



**Corn Nutrient Research Pilot Project:
Helping Maryland Farmers
Reduce Agricultural Runoff Through Conservation Incentives
January 2005**

Pilot Project Summary

The goal of this project is to work with a few Maryland farmers to test methods to reduce nutrient applications without negatively affecting the economics of farming. Corn farmers who have implemented a certified Nutrient Management Plan (NMP) and would like to try more aggressive nutrient management techniques or farmers that recently were required to revise their NMP due to new phosphorus regulations or changes in their farming operation can receive a yield guarantee through a special pilot project being initiated by American Farmland Trust. In addition to yield guarantees, interested farmers willing to apply nutrients at a rate slightly lower than those currently recommended in their NMP can also receive incentive payments. To date, more than 30 corn farmers in Iowa, Minnesota, Ohio, Pennsylvania and Wisconsin have participated and have successfully lowered their nutrient inputs while also increasing farm income.

Participating in the Pilot: Frequently Asked Questions

• **How does the program work?**

Once enrolled, farmers will be given a “COST CUTTER” guaranty, which protects them against a potential yield loss in return for following more aggressive nutrient management practices recommended by certified crop advisors and approved by Agflex, or by following their recently revised NMP recommendation. A check strip will be marked on a representative area of the test field and will be fertilized at the current NMP rate or the old NMP rate, respectively. At harvest time, a yield measurement will be taken in the check strip. If the yield is higher in the check strip, the farmer receives a payment to cover the difference, minus whatever savings are earned by reducing fertilizer rates. In the case where farmers choose to apply nutrients below the current NMP rate, they also are eligible for a per-acre incentive payment based on the percent that the application rate is below NMP.

• **Who is eligible to apply?**

This pilot program is limited to corn fields 40 acres or greater, located in Kent and/or Queen Anne’s Counties. Applicants must have a certified Nutrient Management Plan as described under Maryland’s Water Quality Improvement Act to enroll in this project. Farmers can enroll up to 150 acres in the pilot project.

• **Is there a cost to participate?**

No. American Farmland Trust has secured funding to work with a limited number of farmers in Maryland. The available funding will cover all the costs associated with the project except for the field activities that the participant would normally complete such as planting, nutrient and herbicide applications and harvesting the crop. The available funding also will cover the expense for the COST CUTTER service guaranty, provided by Agflex, on behalf of the farmer.

- **Is the COST CUTTER service guaranty the same as insurance?**

No. The COST CUTTER service guaranty is not insurance. Agflex is not an insurance company or insurance agent. Agflex does not offer or sell insurance or provide insurance advice. Agflex guarantee services are not covered under any state insurance guaranty fund. Agflex is a commercial service company formed to protect farmers and their advisors from the economic risks associated with Best Management Practices (BMPs) and has worked with AFT over the past three years to administer similar pilot projects in several other states.

The service guaranty provided by Agflex only covers losses due to yield loss resulting from following nutrient reduction recommendations approved by Agflex, as indicated by comparing check strip yield against the pilot field yield. The Agflex service is only part of a grower's comprehensive crop management program, which also may include the purchase of state or federal crop insurance from a licensed and authorized insurance agent.

- **What is the deadline for applying for this program?**

Applications must be submitted by March 18, 2005. Fields will be selected and farmers will be notified by April 1, 2005. The program will run through the fall of 2005.

- **Who can I contact for more information or an application?**

Contact American Farmland Trust staff:

- Andy Andrews at (410) 827-4370 or aandrews@farmland.org.
- Brian Brandt at (614) 221-8610 x 201 or bbrandt@farmland.org.

You can also visit our web site at http://www.farmland.org/mid_atlantic/index.htm

Interested Farmers Encouraged to Attend Informational Session

American Farmland Trust will be holding an informational sessions for farmers, nutrient management advisors and other interested groups in the first week of March. This will be an opportunity to learn more about AFT, Agflex, and how the guaranty and conservation payments will be structured. The date and location are still being finalized so please contact us or visit our web site for updated information.

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Founded in 1980, AFT is a 501(c)(3) nonprofit dedicated to stopping the loss of productive farmland and promoting farming practices that keep the land healthy. Based in Washington, DC, AFT has field offices in key states where farmland is most at risk from development. Our staff of 60 provides technical assistance and outreach to farmers, land trusts and local governments.