



Organic Agriculture for Health and Prosperity

Opportunities to Invest in the Growing Organic Sector through the 2012 Farm Bill

Organic agriculture is one of the fastest growing sectors of agriculture, creating jobs in rural America and lucrative market opportunities for American family farmers. For 10 years, the industry grew at an average annual rate of 20 percent, and continued to experience positive growth during one of the worst economic downturns in the country's history. The organic farming sector is a \$29 billion industry in the U.S., served by over 14,500 organic family farmers.

Continued growth of organic agriculture requires continuing the modest but important investment in programs, reauthorized in the 2008 Farm Bill, that provide research and market information to farmers, help offset the costs of organic certification, enforce the organic standards, and work to provide fair access for organic producers to existing programs.

ORGANIC AGRICULTURE RESEARCH AND EXTENSION INITIATIVE (OREI)

OREI is USDA's flagship competitive research and extension grants program dedicated to organic agriculture. Unique in its scope and function, OREI funds research and extension projects to help meet the production, marketing, and policy needs of the growing organic industry. This research helps farmers be successful and improve and increase production. The program is very competitive and each year funds only a small percentage of eligible proposals.

2012 Farm Bill: \$30 million annually in mandatory funding

ORGANIC DATA INITIATIVE (ODI)

A small but significant initiative, ODI is a multi-agency initiative that ensures that USDA collects organic statistics, conducts organic price reporting, and releases organic economic reports. The Economic Research Service, the National Agricultural Statistics Service, and the Agricultural Marketing Service all collaborate on this data collection initiative. Data collection that is on par with the services provided to conventional producers must exist for organic agriculture.

2012 Farm Bill: \$5 million in mandatory funding over the life of the farm bill

NATIONAL ORGANIC CERTIFICATION COST-SHARE PROGRAM (NOCCSP)

In order to be certified organic, farmers and handlers must meet strict organic standards. To prove that they are meeting the standards, producers and handlers must be inspected annually and conduct tests such as pesticide residue testing. These extra certification costs are prohibitive for small, mid-sized, and beginning farmers. This cost-share program helps certified organic farmers and handlers offset the costs of certification by providing a small reimbursement of currently no more than \$750 per year, capped at 75% of total certification costs.

2012 Farm Bill: \$30 million in mandatory funding over the life of the farm bill

NATIONAL ORGANIC PROGRAM (NOP)

NOP enforces the national organic program standards, accredits certifiers, develops equivalency agreements, handles complaints – in essence, NOP ensures the integrity of the organic seal. Funded through the annual agricultural appropriations process, NOP performs regulatory oversight of the organic label and ensures that consumers are getting what they pay for when they choose foods with the organic label. These are essential functions to the survival and growth of the organic sector.

2012 Farm Bill: Continue authorizations for the program that match the sector's regulatory and oversight needs.

IMPROVED ACCESS TO EXISTING PROGRAMS: CONSERVATION PROGRAMS

The 2008 Farm Bill recognized the importance of organic systems to achieving conservation goals, and also acknowledged the historic lack of participation by organic farmers in conservation programs due to lack of access. The bill included provisions in the Conservation Stewardship Program and the Environmental Quality Incentives Program (EQIP) to improve access to the programs for organic and transitioning farmers.

2012 Farm Bill: Improve and build upon these provisions to ensure that organic farmers and ranchers have access to programs that serve non-organic farmers.

ORGANIC CROP INSURANCE

USDA currently does not provide appropriate risk management tools for organic producers. The agency charges an unjustified surcharge to organic farmers, and does not pay organic farmers at the organic price after a loss for most commodities. The agency does not provide appropriate tools for diversified farmers.

2012 Farm Bill: Make the farm safety net work for organic farmers by:

- Eliminating the unjustified surcharge on organic producers;
- Mandating the creation of organic price elections; and
- Creating risk management tools for diversified farmers.