



American Prairie Conservation Act S. 1913 and H.R. 3939

ISSUE

For the last two farm bills, sodsaver amendments have been offered. Some amendments became law and others were not included in the bills.

BACKGROUND

Sodsaver provisions currently only apply in six states - South Dakota, North Dakota, Minnesota, Iowa, Montana and Nebraska. Crop insurance premium discounts are reduced by 50% for production on native sod during the first four years of planting. Crops planted on native sod have reduced benefits under the Noninsured Assistance Program (NAP). Native sod includes land that has never been tilled and cases where the producer cannot substantiate that the ground has ever been tilled. The bill precludes farmers from receiving crop insurance premium discounts and reduces guaranteed yields of insured crops if farmers break up native sod and convert it to cropland. It does not preclude those farmers from using crop insurance.

The 2014 farm bill provided some flexibility with regard to compliance. For instance, a producer may receive full crop insurance premium discounts when they till native prairie, provided that for the first four years of cropping they plant a perennial crop or a non-insured annual crop. Starting in the fifth year, the producer is able to receive full crop insurance subsidies for an insurance annual crop. Sodsaver conversions are less than five acres are also exempt from reductions in crop insurance premium discounts.

LEGISLATION

Identical bills to expand current sodsaver provisions have been introduced in the House and Senate. In the Senate, Senators John Thune (R-S.D.) and Amy Klobuchar (D-Minn.) have introduced S. 1913, the “American Prairie Conservation Act”. The House bill, H.R. 3939, has been introduced by Representatives Kristi Noem (R-S.D.) and Tim Walz (D-Minn.).

The legislation:

- applies sodsaver’s prohibition to substitute crop insurance yields on native sod that is converted to cropland from the current six states to all fifty states;
- requires crop insurance premium discounts and yield guarantees to be reduced for a total of four cumulative years for any crop;
- precludes certain noninsured crops to be planted four consecutive years with no reduction in crop insurance assistance for succeeding insured crops;
- clarifies in law that the five-acre exemption was cumulative over time;
- requires producers who convert native sod to cropland to certify to USDA the number and location of acres of native sod that are converted in an existing automated crop certification system so the converted acres can be accurately tracked; and

- applies to both crop insurance NAP program.

There are two Senate cosponsors: Sens. Mike Rounds (R-S.D.) and Michael Bennet (D-Colo.).

There are two House cosponsors: Reps. Collin Peterson (D-Minn.) and Rick Crawford (R-Ark.).

The Congressional Budget Office has scored the bill as saving \$52 million over ten years.

POSITION

Farm Bureau does not support the legislation because:

- no-till technology has enabled producers to plant on marginal lands without plowing – and therefore with minimum erosion. This makes row crop farming less environmentally intrusive, negating the need for a sodsaver provision;
- the legislation takes away one of the main risk management strategies producers rely on to stay competitive;
- the legislation tasks the Farm Service Agency (FSA) with determining whether the land is virgin ground or has been tilled. A lot of land has been tilled but FSA records only go back to the 1960's or 1970s; and
- the bill could cause land values to decrease since tillable land is often worth more than pasture land.

FARM BUREAU POLICY OPPOSES:

farm program incentives that encourage producers to bring fragile lands under cultivation. Fragile lands are defined as those lands that NRCS deems to be subject to excessive rates of wind and water erosion.