



# ORGANIC FARMING RESEARCH FOUNDATION

## Organic Provisions in the 2008 Farm Bill

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After over a year of continuous work by OFRF and our allies, the 2008 Farm Bill holds a number of significant provisions to advance organic farming and the supply of organic foods. While we are still preparing a complete technical digest of all the provisions that relate to organic agriculture, here is a brief summary of the major provisions related to organic foods and farming:

●Organic Research and Extension. \$78 Million in mandatory funding is allocated to the Organic Agriculture Research and Extension Initiative (OREI), USDA's main competitive grants program for organic studies. This funding is spread out over four years, (\$18 million a year in FY 09 and \$20 million a year for each of fiscal years 2010-2012), and represents a five-fold increase over the 2002 bill. There is also authority for additional appropriations of up to \$25 Million per year. This program was OFRF's top priority in the bill. The bill also adds two new purposes to the program: seed breeding for organic systems, and study of the conservation outcomes of organic practices.

●Organic Market Data Collection. \$5 Million in first-time mandatory funding over the life of the bill is provided for collection and analysis of economic information for organic agriculture. Authority is given for additional appropriations up to \$5 Million per year. The 2002 provision for organic data collection had no mandatory funding at all.

●Certification Cost-Share. Reimbursements for the cost of organic certification for organic producers and handlers are renewed and funding over the life of the bill is increased to \$22 Million (up from \$5 Million in the 2002 law). A maximum of \$750 per year (increased from \$500) is available to any certified producer or handler, to reimburse up to 75% of annual certification costs. This provision is important for many smaller organic farms and processors.

●Crop Insurance Fairness. The final bill requires USDA to develop improvements in crop insurance policies for organic producers. Although the 5% premium surcharge for organic farmers will not immediately be removed, the review of the necessity of the surcharge that is required to be conducted in the provision will likely result in a reduction or elimination of the surcharge. In addition, the provision changes the practice of paying organic farmers at the conventional rather than the organic rate should they experience a crop loss by requiring the development and implementation of options for organic payouts, with the goal of offering the payout for all organic crops within five years as sufficient data becomes available.

●Organic Conversion Assistance. A new provision to support the transition to organic production is included as part of the Environmental Quality Incentives Program (EQIP).

Support payments may be up to \$20,000 per year, but no more than \$80,000 over six years, excluding any money given for technical assistance. Support is also available for technical assistance in making the transition, within the general technical assistance system of the USDA's conservation programs.

- Conservation Stewardship Program. Formerly the Conservation Security Program, CSP receives a large increase in mandatory funding, making it a truly national program to reward stewardship performance. The new bill includes a provision streamlining coordination between CSP and the National Organic Program. This “cross-walk” provision is intended to make it much easier and simpler for organic producers to qualify for CSP and be rewarded for the conservation benefits of their organic system.

- National Organic Program funding. The final bill provides new appropriations authority for the USDA National Organic Program (NOP), which regulates organic standards and certification. Under-funding of this program has been a severe problem as the organic sector has grown so rapidly in recent years. The bill urges the administration and Congressional appropriators to increase NOP funding to \$5 Million now (currently at \$3.1 Million), rising to \$11 Million by 2012.

- “Pesticide Non-discrimination.” The final version of the bill removes an amendment from the House bill that would have prevented USDA from “discriminating” against any specific pesticides in providing conservation program benefits to farmers. We were concerned that this provision would have hampered USDA from supporting organic transition and other pesticide reduction strategies. The legal language was removed, marking an important win for the organic and environmental communities. The non-binding, narrative staff report that accompanies the bill still contains similar language, but this is of much less consequence.

- Conservation loans. USDA's loan program for the costs of some conservation improvements will now include a priority for farmers converting to organic conservation systems.

- Conservation Reserve Program. If a retiring owner with land enrolled in this program transfers it to a beginning, socially disadvantaged, or limited resource farmer, the new bill allows for the farmer to whom the land is being transferred to begin the organic certification process up to one year before the CRP contract expires.

- Classical Breeding Research. Classical (or “conventional”, i.e., non-transgenic) plant and animal breeding is added as a purpose of the major USDA competitive research grants program (renamed as the “Agriculture and Food Research Initiative”).

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For more information, please visit [www.ofrf.org](http://www.ofrf.org) or contact Tracy Lerman, Policy Program Assistant, at (831) 426-6606 x 108 or [tracy@ofrf.org](mailto:tracy@ofrf.org).