

Fact Sheet Conservation Opportunity and Voluntary Environment Resilience Program (COVER) Act H.R. 8527



Farm Action Fund



Farm Action

The Conservation Opportunity and Voluntary Environment Resilience Program (COVER) Act was introduced by Representative Casten (D-IL 6th District) and Representative Axne (D-IA 3rd District). This legislation reforms farm programs to support farmers transitioning away from dependence on costly agricultural inputs by providing a \$5 crop insurance premium discount for every acre planted in cover crops. It amends the Federal Crop Insurance Act to establish the Good Steward Cover Crop Program, which is modeled after the Pandemic Crop Program, and gives the USDA authority to create the Soil Health Pilot Program.

BACKGROUND

From seed to harvest, farmers are at the mercy of monopolistic corporations at every step of the crop production process. Fertilizer corporations have a particularly tight stranglehold on their market: only two companies supply the entirety of North America with potash, a potassium-based fertilizer, and four corporations represent 75% of the production and sale of nitrogen-based fertilizer in the U.S. Fertilizer companies admittedly tie their prices to rising commodity market prices — essentially robbing farmers of their profits — and yet, farmers have little choice in our current system other than to continue to turn to the same corporations that steal from them year after year.

Soils are the base of the food chain, so the impacts of poor soil health ripple throughout the entire food system. Crops that are fed a diet of synthetic fertilizer and planted in dead, over-tilled soil lack resiliency in the face of pests, diseases, drought, and extreme weather events. Supporting conservation practices that build resilience from the ground up yields system-wide economic and ecosystem benefits. In the face of increasing extreme weather events, it's crucial that crop insurance programs incentivize soil health practices that are part of the solution, not the problem.

By reforming farm support programs to work better for farmers, rural communities, and the resilience of the U.S. food supply, the COVER Act will counterbalance a system that has prioritized the interests of consolidated corporations for too long. It will enable farmers to break the chain of dependency on these monopolies while reaping the economic benefits of healthy soil.

THE COVER ACT BENEFITS FARMERS AND RURAL COMMUNITIES BY:

- > Reducing farmers' dependence on costly synthetic fertilizers and agrichemicals
- > Providing farmers the financial and technical assistance for a successful transition away from dependence on agrichemical corporations
- > Building resilience within the food and farm system in the face of more extreme weather events
- > Promoting cleaner water systems in rural communities by decreasing erosion and runoff
- > Creating new demand for seed and other market opportunities in rural communities

GOOD STEWARD COVER CROP PROGRAM

Planting cover crops is a crucial conservation practice that reduces the need for synthetic fertilizers, herbicides, and pesticides, saving the farmer substantial input costs. Building soil health with cover crops also reduces erosion, promotes cleaner water systems, and increases crops' resilience in the face of extreme weather events. The COVER Act's provisions would break the cycle of dependence on fertilizer and agrichemical corporations as farmers reap the soil health benefits provided by cover crops. The Good Steward Cover Crop Program provides farmers with a \$5 crop insurance premium discount for every acre planted with cover crops.

Many farmers seeking to implement regenerative practices face unnecessary difficulties due to the lack of available technical assistance and information. To accommodate these farmers, the bill directs the USDA to coordinate with the Farm Service Agency and the Natural Resources Conservation Service to conduct outreach about the program to farmers, including those in underserved communities. The bill stipulates that the USDA must reserve \$1 million for technical assistance, outreach, and program support.



SOIL HEALTH PILOT PROGRAM

While cover crops may perform well in some regions, places like the arid West may find more success by implementing other soil health practices. This bill gives the USDA authority to create the Soil Health Pilot Program to address such needs for alternatives. This pilot program would offer additional premium subsidies on crop insurance to producers who use innovative soil health practices.

Tying federal support to conservation practices will be critical if we wish to build a resilient food and farm system that will feed future generations.

By providing farmers with the financial and technical support they need to transition away from dependence on costly inputs like synthetic fertilizer and agrichemicals, Congress can help farmers escape from under the thumb of monopoly corporations.

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