

Scaling the Kentucky Climate-Smart Cereal Rye Initiative: Expectations for 2024-2025 Season

The goals of the Scaling the Kentucky Climate-Smart Cereal Rye Cover Crop Initiative project are three-fold, as follows:

Goal 1: Increase cereal rye cover crop adoption in Kentucky by 3,000 acres and 40 producers, including 8 Historically Underserved (HU) producers, by reducing social barriers and taking advantage of soil health and economic benefits from adopting new and innovative cover cropping strategies within corn and soybean cash crop rotations.

Goal 2: Evaluate cereal rye market opportunities and efficiencies, quality concerns, and end-user motivations for purchasing climate smart cereal grains. The project will enhance cereal rye market opportunities via outreach to potential buyers in Kentucky interested in sourcing rye from local farmers in lieu of imported rye.

Goal 3: Adapt existing cost-share program pricing structures to an incentive structure that adequately compensates producers to levels that increase rye production in Kentucky. This structure will create programmatic financial sustainability and remove perpetual reliance on outside cost-share and grant funding to continue practice implementation, and transfer to a market inset incentive model where end-users pay producers a bushel market premium to purchase their climate smart cereal rye cover crops.

Through funding from the Kentucky Agricultural Development Board (KADB) and USDA-NRCS, the following is expected to occur:

1. Participating farmers will receive \$550 per acre from the Climate-Smart Rye Initiative for a maximum of \$13,750. This \$13,750 is essentially purchasing the rye grain from the farm and assuming that yields are near 70 bushels per acre and price is about \$7.00 per bushel. The \$13,750 will be paid to each participant after the following conditions are met and information is provided to AFT.
2. AFT will provide technical assistance to farmers, visit field sites (once annually and on request), and provide current management guidelines.
3. The participating farmer will:
 - a. Grow a maximum of 25 acres for the project. End rows are not included in the 25 acres. (We want to gain an understanding of yield and not confound it with edge of field traffic, etc.)
 - b. Send a map of the field to American Farmland Trust
 - c. Follow, as much as possible, crop management guidelines provided by AFT based on management of small grains sourced from the University of Kentucky and the previous season(s) of the commercial rye initiative in Kentucky.
 - d. Document any deviations from crop management guidelines provided by AFT.
 - e. Report yields and management practices to AFT, striving to provide updates as the management occurs.
 - f. Submit and pay for a distillery grain sample (approximately \$100) that will be included in the report.
 - g. Discuss field operations with AFT representative and help those representatives visit the project field(s) throughout the season.
 - h. After harvest and all requested production information and grain quality samples are reported to AFT, the farmer will receive the project payment. While the project has technically purchased the grain, we are asking each producer to sell it to a third party on its behalf. The checks for that grain, up to a maximum of \$550 per acre or \$13,750 total, will be paid to American Farmland Trust to help us invest in another round of the trials. Final price is based on market and will not exceed \$13,750 in total.
 - i. We anticipate having rye grown in organic systems and in conventional systems. One of the objectives of this effort is trying to identify the best methods by which to manage rye for grain within each system. This effort will not attempt to compare the two systems, trying to determine if one is better than the other. We ask all participants to simply work to manage the rye as best as they can within their system.
 - j. Each season, AFT will compile the management histories and yields.
 - k. Each season, we plan to have one meeting after harvest to discuss what worked for that season.