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USDA Expands its Post-Application Coverage Endorsement For Conservation-Minded Corn Farmers

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WASHINGTON, Sept. 28, 2022 – The U.S. Department of Agriculture (USDA) today announced that it has expanded its <u>Post-Application Coverage Endorsement</u> (PACE) insurance option for corn farmers who "split-apply" nitrogen to include most counties in Iowa, Illinois, Minnesota, and Wisconsin where non-irrigated corn is insurable. USDA's Risk Management Agency (RMA) rolled out PACE earlier this year to support stewardship of fertilizer, and it will continue to be offered in select counties of Indiana, Kansas, Michigan, Nebraska, North Dakota, Ohio, and South Dakota.

To "split-apply" nitrogen, growers make multiple fertilizer applications during the growing season rather than providing all the crop's nitrogen requirements with a single treatment before or during planting. This practice can lead to lower input costs and helps prevent runoff and leaching of nutrients into waterways and groundwater.

"We are always striving to offer risk management options and opportunities that are in the best interest of the producers and their operations, and that also support and encourage environmental and climate-smart practices," said <u>RMA Administrator</u> <u>Marcia Bunger</u>. "The expansion of PACE reflects our confidence in the product and producers' interest. Today's announcement nearly doubles the geographic area where it is now available to corn farmers."

About PACE

PACE provides payments for the projected yield lost when producers are unable to apply the post nitrogen application during the V3 throughV10 corn growth stages (from plant with three visible collared leaves to five weeks after plant emerges) due to field conditions created by weather.

For crop year 2022, PACE will be available in select counties in 11 states, including Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin. <u>See map</u>.

PACE is available as supplemental coverage for Yield Protection (YP), Revenue Protection (RP), and Revenue Protection with Harvest Price Exclusion (RP-HPE) policies. The next sales closing date to purchase insurance is March 15, 2023.

More Information

This crop insurance option builds upon RMA's efforts to encourage use of conservation practices, including cover crops. For example, RMA has provided over \$100 million in premium support for producers who planted cover crops on over 20 million net acres through the <u>Pandemic Cover Crop Program</u> during 2021 and 2022 seasons. Additionally, RMA recently updated policy to allow producers with crop insurance to <u>hay</u>, <u>graze or chop cover crops</u> at any time and still receive 100% of the prevented planting payment. This policy change supports use of cover crops, which can improve soil health.

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 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 <u>usda.gov</u>.

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