Contract Grazing of Cover Crops

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Contract grazing cover crops can provide a win-win for row crop and livestock farmers.

Grazing cover crops provides economic and soil health benefits to row crop acres. However, not every crop farmer has livestock, and not every livestock farmer grows crops. With adequate planning, it is possible to develop an arrangement between the two farms, so that cover crops can be utilized to benefit both parties.

The duration, intensity and terms of grazing should be agreed upon by both parties prior to grazing. To avoid issues later down the road, such an arrangement should be documented as a written agreement. Farmers and graziers interested in developing such a contract are encouraged to seek legal advice from a licensed attorney. For more information on lease agreements, use these resources:

Pasture Rental and Lease Agreements, Green Lands Blue Waters
Rental Agreements for Cover Crop Grazing, University of Nebraska-Lincoln
Lease Considerations for Grazing Cover Crops on Non-Owned Land, Practical Farmers of Iowa

Factors that must be considered before contract grazing:

**FENCE**
- Type of fencing, number of wires and wire configuration will be contingent upon class of livestock, the producers fencing skills and previous livestock exposure to the type of fencing used.
- When grazing cattle, fencing can be as simple as installing temporary single strand high-tensile electrified wire. When grazing sheep or goats, additional wires are necessary.
- Temporary fence can be highly effective and cost efficient, but livestock must be trained to obey it.
- Be cognizant of fence laws pertaining to your state and municipality.
- In most cases, livestock graziers are responsible for the cost and maintenance of fence on row crop land. Clarify fence ownership and maintenance in the written agreement.

**WATER**
- Mobile water troughs can be used; tanks can be moved with an ATV or sit on a wagon.
- If a mobile waterer is not an option, livestock can walk back to water when ground is frozen. During the fall or winter livestock can walk up to 1 mile to water.
- Hydrants with a continuous flow system can be used in freezing temperatures. Ensure overflow water flows away from livestock access to the tank.

**SOIL COMPACTION**
- Compaction is related to soil aggregate stability. Cover crops and grazing enhance soil microbial activity which aids in the development of soil aggregate structure.
• Cover crop roots help cushion the soil from livestock impact.
• Grazing can increase compaction near the soil surface, but actually relieves compaction deeper in the soil. This is due to the positive impact of cover crops and grazing on soil aggregate formation.
• Surface compaction does not significantly affect corn and soybean growth.
• Grazing cover crops has little to no impact on corn and soybean yields.
• Avoid excessive grazing during wet and muddy conditions. Plan to move livestock to a sacrifice pasture or lot during these periods.
• Use rotational or strip grazing to avoid creating compacted areas due to concentrated hoof traffic. Move water and supplemental feed sites on a regular basis.

FAIR PAYMENT
• Rates charged for contract grazing can vary; it’s up to the two parties to strike an agreeable arrangement.
• Commonly, the row crop farmer and the livestock grazier split the cost of cover crop seed and application fifty-fifty.
• If the row crop farmer pays cover crop costs, the grazier may need to pay a rental rate (per acre, month, day or head) to graze.
• If the livestock grazier pays cover crop costs, the grazier should be guaranteed access to the cover crops fields to graze or harvest. If grazing or harvesting cannot occur due to poor establishment or wet weather, the row crop farmer may repay a portion of the seeding cost or provide other goods or services (hay, hay storage, etc.).
• The integration of livestock on row crop fields brings value to the soil in many forms above and beyond manure deposition. These benefits may not be immediately apparent, but should be considered when determining monetary exchange.
• For graziers, determine forage availability, infrastructure requirements, labor needs, transportation expenses and rental rates to ensure the arrangement pencils out.

RESPONSIBILITIES AND CONSIDERATIONS
• Both parties must agree on a cover crop seed mix.
• Identify who is responsible for cover crop planting and termination.
• If termination or row crop planting is delayed due to grazing, identify who is responsible for potential yield loss paybacks.
• Identify who is responsible for the daily care and management of the livestock, including fence and water.
• Identify who is responsible for the mechanical harvest of cover crops in the case no grazing occurs.
• Ensure the cover crop and grazing plan complies with crop insurance requirements.
• Consider grazing restrictions when selecting corn and soybean herbicides.
• Discuss liability insurance carried by both parties before grazing on row crop fields.

Credit:
Green Lands Blue Waters, Midwest Perennial Forage Working Group members:
Kent Solberg, Livestock and Grazing Specialist, Sustainable Farming Association
Joe Sellers, Extension Beef Specialist, Iowa State University

Resources:
• Green Lands Blue Waters
  www.greenlandsbluewaters.net/Perennial_Forage/contract.html
• Iowa Learning Farms
  www.iowalearningfarms.org/content/cover-crop-resources
• Practical Farmers of Iowa
  www.practicalfarmers.org/farmer-knowledge/research-reports/2013/lease-considerations-for-grazing-cover-crops-on-non-owned-land/
• University of Nebraska
  www.agecon.unl.edu/cornhusker-economics/2015/rental-agreements-cover-crop-grazing