

CONGRESSMAN SEAN CASTEN
HOUSE COMMITTEE ON AGRICULTURE
MEMBER DAY TESTIMONY
December 6, 2023

Thank you Chairman Thompson and Ranking Member Scott for holding this Member Day in the House Agriculture Committee today, and for giving me the opportunity to testify on behalf of the COVER Act.

I'm here today to talk about the importance of cover crops and to advocate for my bill, the Conservation Opportunity and Voluntary Environment Resilience Program (COVER) Act for inclusion in the upcoming Farm Bill. Before I get to the COVER Act, a bill to incentivize a climate-smart agricultural practice, I'd like to join my colleagues in underscoring the importance that the next Farm Bill ensures the nearly \$20 billion provided in the Inflation Reduction Act (IRA) for USDA conservation programs is used for its intended purpose.

In 2023, the USDA witnessed requests exceeding three times the available funds for climate-smart agriculture, indicating a substantial demand among farmers. By directing these funds toward responsible practices, there is an opportunity to provide support to farmers while addressing America's climate commitments, just as the COVER Act would.

Cover crops can help farmers mitigate risk. A 2023 [study](#) found that higher cover crop adoption led to lower levels of crop insurance losses due to prevented planting. Another study found that just a [1% increase in cover crop adoption led to nearly \\$40 million in savings](#) from reduced prevented planting related indemnities. With climate change threatening our food system, practices that build soil resilience are more crucial than ever. No one knows the importance of the soil that sustains us better than our farmers; they will play a vital role in achieving resiliency.

In addition to helping our farmers, cover crops are critical in the fight against the climate crisis. We are already seeing how the climate crisis is increasing the cost of the federal crop insurance program, and we know that it will continue to do so as extreme weather events become increasingly frequent. Planting cover crops is a critical conservation practice that reduces production risk, prevents soil erosion, improves soil health and water quality, increases biodiversity, and sequesters carbon. The COVER Act is critical to providing farmers across the nation with the tools they need to make their land more resilient in the face of climate-related risks.

The COVER Act builds on the federal Pandemic Cover Crop Program and incentivizes the practice of planting cover crops by providing a \$5/acre crop insurance discount to farmers who plant cover crops.

Crop insurance discounts for planting cover crops have already been successful in states and prove to be a great example that states are often the laboratories of democracy; in 2018 Iowa was the first state to implement the Iowa Cover Crop Demonstration program, followed by Illinois, Indiana, and Wisconsin. The COVER Act would provide long-term, national support to farmers

building on these state-level programs that have already had strong bipartisan support. [A recent poll](#) also found that two-thirds of crop farmers support making the USDA's cover crop program a permanent option in the crop insurance program.

The COVER Act would establish the Good Steward Cover Crop Program to provide producers a \$5 per acre crop insurance premium subsidy when they enroll in a covered insurance program and plant cover crops for conservation purposes. This incentive-based program will be fully voluntary and will not require farmers to plant cover crops in order to be eligible for crop insurance.

This bill would also authorize USDA to evaluate how additional premium subsidies can be offered for other soil health practices that reduce risk and comply with the goals of the Federal Crop Insurance Program.

Climate change has already made the federal crop insurance program more expensive and challenging to manage as drought, rain, and extreme weather further stress our soils. Between 1995 and 2020, crop insurance payments [have risen more than 400% for drought-related losses, and nearly 300% for rain and flooding-related losses.](#)

Unless we act, climate change will continue to exacerbate losses. The U.S. Department of Agriculture has estimated that without mitigating actions, [the cost of the Federal Crop Insurance Program \(FCIP\) could increase by up to 37%.](#)

A [2023 poll](#) found that 78 percent of row crop farmers support the USDA offering discounts on premiums for engaging in conservation practices that have been shown to reduce the risk of crop failure.

Passing the COVER Act would help our farmers *and* mitigate climate risks. It would essentially set up a program like a safe driver discount; farmers who choose to reduce their risk by planting cover crops ought to be rewarded for their low-risk behavior. And it would do this at great value; the COVER Act would not affect actuarial aspects of the crop insurance program. The COVER Act offers a discount that is provided outside of the underwriting and premium cost calculation process. As such, it does not change the cost of a policy for farmers or service providers. Rather, the bill offers an extra discount that is applied after the initial cost calculation.

The bipartisan COVER Act would reward farmers who opt for risk mitigation and conservation practices. With over 130 local state and national organizations supporting the legislation, I'm proud to co-lead this bipartisan bill with Congresswoman Elissa Slotkin of MI, Congressman Mike Bost of IL, and Senator Sherrod Brown of OH, and advocate for its inclusion in the 2023 Farm Bill.

I would again like to thank Chairman Thompson, Ranking Member Scott, and the members of the House Agriculture Committee for inviting me to testify today.