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USDA Announces Details of New Insurance Option for Conservation-Minded Corn Farmers

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WASHINGTON, January 5, 2022 – Corn farmers who “split-apply” nitrogen now have another option for insurance coverage. The U.S. Department of Agriculture’s (USDA) Risk Management Agency (RMA) today announced the details of its Post Application Coverage Endorsement (PACE) in certain states for non-irrigated corn, providing coverage for producers who use this practice that saves producers money and is considered better for natural resources.

“We are proud to offer this new insurance option that encourages the use of conservation practices that benefit not just the environment, but also producers’ balance sheets,” said RMA Administrator Marcia Bunker. “America’s agricultural communities are on the frontlines crafting solutions to address climate change and improve the environment. Across USDA, we’re adapting our programs to meet the needs of producers as well as the challenges they face.”

PACE provides payments for the projected yield lost when producers are unable to apply the post nitrogen application during the V3-V10 corn growth stages due to field conditions created by weather. PACE is offered in select counties in 11 states, including Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin. It is available as supplemental coverage for Yield Protection (YP), Revenue Protection (RP), and Revenue Protection with Harvest Price Exclusion (RP-HPE) policies. The first sales closing date to purchase insurance is March 15, 2022.

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.

This new crop insurance option builds upon RMA’s efforts to encourage use of conservation practices, including cover crops. For example, RMA recently provided \$59.5 million in premium support for producers who planted cover crops on 12.2 million acres through the new [Pandemic Cover Crop Program](#). Additionally, RMA recently updated policy to allow producers with crop insurance to [hay, graze or chop cover crops](#) at any time and still receive 100% of the prevented planting payment. This policy change supports use of cover crops, which can help producers build resilience to drought.

More Information

To learn more about PACE, visit the [RMA’s Conservation webpage](#), which has frequently asked questions, a fact sheet and other resources.

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 [RMA Agent Locator](#). 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 www.usda.gov.

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