

Cover Crop Lease Insertion

Use this sample *Cover Crop Lease Insertion* to work with your farm operator and/or farm manager to incorporate cover crops into your lease.

The Owner and Operator agree to utilize a cover crop. Operator shall use best efforts to plant a cover crop by _____ (date) on _____ acres or _____ % of the leased acres. Specifics such as species composition, planting method, termination method and date will be determined by (Owner/Operator/Jointly), and/or with the input of a conservation professional, crop consultant, agronomist or other professional knowledgeable on local best practices for cover crops. [Optional: These methods shall be set forth in a written Cover Crop Plan.]

The cost to purchase seed, plant, manage and terminate cover crops is estimated at \$_____/acre. The parties may pursue cost-share from USDA, state government or other program to offset costs. Expenditures incurred by Operator related to the use of cover crops will be accommodated through:

_____ Compensate the Operator at \$_____/acre for the purchase of seed, planting, management and termination of cover crops. Payment from Owner shall be made within 120 days after cover crops are established.

_____ Reduce the per acre rental rate set forth above by \$_____/acre in year(s) _____ of the lease agreement to compensate for the cost of cover crop implementation. Final lease rental rate is \$_____/acre for the year(s) identified above.

_____ The Operator shall bear all costs.

Owner

Date

Operator

Date

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Lease Modification and Addendum Considerations

Modification of a lease to include cover crops may require terminating the existing lease and simultaneously proposing the new lease form. The following provides a snapshot of requirements to terminate agricultural leases in Illinois, Indiana and Iowa. Note that, even if a lease has already been signed, the parties could still decide to incorporate the cover crop provision by an addendum. The information is not intended to constitute legal advice, and each landowner and producer is encouraged to obtain advice of counsel regarding operation of farm leases.

State	Code Provision	Termination Notice Deadline	Application	Statutory Language for Notice
Illinois	735 ILCS 5/9-206	Four months before end date; for leases from March 1 to Feb. 28, notice deadline is Oct. 31.	Applies to year-to-year leases; if there is a written lease with a fixed end date no notice of termination required.	"You are hereby notified that I have elected to terminate your lease of the farm premises now occupied by you, being [describe land] and you are hereby further notified to quit and deliver up possession of the same to me at the end of the lease year, the last day of such year being [date]."
Indiana	Indiana Code 32-31-1-3	Three months before end date; for leases ending Feb. 28, notice deadline is Nov. 30.	Applies to year-to-year leases; if there is a written lease with a fixed end date no notice of termination required.	"You are notified to vacate at the expiration of the current year of tenancy the following property: [insert description]."
Iowa	Iowa Code 562.6	Sept. 1 notice (uniform date for all leases); effective March 1.	Applies to both oral and written leases, including written leases with a fixed end date; must execute a separate written document to terminate a lease.	No set statutory language.

The Nature Conservancy 

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