

ADMINISTRATIVE RULES Fiscal Estimate & Economic Impact Analysis

<p>1. Type of Estimate and Analysis <input checked="" type="checkbox"/> Original <input type="checkbox"/> Updated <input type="checkbox"/> Corrected</p>	<p>2. Date 07/08/2022</p>
<p>3. Administrative Rule Chapter, Title and Number (and Clearinghouse Number if applicable) Ch. ATCP 52 Crop insurance premium rebates for planting cover crops</p>	
<p>4. Subject Emergency rule for crop insurance premium rebates for planting cover crops</p>	
<p>5. Fund Sources Affected <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input checked="" type="checkbox"/> SEG <input type="checkbox"/> SEG-S</p>	<p>6. Chapter 20, Stats. Appropriations Affected s. 20.115 (7) qf, Stats.</p>
<p>7. Fiscal Effect of Implementing the Rule <input type="checkbox"/> No Fiscal Effect <input type="checkbox"/> Increase Existing Revenues <input checked="" type="checkbox"/> Increase Costs <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Indeterminate <input type="checkbox"/> Decrease Existing Revenues <input checked="" type="checkbox"/> Could Absorb Within Agency's Budget</p>	
<p>8. The Rule Will Impact the Following (Check All That Apply) <input type="checkbox"/> State's Economy <input checked="" type="checkbox"/> Specific Businesses/Sectors <input type="checkbox"/> Local Government Units <input type="checkbox"/> Public Utility Rate Payers <input type="checkbox"/> Small Businesses (if checked, complete Attachment A)</p>	
<p>9. Estimate of Implementation and Compliance to Businesses, Local Governmental Units and Individuals, per s. 227.137(3)(b)(1). \$0.00</p>	
<p>10. Would Implementation and Compliance Costs Businesses, Local Governmental Units and Individuals Be \$10 Million or more Over Any 2-year Period, per s. 227.137(3)(b)(2)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	
<p>11. Policy Problem Addressed by the Rule Implementation of s. 92.14 (17), Stats., as required per 2021 Wisconsin Act 223.</p>	
<p>12. Summary of the Businesses, Business Sectors, Associations Representing Business, Local Governmental Units, and Individuals that may be Affected by the Proposed Rule that were Contacted for Comments. Feedback was collected from a diverse group of stakeholders ranging from agribusiness organizations, conservation groups, county governments, university entities, and the federal government.</p>	
<p>13. Identify the Local Governmental Units that Participated in the Development of this EIA. Pierce County, Marathon County, Green County</p>	
<p>14. Summary of Rule's Economic and Fiscal Impact on Specific Businesses, Business Sectors, Public Utility Rate Payers, Local Governmental Units and the State's Economy as a Whole (Include Implementation and Compliance Costs Expected to be Incurred) This emergency rule will have no adverse effect. The program is voluntary and thus imposes no cost on businesses. The Cover Crop Insurance Rebate Program is offered for acres of cover crops installed outside of state and federal program incentives (e.g., EQIP, CSP and state cost share). Interested participants may enroll for acres planted to cover crops in the fall which will be planted to an insurable crop in the following growing season. Eligible applicants will receive a \$5/acre insurance premium discount on the following year's crop insurance invoice for every acre of cover crop enrolled and verified in the program. The program will benefit agricultural producers. Rebate recipients will benefit directly, while others will benefit indirectly from the creation of a stronger agricultural industry and improved water quality.</p>	
<p>15. Benefits of Implementing the Rule and Alternative(s) to Implementing the Rule The benefits of implementing the Rule are to meet the requirements of s. 92.14 (17), Stats., and to offer agricultural producers throughout the state a rebate for planting cover crops. Programs exist that incentivize cover crops, however, they have a more arduous reporting and application process.</p>	
<p>16. Long Range Implications of Implementing the Rule Agricultural producers will receive an incentive to try something new.</p>	

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17. Compare With Approaches Being Used by Federal Government

The Pandemic Cover Crop Program (PCCP) is a program established by USDA to help producers maintain their cover crop systems amid a financially challenging time because of the COVID-19 pandemic. PCCP is part of USDA's Pandemic Assistance for Producers initiative, through which USDA is establishing programs and efforts to bring financial assistance to farmers, ranchers, and producers who felt the impact of COVID-19 market disruptions.

PCCP provides premium support to eligible producers who insured their spring crop with most insurance policies and planted on acreage where a qualifying cover crop was planted after June 15, 2021, of the 2021 crop year, or during the 2022 crop year. The premium support is up to \$5 per acre, but no more than the full premium owed.

Funding was available for the past two years, and it is unknown how long the program will last.

18. Compare With Approaches Being Used by Neighboring States (Illinois, Iowa, Michigan and Minnesota)

Illinois - The Illinois Department of Agriculture runs a Cover Crop Premium Discount Program for acres of cover crops installed outside of state and federal program incentives (e.g., EQIP, CSP and state cost share). Interested participants may enroll at for acres planted to cover crops in the fall and will be planted to an insurable crop in the following growing season. Eligible applicants will receive a \$5/acre insurance premium discount on the following year's crop insurance invoice for every acre of cover crop enrolled and verified in the program.

Iowa - The Iowa Department of Agriculture and Land Stewardship provides up to \$5/acre for cover crops to eligible applicants. Funding will be provided through USDA-RMA as an additional insurance premium discount through normal crop insurance processes. The premium reduction will be available for fall-planted cover crops with a spring-planted cash crop. The program is offered for acres of cover crops installed outside of state/federal program incentives (WQI, IFIP, state cost share, EQIP, CSP, etc.). Participating farmers must follow all existing good farming practices required by their policy and work with their insurance agent to maintain eligibility.

Michigan – Michigan does not offer a similar program

Minnesota – Minnesota does not offer a similar program

19. Contact Name

Alex Elias

20. Contact Phone Number

(608) 224-6338

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ATTACHMENT A

1. Summary of Rule's Economic and Fiscal Impact on Small Businesses (Separately for each Small Business Sector, Include Implementation and Compliance Costs Expected to be Incurred)

2. Summary of the data sources used to measure the Rule's impact on Small Businesses

3. Did the agency consider the following methods to reduce the impact of the Rule on Small Businesses?

- Less Stringent Compliance or Reporting Requirements
- Less Stringent Schedules or Deadlines for Compliance or Reporting
- Consolidation or Simplification of Reporting Requirements
- Establishment of performance standards in lieu of Design or Operational Standards
- Exemption of Small Businesses from some or all requirements
- Other, describe:

4. Describe the methods incorporated into the Rule that will reduce its impact on Small Businesses

5. Describe the Rule's Enforcement Provisions

6. Did the Agency prepare a Cost Benefit Analysis (if Yes, attach to form)

- Yes No
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