412	76,442
New York	39,089	4,013	0	0	440	8,381	20,363	72,286
North Carolina	39,889	7,982	0	24,192	94	10,537	49,754	132,448
North Dakota	107,244	284,749	0	0	2,724	110,839	58,975	564,531
Ohio	192,042	27,545	0	0	1,162	32,776	11,849	265,374
Oklahoma	15,823	167,738	215	28,448	2,617	54,751	54,357	323,949
Oregon	5,816	42,533	0	0	2,766	30,023	11,668	92,806
Pennsylvania	25,561	1,359	0	0	574	10,253	7,404	45,151
Rhode Island	3	0	0	0	4	132	1	140
South Carolina	17,547	9,309	0	19,774	2	14,760	41,120	102,512
South Dakota	165,187	83,370	0	0	8,515	75,221	100,131	432,424
Tennessee	22,535	9,100	111	51,160	86	28,158	49,474	160,624
Texas	200,584	117,058	91,212	392,947	77,941	185,131	355,957	1,420,830
Utah	3,710	5,668	0	0	7,522	11,122	8,592	36,614
Vermont	815	1	0	0	148	1,914	499	3,377
Virginia	17,594	4,794	0	681	699	7,130	15,448	46,346
Washington	23,249	112,249	0	0	814	57,851	13,045	207,208
West Virginia	2,381	124	0	0	371	2,220	1,163	6,259
Wisconsin	171,948	2,444	0	0	534	52,215	83,027	310,168
Wyoming	4,522	5,853	0	0	12,737	12,274	7,827	43,213
United States	4,844,009	1,909,362	649,678	1,225,618	173,249	1,966,691	2,633,408	13,402,015

¹Includes both cash payments and payment-in-kind (PIK). ²Includes amount paid under agriculture and conservation programs (Conservation Reserve, Agriculture Conservation, Emergency Conservation, and Great Plains Program). ³The programs included Rural Clean Water, Forestry Incentive, Water Bank, Dairy Indemnity, Extended Warehouse Storage, Extended Farm Storage, Colorado River Salinity, Livestock Emergency Assistance, Interest Penalty Payments, Disaster, Loan Deficiency, Market Gains, Naval Stores Conservation, Interest on CCC-6S, Option Pilot, Rice Marketing Expense, Arkansas Beaver Lake, Wetland Reserve Program-Cost Shares, 90 Day Rule, and Potato Diversion.
Source: Economic Indicators of the Farm Sector: State Financial Summary, 1993, ECIFS 13-1, December 1994, USDA, ERS.