## Senator Tuberville Mid-South Canola/Rapeseed Study Bill Fact Sheet

## **Purpose:**

This bill requests a study from the USDA Risk Management Agency (RMA) on the gap in crop insurance coverage for certain winter oilseed crops (canola and rapeseed) in double and rotational cropping policies. No cost is associated with this bill.

## **Background:**

As we have seen over the past couple of years, the diversification of our energy markets by adding new, cost-effective, and sustainable options is needed. To meet these new opportunities, the agriculture industry has the chance to continue not only feeding our world, but also fueling the next generation. For example, there is a growing demand for renewable diesel and Synthetic Aviation Fuel (SAF), that can be met with the increased production of crops oilseed crops like canola and rapeseed.

- <u>U.S. Energy Information Administration EIA Independent Statistics and Analysis</u>
- SAF Grand Challenge Roadmap
- Preview Aviation Biofuels (wsu.edu)

Renewable domestic diesel capacity is slated for aggressive growth with the potential to double by 2030. Additionally, the 106-billion-gallon global (21-billion-gallon domestic) commercial jet fuel market is projected to grow to over 230 billion gallons by 2050 (U.S. EIA 2020a). Cost-competitive, environmentally Synthetic Aviation Fuels (SAFs) are recognized as a critical part of decoupling carbon growth from market growth.

- Corteva Agriscience, Bunge and Chevron Announce Collaboration to Produce Winter Canola to Meet Growing Demand for Lower Carbon Renewable Fuels
- Bayer and Nestle to Collaborate on Developing Feedstocks for Renewable Fuels
- Bayer Crop Science expands efforts to shape regenerative agriculture
- <u>United Airlines announces sustainable aviation fu</u>el partnership (usatodav.com)

By growing winter crops and both double and rotational cropping, American farmers can earn more money during off seasons by providing feedstocks to this new market, while also securing benefits for their farms like reducing nutrient losses and improving soil quality.

## **Issue:**

For farmers to take advantage of these exciting opportunities, they need the assurance that crop insurance, such as Catastrophic Risk Protection, Yield Protection, Revenue Protection, or Revenue Protection with Harvest Price Exclusion, will be eligible in their counties for these crops and practices.

- RMA Fact Sheet on Canola/Rapeseed: Canola and Rapeseed | RMA (usda.gov)
- **CFR Citation:** 7 CFR § 457.161 Canola and rapeseed crop insurance provisions. | Electronic Code of Federal Regulations (e-CFR) | US Law | LII / Legal Information Institute (cornell.edu)

To address crop insurance gaps that may exist, RMA and FCIC need analysis of winter oilseed crop and double-cropping production practices and opportunities.