



# SOIL MATTERS

## Looking for a “Good Driver Discount” for Farmers

BY DUANE HOVORKA, IWLA Agriculture Program Director

Tom Nuessmeier is committed to conservation.

Nuessmeier and his brother Tim run a 200-acre farm in Le Sueur County, Minnesota. They plant a variety of crops to break up insect and weed cycles and were able to stop using pesticides altogether. (Their crops are now certified organic.) After harvest, they plant cover crops such as rye and clover to protect the soil and provide habitat for wildlife.

Their dedication to conservation has improved the health of their soil, which also allows the soil to capture and hold much more rainwater. In dry years, that yields benefits at harvest time, reducing the farmers’ risk of a big crop loss.

But when Tom Nuessmeier buys crop insurance, the annual premium he pays does not reflect that reduced risk. The Izaak Walton League thinks it should.

### Rewards for Lowered Risks

When buying automobile insurance, many low-risk drivers receive a “good driver discount” off their annual insurance premiums. But for low-risk farmers — those who adopt conservation measures that reduce the risk of crop losses — there is no “good farmer discount.”

Our taxes cover more than 60 percent of producers’ costs for federal crop insurance — to the tune of \$7 billion in subsidies each year. So it isn’t just farmers like Tom Nuessmeier who end up paying more than they should for crop insurance — American taxpayers do too.

The 2014 Farm Bill made a first step in connecting conservation to crop insurance through a system called conservation compliance, “but it’s not enough,” says Tom Nuessmeier.



Tom Nuessmeier

“The pressure on our land, water, and wildlife from agriculture remains huge, and providing premium discounts for farmers using practices that advance conservation in these areas makes a lot of sense.”

The League believes it is important to reward farmers who adopt conservation measures that build soil health. The League has proposed a pilot federal program to offer crop insurance discounts to farmers who adopt some combination of practices that will build soil health, including planting cover crops, using more diverse crop rotations, and converting to “no tillage” methods that protect the soil. The pilot program would test the concept in a handful of states, gather information on how farmers respond, and measure the results in reduced payouts for crop losses and increased use of conservation practices.

This proposal is not only based on common sense — it’s also based on sound science.

### Today’s Soil Science

Scientists now recognize that the centuries-old practice of tilling soil with plows and disks tears apart the fungi that hold soil together and disturbs the bacteria and other life beneath the surface that play a vital role in plant growth. Plants need these fungi and bacteria to absorb nutrients and grow strong. When soil is healthy, it can absorb water like a sponge, holding moisture for future crops. Yet according to the U.S. Department of Agriculture (USDA), fewer than forty percent of the 450+ million acres of U.S. farmland is managed using “no-till” methods.

Studies at Dakota Lakes Research Farm in South Dakota show that no-till methods reduce the number of weeds coming up in crop fields by more than half. Combining no till with other conservation practices allows farmers to reduce chemical use on their fields even further. In fact, researchers at Dakota Lakes found that combining no

till with a diverse rotation of four different crops reduced weed pressure by 97 percent compared with fields using a typical two-crop rotation and conventional tillage. Mixtures of plants — including oats, rye grass, radishes, and clover — planted in the fall provide soil cover after harvest and throughout the winter. These cover crops reduce soil erosion and runoff, provide winter cover for wildlife, and build soil health. It's a win-win for farmers and natural resource conservation.

### Rebuilding Soil Health

Chris Henning is among a growing number of farmers who have responded to the science of soil health. Henning owns 320 acres in Greene County, Iowa. She describes herself as a “conservation farmer” and is a big fan of Farm Bill programs that help farmers plant cover crops, install buffer strips next to streams, restore wetlands, and conserve highly erodible soil.

Henning says that using cover crops and no-till methods helped restore soil health on her farm. “I had a field that was so low in organic matter, it was almost gray. In testing the soil, it was somewhere below one percent organic matter,” she explains. She stopped tilling and started using cover crops on the field in about 2010, “and when we did soil testing in 2016, the organic matter had come up to between four and a half and five percent” — about twice the amount of organic matter in typical Iowa cropland. Organic matter affects the chemical and physical properties of the soil and



Chris Henning

overall soil health. “In the years we have been doing cover crops, we have consistently gotten bigger and bigger yields on our corn and beans.”

Five years of national surveys by the Sustainable Agriculture Research and Education (SARE) program at the University of Maryland and the Conservation Technology Information Center at Perdue University confirm that farmers generally get a better harvest after planting cover crops. In a good year like 2016, the increase in yield was slight — an average of 2 more bushels per acre of corn or soybeans. But in a drought year like 2012, when farmers collected a record \$16 billion in crop insurance claims — \$11 billion of that paid with tax dollars — farms planted with cover crops fared even better. Farmers harvested 11 more bushels of corn and nearly 5 more bushels of soybeans — per acre — on land where they used cover crops. With high grain prices in 2012, the income difference was more than \$75 per acre.

### Changing Policy

In the latest SARE cover crop survey, 86 percent of farmers using cover crops said the practice improved soil health on their farms. Yet less than four percent of U.S. farmland is planted with cover crops today. Henning, who started planting cover crops thanks to a Farm Bill conservation program that paid a large share of the planting cost for her first three years, believes incentives will be needed to help spread the use of cover crops.

Linking conservation practices with discounted crop insurance rates is an important step in that direction.

### Driving the “Good Farmer Discount” Forward

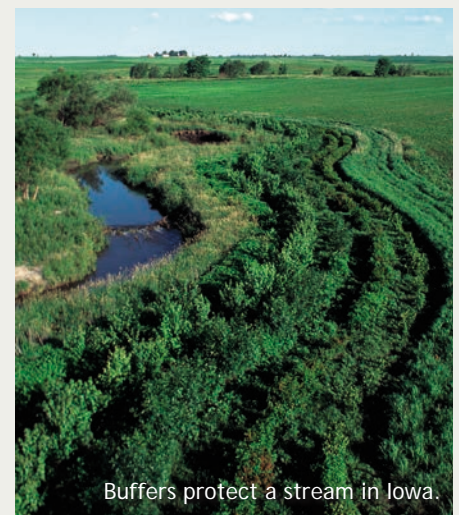
In January, U.S. Representative Rick Nolan of Minnesota introduced a bill that includes a version of our good driver discount. The bill would establish a 5-year pilot project to test the concept, which the League believes will not only improve conservation but also save taxpayers money in the long run. By providing financial incentives to producers who implement conservation practices, taxpayers will benefit through lower crop insurance claim payouts over time. The League is also actively working to include a version of this bill in the Senate Farm Bill draft.

Now we need your help to support Congressman Nolan and others in Congress as they work with the League to include this concept in the 2018 Farm Bill. Your U.S. Representative needs to hear from you in support of a win-win for conservation and taxpayers.

Please visit the League’s Online Advocacy page at [iwla.org/advocacy](http://iwla.org/advocacy) for a draft email you can send to your Representative about this legislation. Your voice will make a difference! You can find more details about the League’s Farm Bill agenda at [iwla.org/agriculture](http://iwla.org/agriculture).



A winter cover crop protects Henning’s soil after corn is harvested.



Buffers protect a stream in Iowa.