

ECONOMIC + ENVIRONMENTAL RISK COALITION

November 9, 2020

Deputy Secretary Stephen Censky United States Department of Agriculture Washington, D.C., 20510

Dear Deputy Secretary Censky,

On behalf of the <u>AGree Economic and Environmental Risk Coalition</u>, we thank you for the opportunity to provide suggestions on the most innovative technologies and practices that can be readily deployed across U.S. agriculture to accomplish the goals of USDA's Agriculture Innovation Agenda. We believe that the most immediate opportunities to increase agricultural production while cutting its environmental footprint are increasing agricultural data integration and analysis to support innovative research and making administrative rule changes to promote cover crop adoption and other key practices that will improve soil health and reduce agriculture's water quality impacts.

Increased USDA Agricultural Data Integration and Analysis

Increased integration and analysis of USDA's vast resource of agricultural data is a proven strategy for delivering key research insights needed to advance innovation in the food and agriculture sector. USDA has several opportunities to act immediately to improve data innovation and research, both internally at the agency and externally by partnering with trusted researchers at land grant institutions.

USDA has already started this work by creating a system of internal data dashboards for USDA Mission Areas. This shared, internal USDA platform makes data available across office leadership to inform decision-making. This system has increased USDA's capacity to generate important insights, developed through analysis of robust data sets, across the agency. We encourage USDA to continue this excellent work and extend it to all Mission Areas across the agency. We also encourage USDA to expand the scope of these data dashboards to incorporate more types of data for the purposes of research, in addition to organizational decision-making.

USDA can also support new and innovative research by land-grant universities using the agricultural data it collects. Section 1619 of the 2008 Farm Bill allows the sharing of USDA agricultural data with land grant institutions for the purposes of technical assistance. USDA can immediately begin establishing agreements with trusted researchers to answer key research questions related to the agency's production and environmental goals. This expanded research capacity will help to create the strong scientific basis to drive innovation forward. We know that these innovations in data sharing and analysis can be executed in a way that prioritizes data security and protects producers' personally identifiable information.

<u>Administrative Changes to Promote Cover Crop Adoption</u>

Cover cropping is a recognized good farming practices that reduces soil erosion, improves soil health, suppresses weeds, retains moisture, and reduces nutrient runoff – all factors that reduce the environmental impacts of agriculture. However, there remain federal policy hurdles to farmer adoption of cover cropping, and USDA can do more to promote their adoption. In order to promote farmer adoption of cover crops, USDA can take administrative action to:

- Remove general prohibitions on harvesting and selling cover crops that are covered by conservation program incentive payments. The ability to use cover crops as a new revenue stream will expand farmer adoption.
- Allow small grain crops to be sold as cover crop seed if they fail to make food grade specifications in order to provide multiple markets for some cover crops, such as oats.
 Improved market opportunities for selling cover crops will promote farmer adoption.
- Remove rules in the federal crop insurance program that prohibits inter-seeding cover crops. This practice is helpful to producers because they can use the cover crop for grazing immediately after harvesting their cash crop.
- Add a new provision to the cover crop termination guidance that clarifies that planting green and intercropping, including interseeding, overseeding, relay planting, and strip intercropping, do not affect the insurability of crops.
- Revise the cover crop termination guidance document to improve its readability and make it more farmer friendly. Cover crop termination guidance needs to be presented in a clear and comprehensive manner in order to reduce the number of individual Good Farming Practices determinations that must be made and reduce farmer perception of insurance problems with cover cropping,
- Adjust the use of EQIP cover crop payments to create the greatest impact. Currently, EQIP payments for cover crops are around \$50 per year for three years. SARES's national economic report on cover crops showed that the net cost for cover cropping starts at \$30 \$40 in year one but rapidly declines as net profit improves. By year three, farmers typically break even planting cover crops. If incentive payments used a step-down approach over three or four years, EQIP could incentivize 50% more acres and help integrate the idea that cover crops pay for themselves over time.
- Increase CSP payments for cover cropping. Currently, CSP payments for the basic cover crop practice are 10 percent of EQIP rates, or about \$5 an acre, and the payments for cover crop enhancements are about \$12 an acre. While the structure and purposes of CSP and EQIP are different, and hence different payment rates should apply, CSP payment rates should be set considerably higher to reflect the importance of cover cropping.

In summary, improving agriculture data integration and analysis and promoting cover crop adoption by farmers are key near-term steps that can work in concert with longer-term initiatives to accomplish the goals of USDA's Agriculture Innovation Agenda. These initiatives are supported by the members of the AGree Economic and Environmental Risk Coalition, which include researchers, academics, producers,

former officers of the U.S. Department of Agriculture (USDA), and NGO leadership, who stand ready to lend support to USDA as implementation partners.

We appreciate your leadership in launching and developing this Agricultural Innovation Agenda and look forward to reviewing the final strategy.

Sincerely,

The AGree Economic and Environmental Risk Coalition