

# Ready for the Future?

## Climate Disruption and Crop Insurance

Blog 62. Posted on May 13, 2021

**By Jeff Schahczenski, NCAT Agricultural and Natural Resource Economist**

Craig Schmitt, a long-time organic grain farmer from Wolf Point, Montana, has some problems doing the right thing. Having just recently recovered from a bout with COVID-19, he feels lucky to be well again. However, being ill put him behind on seeding and he is almost always worried about enough rain to bring his crops to fruition. Montana is a semi-arid dryland farming area, and that means that using cover cropping (or green manures), minimizing tillage, and optimizing soil moisture is tricky.

However, another important consideration is how to best optimize crop insurance under a certified organic production system. “I am a regenerative organic farmer, and I want to limit tillage and assure soil health, but crop insurance rules get in the way of developing a resilient system in the face of growing extreme weather and climate disruption,” says Schmitt.

How and why do crop insurance rules limit adaptation to growing weather and climate disruption?

Part of the answer is that the federal crop insurance program, run by the USDA Risk Management Agency (RMA) and sold and serviced by 14 private crop companies (known as Approved Insurance Providers, or AIPs), views the past as the prime determination of the future. Any deviation from farming practices that jeopardize the insured crops’ “ability to make normal

progress toward maturity and produce at least the yield used to determine the production guarantee or amount of insurance” can cause a farmer to lose or have a reduction in coverage.

This is, in fact, the RMA’s definition of what it calls Good Farming Practices. So, when an organic farmer like Mr. Schmitt seeks to adopt a practice like green manure cover cropping and wants to inter-seed a cover crop into the cash crop to minimize tillage in weed control, he may jeopardize his crop insurance coverage because of the likelihood that such practices may have some, difficult to predict, impact on yield. Furthermore, if Mr. Schmitt wishes to practice continuous cropping on a particular field, and does not “summer fallow” a field, then he must pay higher insurance rates because long-time use of summer fallow in Montana and many dryland farming states has its built-in historic yield history, which will certainly be upset by changing from summer fallow to continuous cropping practice.

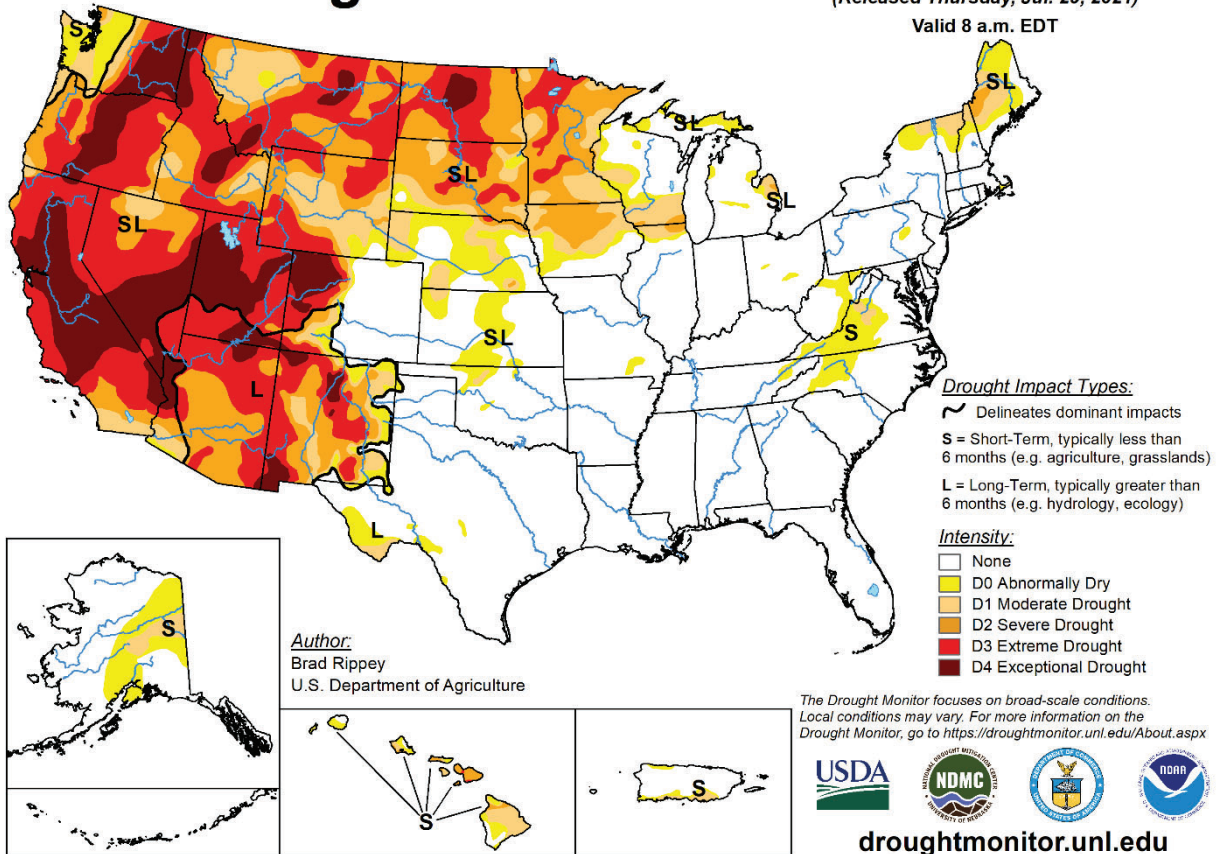
Due to intensive efforts by many organizations to change the impact of crop insurance rules on the adoption of innovative sustainable practices, the 2018 Farm Bill supposedly solved these problems. It suggested that a farmer could adopt cover-cropping practices so long as the farmer followed either a confusing and evolving guidance set by the USDA Natural Resources Conservation Service

# U.S. Drought Monitor

July 27, 2021

(Released Thursday, Jul. 29, 2021)

Valid 8 a.m. EDT



## Montana Hay Hotline Available for Producers Affected by Drought

As severe drought conditions and wildfires persist across the state, the Montana Department of Agriculture is reminding agricultural producers of the availability of the Hay Hotline, an online tool that connects those interested in buying, selling, or donating hay or pasture.

The Hay Hotline allows producers to enter new listings with descriptions of the forage they have available to sell or donate. It also provides users with an option to search for available hay or pasture, including certified organic. The online tool is maintained by the Montana Department of Agriculture as a service to the agricultural industry with the expectation that all buyers and sellers will treat each other in an equitable and lawful manner.

The Hay Hotline is housed on the MDA website at [agr.mt.gov/Hay-Hotline](http://agr.mt.gov/Hay-Hotline). For more information on the Hay Hotline, contact the Agricultural Development & Marketing Bureau at (406) 444-2402 or [danielle.jones@mt.gov](mailto:danielle.jones@mt.gov).



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A successful farm tour is a group effort that involves a tremendous amount of planning, organizing, executing, and cleaning up.

Thank you to all who worked to make this summer's farm tours great successes.

If you're interested in hosting a tour in 2022, please contact Sam Schmidt (406) 788-7135, Gary Iverson, (406) 450-1106, or Jamie Lockman (406) 546-6572.





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# 2021 Organic Events!!

The Farm Tour Committee and Conference Committee have three more events for 2021! Visit the MOA website to find registration links.

**September, 17,** Bitterroot Farm Tour

**October 26,** Organic University, Havre, Northern Ag Research Center

**December 2 - 4,** Montana Organic Conference, The Commons, Bozeman. Speakers include Helen Attowe, permaculture expert; Tom Philpott, farmer, agriculture journalist, and author; and Wes Jackson, co-founder of the Land Institute.

After more than a year of social distancing, it will be great to once again meet in person. Details are still being worked out. Watch OM & MOA's websites and social media accounts for up-to-date information. Public health guidelines will be followed at the event. Mask are encouraged, especially for those who are unvaccinated. Sponsorships are available. Contact [moamembership@gmail.com](mailto:moamembership@gmail.com) for more information.



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(NRCS) or received approval by local, but undesignated, agricultural experts. However, farmers have little time to search out official sanction by experts who themselves do not have easy answers as to how best adopt a given innovative practice in each ecology without impacting historic yield. Moreover, the NRCS guidance has not kept up with emerging best practices developed by farmers and cover crop researchers.

The predictions of many scientific studies clearly suggest that extreme weather and climate disruption is going to be our future. Farmers and ranchers need insurance in the short term to weather this future. No matter how resilient the farming or ranching practices that are used, floods and drought are still destructive.

As this blog is being written, 60% of Montana is in some level of drought and federal disaster conditions have been met for 13 of its 56 counties. If, however, public crop insurance policy constrains adaptation to more resilient systems, the public and private costs are likely to grow.

Mr. Schmitt and other farmers are still waiting for a satisfactory solution to their desire to continue down the path of adopting regenerative practices without jeopardizing their ability to be insured through the federal program. The U.S. Department of Agriculture can and should make the needed changes in their policy to remove this barrier to cover cropping and other critical land management conservation practices.

## Resources

For a more detailed discussion of the issues discussed in this blog, see our

ATTRA webinar, [Climate Disruption and Crop Insurance: What are the Connections?](#)

For more details on USDA Risk Management Agency Good Farming Practice policy, see [Good Farming Practice Determinations Standards Handbook](#).

For recent information on drought conditions in the United States, see [United States Drought Monitor](#).

Please complete a [brief survey](#) to let NCAT/ATTRA know your thoughts about the content of this blog.

