

Back to News Releases

Producers with Crop Insurance to Receive Premium Benefit for Cover Crops

News Release | Washington DC | February 10, 2022 View PDF

New Pandemic Cover Crop Program Benefits Produces and Supports Climate Smart Production Practices

WASHINGTON, Feb. 10, 2022 - Agricultural producers who have coverage under most crop insurance policies are eligible for a premium benefit from the U.S. Department of Agriculture (USDA) if they planted cover crops during the 2022 crop year. To receive the benefit from this year's Pandemic Cover Crop Program (PCCP), producers must report cover crop acreage by **March 15, 2022**. The new program comes on the heels of the recently announced <u>Partnerships for Climate-Smart Commodities</u> which creates market opportunities for U.S. agricultural and forestry products that use climate-smart production practices and include innovative, costeffective ways to measure and verify greenhouse gas benefits.

PCCP, offered by USDA's Risk Management Agency (RMA), helps farmers maintain their cover crop systems, despite the financial challenges posed by the pandemic and is part of USDA's <u>Pandemic Assistance for Producers</u> initiative, a bundle of programs to bring financial assistance to farmers, ranchers and producers who felt the impact of COVID-19 market disruptions.

"Cultivating cover crops requires a sustained, long-term investment, and the economic challenges of the pandemic made it financially challenging for many producers to maintain cover crop systems," said RMA Administrator Marcia Bunger.

"Producers use cover crops to improve soil health and gain other agronomic benefits, and this program will reduce producers' overall premium bill to help ensure producers can continue this climate-smart agricultural practice."

PCCP was first offered in 2021, and producers with crop insurance received \$59.5 million in premium subsidies for 12.2 million acres of cover crops.

About the Premium Benefit

PCCP provides premium support to producers who insured their crop with most insurance policies and planted a qualifying cover crop during the 2022 crop year. The premium support is \$5 per acre, but no more than the full premium amount owed.

Illinois, Indiana, and Iowa have existing programs for producers to receive a premium benefit for planting cover crops. In these states, participating producers will receive an additional benefit.

All cover crops reportable to FSA are eligible and include cereals and other grasses, legumes, brassicas and other non-legume broadleaves, and mixtures of two or more cover crop species planted at the same time.

To receive the benefit for this program, producers must file a **Report of Acreage form (FSA-578)** for cover crops with USDA's Farm Service Agency (FSA) by **March 15, 2022**. The cover crop fields reported on the Report of Acreage form must match what the producer reported to their insurance company for crop insurance policies. To file the form, producers must contact and make an appointment with their local USDA Service Center.

Additional PCCP Details

Certain policies are not eligible because they have underlying coverage, which would already receive the benefit or are not designed to be reported in a manner consistent with the Report of Acreage form (FSA-578). PCCP is not available for Enhanced Coverage Option, Hurricane Insurance Protection – Wind Index, Post-Application Coverage Endorsement and Supplemental Coverage Option. Stacked Income Protection (STAX) and Margin Protection (MP) policies are only eligible for PCCP when insured as a standalone policy. STAX and MP endorsements to underlying policies are not eligible for PCCP.

PCCP does not change acreage reporting dates, reporting requirements, or any other terms of the crop insurance policy.

The Rule can now be viewed in the <u>Federal Register</u>. More information, including <u>frequently asked questions</u>, can be found at <u>farmers.gov/pandemic-assistance/cover-crops</u>.

Additional Pandemic Assistance

PCCP is part of USDA's broader response to the COVID-19 pandemic. RMA also extended a number of crop insurance flexibilities to Approved Insurance Providers (AIPs) and agricultural producers until June 30, 2022 or later. Originally, these flexibilities were expiring in January. Additionally, USDA's Producers has provided additional support for producers, by improving and retargeting existing programs and creating new efforts to reach a broader set of producers like PCCP.

RMA staff are working with AIPs and other customers by phone, mail, and electronically to support crop insurance coverage for producers. Farmers with crop insurance questions or needs should contact their insurance agents about conducting business remotely (by telephone or email). More information can be found at farmers.gov/coronavirus.

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 rma.usda.gov.

USDA touches the lives of all Americans each day in so many positive ways. Under 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 safe, 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 usda.gov.

USDA is an equal opportunity provider, employer, and lender.

Back to News Releases

Risk Management Agency:

1400 Independence Ave. SW Washington, DC 20250

Contact:

FPAC Press Desk FPAC.BC.Press@usda.gov