

## FACT SHEET:

# GUIDE TO COVER CROP INITIATIVES IN NEBRASKA

Cover crops are an important tool for building soil health and protecting Nebraska's watersheds. In 2019, the average cost to implement cover crops was \$37 per acre.<sup>1</sup> Local, federal, and private programs offer technical and financial assistance to farmers and landowners interested in cover crops.

## COST-SHARE OPPORTUNITIES: LOCAL INITIATIVES

Nebraska is divided into 23 Natural Resources Districts (NRD), each of which is responsible for managing local natural resources. In an effort to improve soil health and water quality, some NRDs in the eastern portion of the state have established cover crop cost-share to support local watersheds. These initiatives typically offer payment amounts ranging from \$20 to \$50 per acre. Payment and acreage caps, as well as compliance with other state and federal cost-share, may vary.

To learn more about individual programs and cost-share rates, producers should contact their local NRD. An NRD office locator is available at [nrdbnet.org/nrds/find-your-nrd](http://nrdbnet.org/nrds/find-your-nrd).



## COST-SHARE OPPORTUNITIES: FEDERAL INITIATIVES

### Natural Resources Conservation Service

The U.S. Department of Agriculture (USDA) Natural Resources Conservation Service (NRCS) has two financial assistance programs for cover crop implementation: the Environmental Quality Incentives Program (EQIP) and the Conservation Stewardship Program (CSP).

#### EQIP offers:

- \$24.24 per acre for basic cover crop
- \$33.92 per acre for multispecies cover crop
- \$20.83 per acre for multispecies frost terminated cover crop

#### CSP offers:

- \$6.93 per acre for basic cover crop
- \$8.48 per acre for multispecies cover crop<sup>2</sup>

Applications for EQIP and CSP are accepted on a continuous basis at local NRCS offices. The cutoff date for ranking applications typically occurs each November. EQIP provides three-year contracts for planting cover crops, while CSP contracts last five years and must include additional conservation practices as part of a whole-farm plan.

## Sources

- 1 Myers, Rob, et al. "Creating a Baseline for Cover Crop Costs and Returns." Sustainable Agriculture Research and Education, 2019, [sare.org/Learning-Center/Bulletins/Cover-Crop-Economics/Text-Version-of-Cover-Crop-Economics/How-to-Get-a-Faster-Return-from-Cover-Crops/Creating-a-Baseline-for-Cover-Crop-Costs-and>Returns](http://sare.org/Learning-Center/Bulletins/Cover-Crop-Economics/Text-Version-of-Cover-Crop-Economics/How-to-Get-a-Faster-Return-from-Cover-Crops/Creating-a-Baseline-for-Cover-Crop-Costs-and>Returns). Accessed August 2022.
- 2 "Nebraska Payment Schedules." U.S. Department of Agriculture, Natural Resources Conservation Service, [nrds.usda.gov/conservation-basics/conservation-state/nebraska/payment-schedule](http://nrds.usda.gov/conservation-basics/conservation-state/nebraska/payment-schedule). Accessed August 2022.





## COST-SHARE OPPORTUNITIES: INDUSTRY INITIATIVES

### Practical Farmers of Iowa

Practical Farmers of Iowa offers financial and technical assistance for Nebraska producers seeding fall cover crops. The program offers \$10 per acre up to 200 acres or 10% of farmed acres, whichever is larger, and \$5 per acre for each acre above this threshold. These funds can be used in addition to any publicly funded government cost-share program.<sup>3</sup>

To learn more and determine your eligibility, visit [practicalfarmers.org/cover-crop-cost-share](https://practicalfarmers.org/cover-crop-cost-share).

## COVER CROPS AND CROP INSURANCE

### Crop Insurance Premium Discounts

Citing the benefits of cover crops, some insurance providers are offering a crop insurance premium discount as an additional incentive for producers planting cover crops. The USDA Risk Management Agency (RMA) defines a cover crop as a grass, legume, or forb generally recognized by agricultural experts as agronomically sound for erosion control or other purposes related to conservation and soil health.<sup>4</sup>

### Pandemic Cover Crop Program

In 2021 and 2022, the RMA offered farmers an additional \$5-per-acre discount on crop insurance via the Pandemic Cover Crop Program. After reporting their cover crop acres to the Farm Service Agency (FSA) by a set acreage reporting date, producers saw the discount automatically reflected on their crop insurance premiums. The program, which can be used in combination with state-offered crop insurance discounts, has not yet been announced for 2023.<sup>5</sup>

Sources, continued

3 "Cover Crop Cost-Share." Practical Farmers of Iowa, [practicalfarmers.org/cover-crop-cost-share](https://practicalfarmers.org/cover-crop-cost-share). Accessed August 2022.

4 "Plant Cover Crops and Insure Your Cash Crops." U.S. Department of Agriculture, Risk Management Agency, February 2020, [rma.usda.gov/-/media/RMA/Cover-Crops/202002-NRCSRMA-CoverCrop-Brochure-Letter.ashx?la=en](https://rma.usda.gov/-/media/RMA/Cover-Crops/202002-NRCSRMA-CoverCrop-Brochure-Letter.ashx?la=en). Accessed August 2022.

5 "Pandemic Cover Crop Program." U.S. Department of Agriculture, [farmers.gov/coronavirus/pandemic-assistance/ppcp](https://farmers.gov/coronavirus/pandemic-assistance/ppcp). Accessed August 2022.



# COVER CROPS AND CROP INSURANCE: WHAT YOU NEED TO KNOW

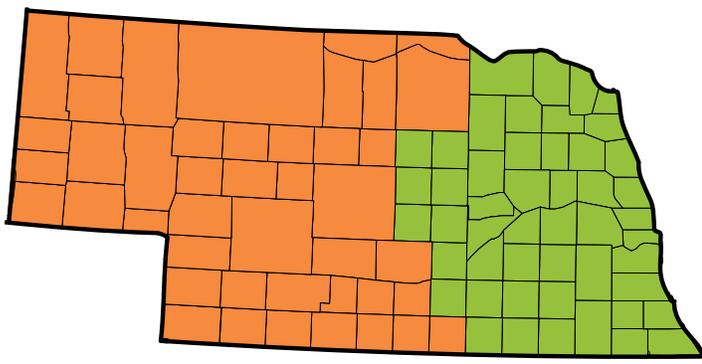
## Termination

To maintain coverage, producers planting cover crops are required to follow Good Farming Practice determinations as set by RMA, specifically terminating cover crops in accordance with NRCS Cover Crop Guidelines.<sup>6</sup>

Together with RMA and FSA, NRCS developed the termination guidelines to provide simple and consistent requirements. By following these guidelines, producers can be confident their cover crop will be considered a Good Farming Practice and the subsequent cash crop will be insured.

Producers looking to terminate cover crops outside of these guidelines must consult an agricultural expert as defined in the Good Farming Practice Determination Standards Handbook. A cover crop can be terminated by any means.

FIGURE 1. NEBRASKA COVER CROP TERMINATION ZONES (NON-IRRIGATED)<sup>7</sup>



- Zone 2: Terminated cover crop 15 days or earlier before planting, except for RMA Summerfallow Practice
- Zone 3: Terminated cover crop at or before planting, except for RMA Summerfallow Practice

NRCS Cover Crop Termination Guidelines, Version 4, June 2019



## Reporting

Similar to cash crops, cover crop acres must be reported on form FSA-578, which documents all of a producer's crops and their intended uses. For fall-planted cover crops, the reporting deadline is March 15 of the following spring.

Cover crops planted after the March 15 deadline need to be reported by May 31. All cover crops reported to FSA must match those reported for crop insurance policies.



Sources, continued

6 "Good Farming Practice Determination Standards Handbook." U.S. Department of Agriculture, Federal Crop Insurance Corporation, Risk Management Agency, July 2020, [rma.usda.gov/-/media/RMA/Handbooks/Program-Administration--14000/Good-Farming-Practice/2021-14060-Good-Farming-Practice-Determination-Standards](https://rma.usda.gov/-/media/RMA/Handbooks/Program-Administration--14000/Good-Farming-Practice/2021-14060-Good-Farming-Practice-Determination-Standards). Accessed August 2022.

7 Nebraska cover crops on irrigated land should be terminated before the planted crop emerges.

