

August 11, 2008

The Honorable Ed Schafer, Secretary  
United States Department of Agriculture  
14<sup>th</sup> and Independence Ave SW  
Washington, DC 20250

Dear Secretary Schafer,

We, the undersigned organizations, are writing with respect to the U.S. Department of Agriculture's implementation of the Food, Conservation and Energy Act of 2008 Conservation Title as it relates to organic agriculture. In enacting FCEA, Congress recognized the conservation benefits of organic agriculture. The new law has substantial provisions to foster increased adoption of organic systems by improving organic farmers' access to USDA conservation programs. These provisions are intended to capture the critical conservation and environmental gains achievable through organic farming and ranching. The changes enacted by FCEA represent a watershed point with regard to the integration of organic agriculture into Natural Resources Conservation Service (NRCS) programming, and will require the development of new capacities and expertise within the agency.

Appreciating the magnitude of work that lies ahead in implementing the 2008 Farm Bill provisions, we have compiled background information and recommendations that we hope can guide and facilitate the agency's work as it moves forward. As NRCS moves further into the implementation process we would be happy to answer any questions about the attached information and provide any additional information that may be useful to you and your staff.

Thank you in advance for your careful consideration of our recommendations.

Sincerely,

Appalachian Sustainable Development  
Center for Rural Affairs  
Illinois Stewardship Alliance  
Maine Organic Farmers and Gardeners Association  
Midwest Organic and Sustainable Education Service  
National Center for Appropriate Technology  
National Organic Coalition  
Northeast Organic Dairy Producers Alliance  
Oregon Tilth  
Organic Farming Research Foundation  
Organic Trade Association  
Organic Valley  
Southern Sustainable Agriculture Working Group  
Sustainable Agriculture Coalition  
Union of Concerned Scientists  
Virginia Association for Biological Farming

Wild Farm Alliance

Cc:

Deputy Secretary Chuck Conner  
Chief of Staff Dale Moore  
Deputy Chief of Staff Dave Johnson  
Deputy Chief of Staff Beth Johnson

OBPA Director Scott Steele  
FAFAS Deputy Under Secretary Floyd Gaibler  
OCR Deputy Assistant Secretary Lowell Randel

NRE Under Secretary Mark Rey  
NRE Deputy Under Secretary Gary Mast  
NRCS Chief Arlen Lancaster  
Chief of Staff Daniel Whiting  
NRCS Acting National Farm Bill Coordinator Doug Lawrence  
NRCS Deputy Chief/Programs Tom Christensen  
NRCS EQIP Specialist Edward Brzostek  
NRCS Agricultural Management Assistance Program/SWCA Manager Dave Mason  
NRCS Assistant State Conservationist – Programs Bill O'Donnell

## Considerations and Recommendations for Conservation Program Rulemaking and Implementation as it Relates to Organic Agriculture

### Technical Assistance – Essential Core of the Agency’s Organic Strategy

*Advance Conservation Goals via Organic Agriculture.* Recognizing the excellent fit between organic agriculture and NRCS’ mission goals of high quality productive soils, clean and abundant water, healthy plant and animal communities, clean air, an adequate energy supply, and working farms and ranchlands, the new Farm Bill language directs the agency to “*fully incorporate...organic crop production...into the conservation practice standards and provide for the appropriate range of conservation practices and resource mitigation measures available to producers involved with organic...agriculture,*” while at the same time ensuring that “*adequate technical assistance is available for the implementation of conservation practices by producers involved with organic...through the Federal conservation programs.*”<sup>1</sup> In other words, Congress is directing the agency to actively promote organic agriculture as a means to conservation and environmental enhancement.

Organic systems have been shown to support soil quality and retention, water quality and conservation, biodiversity, and animal health, among other benefits.<sup>2</sup> In fact, organic producers, as a requirement for organic certification under the National Organic Program Final Rule, must integrate a number of conservation practices. Individually, many of these practices overlap with current NRCS conservation practice standards. To illustrate this point, we have appended a chart prepared by the National Center for Appropriate Technology and the University of Minnesota highlighting the correlation between conservation requirements under the organic rule and existing NRCS conservation practice standards.<sup>3</sup> From the chart, it should be apparent that numerous organic practices align with those supported by NRCS, and when taken together as a production system consisting of all of these practices, organic production is a model Resource Management System using a comprehensive conservation systems approach.

Technical assistance lies at the very heart of NRCS’ mission and is critical to the successful delivery of conservation financial assistance programs. With its knowledge and management-intensive, systems-based production model, maximizing the conservation benefits of organic agriculture through conservation programming will hinge on NRCS’ ability to provide comprehensive technical assistance. Without providing for robust organic technical assistance, financial assistance expenditures will be far less effective. The new farm bill provides a two-part definition for technical assistance that includes both technical services and technical infrastructure.<sup>4</sup> We urge you to begin a deliberative process, in consultation with organic stakeholders, to comprehensively develop both the services and infrastructure components of a new, forward-looking organic technical assistance and outreach regime at NRCS.

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<sup>1</sup> SEC. 1242(i) (as added by SEC. 2706)

<sup>2</sup> See Appendix I “Organic Bibliography with Annotations,” for a compilation of annotated research studies detailing the research supporting this statement.

<sup>3</sup> See Appendix II “Correlation Chart for NRCS Conservation Practices and NOP Regulations.”

<sup>4</sup> SEC. 2001(f)

***Increase NRCS Capacity to Support and Promote Organic Agriculture.*** Although organic farmers have been eligible to participate in the Conservation Security Program (now the Conservation Stewardship Program), the Environmental Quality Incentives Program, and other federal conservation programs for years, organic farmer participation in these programs has lagged. Prompted by the passage of the 2002 Farm Bill, NRCS took a step to address this by creating website accessible documents detailing “What Organic Growers Need to Know About NRCS” and “What Conservationists Need to Know About Organic Growers.” Relative to efforts made beforehand, this was an important first step. In comparison to the wholesale shift in NRCS’ approach required by the directives of the 2008 Farm Bill, however, far more will be needed to fully incorporate organic agriculture into the conservation programs.

The most significant changes will need to be made in the delivery of technical assistance. As recognized in the “What Conservationists Need to Know About Organic Growers” document on the NRCS website: “*national standards provide only limited TA for organic growers*” and “*extra outreach may be required for organic growers who may not be accustomed to working with federal programs.*” To fulfill the 2008 Farm Bill directives aimed at addressing these observations, NRCS should take a coordinated approach that includes contracting with NGOs, certifiers, and others who currently have the appropriate expertise to provide the necessary outreach and assistance in the near-term, while working to build capacity within the agency to deliver adequate technical assistance over the long-term. To facilitate contracting with other parties in the near term, we have appended a provisional sampling of individuals and organizations that can provide organic technical assistance.<sup>5</sup> (Note: We will provide a more comprehensive list in the near future).

In terms of building in-house capacity for technical assistance we recommend a number of strategies for the agency to undertake. Many of the same individuals and organizations that we listed as proficient providers of organic technical assistance to producers also can help to inform NRCS staff regarding organic practices and the needs of organic producers. In fact, some states with existing EQIP organic conversion programs have already sent their staff to trainings held by organizations on the list. Encouraging participation of individuals from these organizations and other organic stakeholders on the State Technical Committees and Local Working Groups would also help bolster technical expertise among NRCS staff at the state and local levels.

In addition, federal government agencies including the Agricultural Marketing Service (AMS), Agricultural Research Service (ARS), Cooperative State Research, Education, and Extension Service (CSREES), and Economic Research Service (ERS) have significant programming in organic agriculture nationwide and would be another resource for NRCS staff to turn to, to build their knowledge of organic agriculture. These same agencies could also help develop and/or refine NRCS operations and technology, such as the RUSLE2 tool or the Soil Conditioning Index, to meet the needs of organic producers, and create or refine answers to questions regarding organic systems.

One particular inter-agency relationship that we highly encourage NRCS to build is with CSREES. The Integrated Organic Program under CSREES’ umbrella is the main federal organic

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<sup>5</sup> See Appendix III “Provisional Sampling of Individuals and Organizations with Organic Technical Assistance Expertise.”

research program which consists of two programs, the Organic Agriculture Research and Extension Initiative and the Organic Transitions Research Program, which fund research to help improve existing organic systems and facilitate transitioning to organic production, respectively. In addition to the general applicability of the organic research funded by the programs, a new purpose was added to the Organic Agriculture Research and Extension Initiative in the 2008 Farm Bill to specifically examine “*optimal conservation and environmental outcomes relating to organically produced agricultural products.*” This new research purpose represents a significant opportunity for NRCS to engage with CSREES to build a research agenda that fosters the knowledge base necessary for NRCS to maximize the conservation outcomes of organic systems. We strongly encourage state and local NRCS offices to develop partnerships with ARS, Land Grant Universities, State Departments of Agriculture, and growers’ organizations in their area to identify scientific and educational opportunities related to organic conservation systems.

Finally, in addition to increasing the capacity of existing staff through trainings and inter-agency collaboration, we strongly urge hiring an organic expert in each state who can serve as the state organic technician or organic specialist. This model of technical assistance delivery has already proven successful in states where no-till specialists have been hired by NRCS. Organic farmers, with their site-specific needs and knowledge-based management systems, would greatly benefit from having a local person they could turn to for assistance in maximizing the conservation benefits of their systems. Having someone in each state would also help in facilitating “*...innovative approaches to engage local resources in providing technical assistance for planning and implementation of conservation practices,*” as required in the Farm Bill.<sup>6</sup> Furthermore, such a position could be the linchpin of research and education partnerships mentioned above.

### **EQIP and Organic Conversion**

***Support Transition to Organic Production.*** Prior to the 2008 Farm Bill, several states took it upon themselves to offer assistance for transition to organic production through their respective state EQIP programs. The Northeast states also provided such assistance under the Agricultural Management Assistance program as well as EQIP. Congress, recognizing the wisdom of this activity, has now authorized organic assistance, including organic conversion assistance, under EQIP at the national level.

***Ensuring Nationwide Access.*** Organic farmers have been eligible for EQIP funding for years, but have faced significant barriers to accessing the program, including the absence of an organic practice standard in many states and ranking criteria and funding set-asides that favor conventional agriculture. With the 2008 Farm Bill adding “conservation practices related to organic production” in the purposes section of EQIP and calling for the full integration of organic systems into the conservation practice standards we are confident that NRCS will work to correct these problems for organic farmers looking to access the general EQIP program, while at the same time ensuring that these problems are avoided from the outset for farmers looking to access the new transition to organic production provision.

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<sup>6</sup> SEC. 1242(i)(2)(B)(ii) (as added by SEC. 2706)

To avoid problems with farmers accessing the transition to organic production option at the outset, USDA must ensure nationwide access. No longer should those farmers looking to transition to organic production, anywhere, be told that EQIP does not pertain to them or be told that their state or county does not have the relevant conservation practice standard or activity for organic conversion. As a first step, the agency should ensure that all counties and all states offer an organic conversion practice or suite of practices. As a second step, NRCS needs to create a nationwide set-aside, (or a similar mechanism that would achieve the goals of a nationwide set-aside), to ensure that the program is offered in every state, and that producers looking to transition to organic production in every county of every state, would have the ability to compete for a substantial separate pool of funding, increasing the likelihood that they would be able to access funding. If the agency were to go ahead with the existing nationwide set-aside mechanism, we propose the following guidelines:

First, with the organic share of the domestic food retail market approaching 5%, it seems that an initial set aside that reflects this share would be a reasonable to get the program off the ground. This figure would include money to provide both financial assistance and technical assistance. The national set-aside money should be allocated to each state based on a formula that takes into consideration the ratio of existing organic acreage to conventional acreage in the state and the rate of increase in organic acreage in the state in the last five years

Second, the national allocation to each state should be treated as a minimum, and should not preclude states from setting aside additional money from their state EQIP budgets for the program. To encourage states to set-aside additional funds for the transition to organic production, an allowance to re-pool any unused funding for general use should be included. The timing for this re-pooling option should come after the main EQIP ranking process and contract signing which usually takes place in January or February and allow for sufficient time for transitional producers to access the funding.

***Ensure Adequate and Appropriate Technical Assistance.*** We recommended above that money for technical assistance be included in the initial set-aside because technical assistance is absolutely critical to the success of the transition to organic production program. Transitioning to a whole new production system can be a daunting task and time and time again it has been shown that those who have proper technical assistance during the process are the most successful. The success of the new program in the producer's mind and the taxpayer's mind ultimately rests upon the technical assistance that is provided.

Many of the same suggestions made earlier in the general provisions section of this document will help NRCS meet the demand for technical assistance. States with EQIP conversion programs have built up their own capacity to provide assistance by using their training budgets to send staff to organic trainings. At the same time, many states have contracted with third-party providers such as NGO's, universities, and state departments of agriculture with expertise in organic agriculture to deliver needed technical assistance. In many cases, the success of the program can be attributed to the third-party provider.

In addition to the need for technical assistance that reflects expertise and understanding of organic systems, transitional producers have unique technical assistance needs that are critical to

their success. When transitioning to organic production, not only must producers change their farming and conservation practices, but they must also change their marketing practices and business planning to access new markets to sell their goods. Without technical assistance that addresses these aspects of transition to organic production, many farmers will not be able to sustain the economic viability of their farm and will have to forego the conservation benefits that transition to organic production represents. Although one of NRCS' six mission goals is supporting "working farms and ranchlands," we do not expect NRCS to develop this particular expertise, but do expect that NRCS will contract with qualified third-party providers to provide this crucial aspect of technical assistance.

Recognizing the magnitude of management-intensive changes that a producer must undertake to convert to organic production, the Managers included language in their report encouraging the Secretary "to provide levels of technical and education assistance for organic conversion commensurate to the need."<sup>7</sup> As illustrated above, there are technical assistance needs above and beyond just conservation practice technical assistance that need to be met to ensure a successful transition, without which, would jeopardize the success of the producer and achieving the conservation benefits of a successful organic system. In addition, the conservation practice technical assistance that is provided will need to be tailored to the systems-based approach of organic production and also need to be proportionate to the knowledge-intensive nature of organic production. As a result, in many instances, the technical assistance amount for organic conversion may be twice the level of ordinary EQIP. NRCS must take these considerations into account when determining payment rates for technical assistance.

***Appropriate Practice Standards.*** To allow for transition to organic production payments to be made in every state, we strongly urge NRCS to consider a conservation practice standard at the national level that authorizes transition to organic production payments. To inform this process, we encourage NRCS to look to how states with organic conversion programs have approached the practice standard.

States with EQIP conversion programs have taken two main approaches to creating practice standards that serve as the basis for granting transition to organic production payments.<sup>8</sup> The first method, mainly used in the Midwest, offers increased payments through the use of interim conservation practice standards that built off of existing practice standards, with the most common being interim versions of CPS 327 or 328, Conservation Cover and Conservation Crop Rotation, and CPS 528A, Prescribed Grazing. The second method, mainly seen in the Northeast, uses a separate "transition to organic production" practice, CPS 789, which more comprehensively captures the practices involved in transition to organic production.

We are aware that the agency has been petitioned by the Northeastern States (MA, ME, NH, RI, and VT) to adopt the 789 standard nationally, and would fully support the agency doing so.<sup>9</sup> But recognizing that both approaches have been successful on the state level, we would also support

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<sup>7</sup> Joint Explanatory Statement of the Committee of Conference, pg. 49.

<sup>8</sup> See Appendix IV "Summary of State EQIP Organic Conversion Practices."

<sup>9</sup> "Transition to Organic Production (789) Conservation Practice Standard Northeastern States (MA, ME, NH, RI, and VT) Final Technical Evaluation Report 2008."

the agency's adoption of the first approach, if it would ensure expedient implementation of the program.

Whichever approach or combination of approaches is ultimately taken, the agency should ensure that the payment structure under the standard is competitive enough to attract producers to the option. Once there has been some experience with the program at the national level, the agency should re-evaluate the practice standard and its accompanying payment structure to make sure it is meeting programming needs.

***Coordinate with Existing Organic Institutions.*** Being that organic production has its own separate regulations and associated institutions, NRCS should establish systems that minimize the burdens placed on producers also complying with organic regulations. One way to do this would be to streamline the application process for EQIP transition assistance and National Organic Program organic certification by using the organic system plan as the basis for the application process. With a 2008 Farm Bill requirement for NRCS to engage in a similar streamlining of applications between the Conservation Stewardship Program and the National Organic Program,<sup>10</sup> NRCS should be able to use the experience it gains to inform a similar and simultaneous effort with regard to EQIP.

Similarly, with NRCS transition to organic production assistance predicated on the fact that producers in the program are adhering to the organic regulations, NRCS will need to establish a means to verify that producers are meeting the requirements of the organic system plan and are on track to achieve certification. To do so, we encourage NRCS to use the existing network of USDA-accredited organic certifying agents.

Organic certifiers typically audit/certify producers for organic compliance only when they have completed the 3-yr. transition period, but states with EQIP conversion programs have set up mechanisms to audit producer compliance for each year of the transition period to ensure wise use of tax dollars. In Vermont, a producer must receive a letter from a certifier documenting the producer's intention to transition to organic production to receive assistance in the first year. To continue receiving assistance for the second year, the producer signs a Self-Certification Form<sup>11</sup> created by VT NRCS indicating that they are continuing to transition their land. By the third year a producer must provide a document from the certifier saying that parts of the operation have been certified – hay is usually first in most operations. In Minnesota, to receive assistance, a producer is required to hire and annually receive documentation (either a certificate or verification letter) from an USDA accredited certification agent stating that the USDA organic rules are being followed. Whether the national level uses these state models or creates a different national scheme that includes certifiers, paying certifiers directly to cover the transitional certification costs or covering the producers' costs of hiring a certifier, should be budgeted for.

### **Conservation Stewardship Program**

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<sup>10</sup> SEC. 1238F(h) (as added by SEC. 2301)

<sup>11</sup> Part 407 Documentation, Certification, and Spot Checking: Subpart B – Documentation and Certification  
[http://www.vt.nrcs.usda.gov/technical/Organic\\_Farming/450\\_GM\\_VT407-10.pdf](http://www.vt.nrcs.usda.gov/technical/Organic_Farming/450_GM_VT407-10.pdf).

Despite USDA's promise in the 2004 Interim Final Rule for CSP that NRCS would be "generating a crosswalk between the regulatory NOP [National Organic Program] practices and NRCS Field Office Technical Guide practices to assure that certified growers get full credit for their NOP compliance" and that the CSP rule will include "a clear mechanism for coordinating participation in the NOP and the CSP," this commitment, much to our disappointment, has yet to be fulfilled.<sup>12</sup> We are pleased that Congress has now taken the appropriate step of mandating USDA coordination through the inclusion of an organic crosswalk provision in the 2008 Farm Bill.<sup>13</sup> We urge you to fulfill this mandate by immediately beginning an interagency process as well as a stakeholder process to ensure that all the appropriate guidance documents and outreach materials are in place for the 2009 sign-up and that organic producers, organic certification agents, organic farming associations, organic researchers and Extension specialists, and of course NRCS staff have been brought into the process. These same stakeholders should be engaged in ensuring that the program specifications are appropriate for organic producers.<sup>14</sup>

To further ensure participation of organic producers in CSP, Congress took the additional step of requiring that there is special outreach and technical assistance to specialty crop producers and to all types of organic producers.<sup>15</sup> We hope that over time the Department in general, including NRCS, will have added the expertise required to adequately fulfill this directive, but in the meantime, we urge you act quickly to develop cooperative agreements with NGOs, certifiers, and others with appropriate expertise to provide the necessary outreach and assistance.

### **Cooperative Conservation Partnerships Initiative**

We believe the inclusion of organic agriculture in the sole CCPI example that the Managers included in the Joint Statement of the Managers should serve as a strong indication to NRCS that organic agriculture should be an important focus in CCPI projects. We urge the agency to actively support projects aimed at leveraging the conservation outcomes of organic agriculture and enhancing the conservation outcomes of organic systems.

*The Managers include the following as an example of a CCPI partnership: A cannery has closed and near-by orchards are going out of business. A local watershed council pulls together several partners such as a State university, a wildlife organization, and an organic growers' cooperative. They agree to work together to improve water quality and wildlife habitat while working with interested local producers to transition their orchards to organic grass-based cattle operations. The watershed council files an application with the Department proposing to conduct local producer outreach; provide training on transitioning to a new agricultural sector, including organic certification and cattle management workshops; assist with tree removal; and assist in implementing habitat diversity practices with workshops, labor, and seed. The council asks for designation of \$10,000,000 in EQIP and \$250,000 in WHIP.<sup>16</sup>*

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<sup>12</sup> 69 Fed Reg at 34,508

<sup>13</sup> SEC. 1238F(h) (as added by SEC. 2301)

<sup>14</sup> SEC. 1238G(c) (as added by SEC. 2301)

<sup>15</sup> SEC. 1238G(c) (as added by SEC. 2301)

<sup>16</sup> Joint Explanatory Statement of the Committee of Conference, pg. 63.

## **Conservation Reserve Program**

Although Farm Service Agency has the lead role in implementing the Conservation Reserve Program, an important role exists for NRCS regarding implementation of the new option created by Congress in the 2008 Farm Bill that allows Beginning Farmers or Ranchers and Socially Disadvantaged Farmers who will be the transferees of CRP land to begin the organic certification process up to one year before the existing contract expires.<sup>17</sup> Producers who choose this option will need the technical assistance and financial assistance that NRCS can provide through CSP and the EQIP organic conversion option to ensure that the conservation benefits are maximized and continued. We therefore encourage NRCS to work with FSA to ensure that these producers are connected to the conservation programs that provide the necessary assistance. The new CRP option, when coupled with the technical and financial assistance available under CSP and the EQIP transition to organic production authorization, represents a seamless way to increase the use of organic production systems by a new generation of farmers and harness the associated environmental benefits for a long time to come.

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<sup>17</sup> SEC. 2111(b)