

# Producers with Crop Insurance to Receive Premium Benefit for Cover Crops

## *New Pandemic Cover Crop Program Helps Producers Continue Cover Crop Systems*

According to information distributed by USDA's Risk Management Agency (RMA) on June 1, 2021, producers who have crop insurance coverage may qualify for premium support up to \$5 per acre if they planted cover crops for the 2021 crop year. Acreage must be reported to USDA's Farm Service Agency (FSA), by June 15 to qualify.

### **About the Program**

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 this crop year. The Pandemic Cover Crop Program (PCCP), offered by RMA, helps farmers maintain their cover crop systems, despite the financial challenges posed by the pandemic.

The PCCP is part of USDA's [Pandemic Assistance for Producers](#) 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 Acting Administrator Richard Flournoy. "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."

### **About the Premium Benefit**

PCCP provides premium support to producers who insured their spring crop with most insurance policies and planted a qualifying cover crop during the 2021 crop year. The premium support is \$5 per acre, but no more than the full premium 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 FSA by June 15, 2021, which is distinct from the normal acreage reporting date.** The normal acreage reporting deadline with FSA has not changed, but to receive the premium benefit, producers must file by June 15. 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](#).

## Pandemic Cover Crop Program FAQ

### Frequently Asked Questions

Last updated June 1, 2021

#### **Q. What is the Pandemic Cover Crop Program (PCCP)?**

A. The [Pandemic Cover Crop Program](#) is a new program established by USDA to help producers maintain their cover crop systems amid a financially challenging year because of the pandemic. PCCP is part of USDA's Pandemic Assistance for Producers initiative, through which USDA is establishing new programs and efforts to bring financial assistance to farmers, ranchers and producers who felt the impact of COVID-19 market disruptions.

PCCP provides premium support to eligible producers who insured their spring crop with most insurance policies and planted a qualifying cover crop during the 2021 crop year. The premium support is \$5 per acre, but no more than the full premium owed.

#### **Q. What is a qualifying cover crop?**

A. All cover crops reportable to the Farm Service Agency (FSA) are eligible, which includes 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. For more information see [FSA Handbook 2-CP](#).

#### **Q. Does acreage insured under the Annual Forage program qualify as a cover crop?**

No, crops insured as Annual Forage do not qualify as cover crops.

#### **Q. What is a spring crop?**

A. Spring crop means insured crops reported for the 2021 crop year with a Federal crop insurance acreage reporting date of April 15, 2021, to August 15, 2021, in accordance with the crop insurance policy.

Crops insured under Whole Farm Revenue Protection, Supplemental Coverage Option, Enhanced Coverage Option, and Hurricane Insurance Protection - Wind Index policies or endorsements are not eligible for the program. Underlying policies are eligible for PCCP.

Stacked Income Protection Plan (STAX) and Margin Protection (MP) policies are only eligible when insured as a standalone policy. STAX and MP endorsements to underlying policies are not eligible.

**Q. What acres are eligible for the program?**

A. The program covers insured acres planted to a qualifying cover crop during the 2021 crop year. To receive the benefit for this program, producers must file a [Report of Acreage form \(FSA-578\)](#) with their cover crops identified with FSA by June 15, 2021, which is distinct from the normal acreage reporting date. 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. This form should be filed with your local FSA county office. Producers can find contact information for their local office at [farmers.gov/service-locator](https://farmers.gov/service-locator).

**Q. How is the premium support amount calculated?**

A. The premium support is \$5 per acre, but no more than the full premium owed.

**Q. How will producers receive the premium support?**

A. The Federal Crop Insurance Corporation and Approved Insurance Providers (AIPs) will account for the amount when calculating total producer premium due. AIPs will adjust participant bills accordingly.

**Q. How do I sign up?**

A. No sign-up is required. You will automatically receive the benefit if you report qualifying cover crops on the [Report of Acreage form \(FSA-578\)](#) by June 15, 2021.

**Q. What is the deadline to have my cover crops reported on the Report of Acreage form (FSA-578) and participate in PCCP?**

A. June 15, 2021. You still have until the normal acreage reporting date at FSA to report your cover crops, however any cover crop acreage reported after that date will not receive a PCCP benefit.

**Q. Does this change the acreage reporting date for crop insurance or any other insurance program rules?**

A. No, your acreage reporting date, reporting requirements, and all other terms of your policy are not affected by PCCP. The program simply pays a portion of your premium on your behalf.

**Q. Do I need to give my FSA-578 to my agent?**

A. No, but providing a copy to ensure your fields match on your crop insurance acreage report is advised. You will only receive the benefit if the fields match on both acreage reports.

**Q. What if I report my crop insurance acreage using precision ag instead of a CLU?**

A. RMA is working on a translation to allow producers who use the “RLU” or precision ag standard to still receive the benefit. RMA intends for this to be allowable but encourages producers to work with their agents and insurance companies to ensure they have up-to-date information to assist with maximizing their eligibility.

**Q. Is this program only for a single year?**

A. PCCP is only authorized for the 2021 crop year at this time. RMA will notify producers through an announcement if the program is continued in future years. RMA encourages producers to report cover crops to FSA in the event another future program is developed and implemented.

**Q. How to file the Report of Acreage form?**

A. To receive the PCCP premium benefit, producers must report their cover crops on the Report of Acreage form (FSA-578) with their local [USDA Service Center](#). The first step is to contact your local Service Center and make an appointment.

Because of the pandemic, some Service Centers are open to limited visitors. Service Center staff continue to work with agricultural producers via phone, email, and other digital tools. Many FSA offices are using Microsoft Teams software to virtually meet with producers to review maps and documents for certification.

As part of filing the Report of Acreage, you will need to provide:

- cover crop type or variety;
- number of acres of the cover crop;
- map with approximate boundaries for the cover crop;
- planting date(s);
- planting pattern, when applicable;
- producer shares; and
- irrigation practice(s).