COVER CROP POLICY

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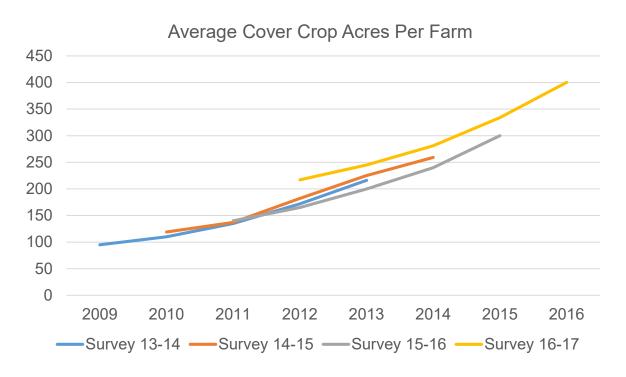


Presentation Outline

- Progress to date with cover crop adoption
- Policy progress federal
- Policy progress state
- Future state policy options
- Changes in institutional policies
- Discussion



Past Growth in U.S. Cover Crop Acres



SARE/CTIC National Cover Crop Survey data, showing 5 years of planting data per annual survey

Projected Growth in U.S. Cover Crop Acres

Cover crop acreage grew by an average 8.4% compounded annually from 2012 to 2017. Assuming that same growth rate for the next decade, U.S. cover crop acreage would look like the following:

Millions of Acres

2017	<mark>15.4</mark>
2018	16.7
2019	<mark>18.1</mark>
2020	19.6
2021	21.2
2022	<mark>23.0</mark>
2023	25.0
2024	27.1
2025	29.3
2026	31.8
2027	34.5
2028	37.4
2029	40.5



Cover Crop Acres in SCCC Region **2017 Acres 2012 Acres Percent Increase State** Texas 1,014,145 911,061 13 Georgia 530,888 370,137 14 North Carolina 482,934 393,002 15 Kentucky 417,284 353,831

409,862

342,564

340,525

250,274

229,097

141,848

139,639

120,511

72,646

4,492,217

301,959

227,541

183,638

136,859

199,215

137,830

66,069

78,705

59,206

3,419,053

11.3%

43.4%

22.9%

17.9%

35.7%

50.6%

85.4%

82.9%

15.0%

2.9%

111.4%

53.1%

22.7%

42.7%

National Rank

17 Virginia

24 Arkansas

25 Alabama

28 Florida

Oklahoma

Tennessee

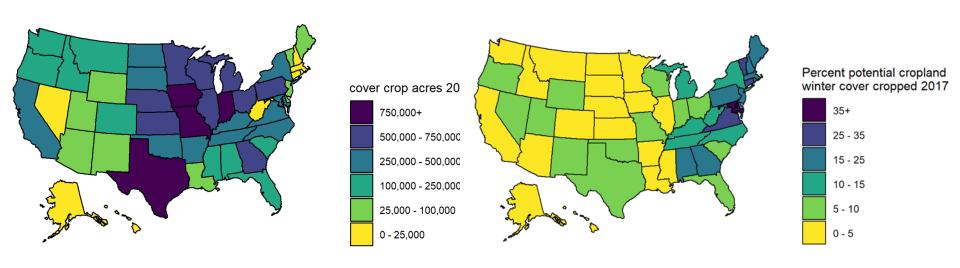
Mississippi

Louisiana

South Carolina

SCCC Region

Two Ways of Looking at Cover Crop Acres



Data source: 2017 Census of Agriculture

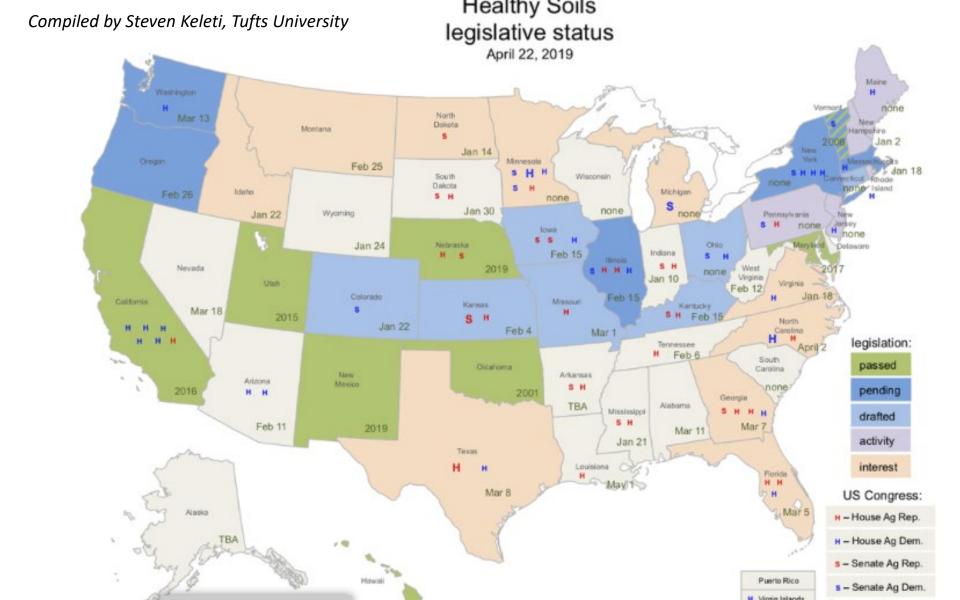
Policy Progress — Federal

- Crop insurance barriers removed, incentives in future?
- Cover crop incentive payments tremendous growth
- Research funding has investment kept up with acres?
- Promotion of cover crops in other programs
 - Water quality EPA and other agencies
 - Watershed management Corp of Engineers, other agencies
 - Fish and wildlife US Fish and Wildlife Service
 - Climate change multiple agencies

Policy Progress — State Legislation

State legislative action on cover crops – differs greatly from state to state. Some examples:

- California Healthy Soils Program (\$7.5 million in 2017)
 - cover crops, no-till, reduced till, composting, conservation, etc.
- Maryland Healthy Soils Program (passed 2017)
 - calls for research, education, and technical assistance
- Nebraska Soil Health Bill (passed 2019)
 - creates the Healthy Soils Task Force and creates a fund



Policy Progress — State Plans

State agency action on cover crops – some states taking action without legislation. Some state planning examples:

- New York Soil Health Roadmap
- Missouri State Soil Health Plan
- Massachusetts Healthy Soils Action Plan

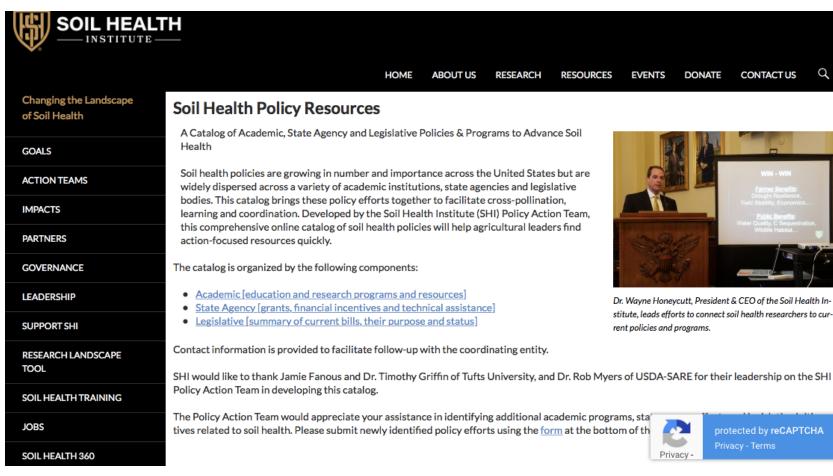




Policy Progress — State Incentives

- State incentive funding on cover crops some states have funding, others do not. Some examples:
- Maryland Dept. of Ag Cover Crop Program \$22 million
 - Base rate \$45/acre, additional incentives available, this year added an extra \$15 if terminate after May 1 and \$10 to seed into corn by aerial method before September 1
- Missouri Soil and Water Conservation Program (state sales tax) – providing over \$12 million/yr. to cover crops
- Iowa some state cost share as well as \$5/acre discount on crop insurance through Iowa Dept. of Ag

Get more policy information at: https://soilhealthinstitute.org/resources/catalog/



Future State Policy Initiatives

- Can more states offer a crop insurance discount for using cover crops?
- Should every state have a state soil health plan?
- How can better data on cover crop use be collected?
- Need integrated approach to support cover crops among agencies, commodity groups, universities, and industry

Institutional Policy Changes

Big movement towards sustainability for many food, ag, and clothing companies, with many using cover crops as a sustainability metric

- Wrangler Jeans have identified cover crops as a key sustainability strategy for cotton used in their clothing
- General Mills funding cover crops with soil health as part of regenerative agriculture strategy
- Unilever/ADM has offered various incentives for planting crops before soybeans in Iowa
- Pepsi/Cargill Low Carbon Corn Program pays \$10/acre for farmers using cover crops with corn in Iowa
- Tyson Foods having corn growers use cover crops or sustainability practices near their feed mills
- Opportunities to work with companies in your state?

