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Producers Can Now Hay, Graze and Chop Cover Crops Anytime and Still Receive Full Prevented Planting Payment

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WASHINGTON, July 6, 2021 – Agricultural producers with crop insurance can hay, graze or chop cover crops for silage, haylage or baleage at any time and still receive 100% of the prevented planting payment. Previously, cover crops could only be hayed, grazed or chopped after November 1, otherwise the prevented planting payment was reduced by 65%.

The U.S. Department of Agriculture's (USDA) Risk Management Agency (RMA) added this flexibility as part of a broader effort to encourage producers to use cover crops, an important conservation and good farming practice. Cover crops are especially important on fields prevented from planting as they help reduce soil erosion and boost soil health.

"We work diligently to ensure the Federal crop insurance program helps producers effectively manage risk on their farms while also conserving natural resources," said Acting RMA Administrator Richard Flournoy. "We are dedicated to responding to the needs of producers, and this flexibility is good for agriculture and promotes climate smart agricultural practices. We are glad we can better support producers who use cover crops."

RMA recognizes that cover crops are not planted as an agricultural commodity but rather with the primary purpose for conservation benefits. For the 2021 crop year and beyond, RMA will not consider a cover crop planted following a prevented planting claim to be a second crop. But RMA will continue to consider a cover crop harvested for grain or seed to be a second crop, and it remains subject to a reduction in the prevented planting indemnity in accordance with the policy.

This decision to allow flexibility for the 2021 crop year and to make the change permanent for future years builds on the advanced research and identified benefits cover crops have supporting healthy soils and cropland sustainability efforts. Additionally, this decision aligns with the 2018 Farm Bill's designation of cover crops as a good farming practice.

More Information

To learn more about this policy change, visit RMA's <u>Prevented Planting webpage</u>. The webpage also has the latest Cover Crop Termination Guidelines, which USDA updated in 2019 as a result of greater flexibilities provided in the 2018 Farm Bill.

Crop insurance is sold and delivered solely through private crop insurance agents. A list of crop insurance agents is available at all USDA Service Centers and online at the <u>RMA Agent Locator</u>. Learn more about crop insurance and the modern farm safety net at <u>rma.usda.gov</u>.

USDA is committed to empowering agricultural producers to conserve natural resources while strengthening their operations through voluntary conservation. One of the conservation practices that can best be leveraged in agriculture is cover crops. Nationally, cover crops planted in partnership with NRCS are shown to sequester the equivalent of approximately 500,000 metric tons of carbon dioxide annually. This is as impactful as removing nearly 109,000 passenger vehicles from the road each year. Studies have also shown that cover crops provide increased corn and soybean yields. While results vary by region and soil type, cover crops are proven to reduce erosion, improve water quality and increase the health and productivity of the soil while building resilience to climate change. Additionally, RMA provided a premium benefit to producers who planted cover crops through the Pandemic Cover Crop Program to help producers maintain cover crop systems amid the financially challenging pandemic.

USDA touches the lives of all Americans each day in so many positive ways. In the Biden-Harris Administration, USDA is transforming America's food system with a greater focus on more resilient local and regional food production, fairer markets for all producers, ensuring access to healthy and nutritious food in all communities, building new markets and streams of income for farmers and producers using climate smart food and forestry practices, making historic investments in infrastructure and clean energy capabilities in rural America, and committing to equity across the Department by removing systemic barriers and building a workforce more representative of America. To learn more, visit www.usda.gov.

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