



## Implementing the 2008 Farm Bill Organic Provisions

On June 18<sup>th</sup>, 2008 Congress enacted the 2008 Farm Bill. The massive law covers everything in the agricultural policy arena and includes several important provisions concerning organic food and agriculture. These legislative victories must now be translated into action by U.S. Department of Agriculture (USDA) offices and Congressional funding appropriators. The Organic Farming Research Foundation (OFRF) and other organic advocates are actively engaged in this implementation process in order to ensure that the new policies benefit organic producers and handlers. These programs will have an impact on all links in the organic products value network. Below are brief summaries of the status of the Farm Bill's organic provisions.

### Agriculture Research and Education Programs

The **Organic Agriculture Research and Extension Initiative (OREI)**, which funds projects that enhance the ability of producers and processors to grow and market high quality organic agricultural products, was OFRF's top priority in the Farm Bill. OREI received a total of \$78 million in mandatory funding for the life of the Farm Bill, \$18 million of which is allocated for FY09. The Request for Applications (RFA) for OREI for 2009 was published on January 16<sup>th</sup>, 2009. Proposals were due on March 9<sup>th</sup>, 2009. To read the RFA, visit [www.csrees.usda.gov/fo/organicagricultureresearchandextensioninitiative.cfm](http://www.csrees.usda.gov/fo/organicagricultureresearchandextensioninitiative.cfm).

The **Beginning Farmer and Rancher Development Program** is a competitive grants program funding initiatives that provide local and regional training, education, outreach and technical assistance for beginning farmers, including mentoring, land link programs, financial planning classes, organic transition, credit management, conservation planning, etc. This program received its first mandatory funding of \$75 million in the 2008 Farm Bill. The RFA for the BFRDP will likely be out in the next few weeks.

The **Organic Data Initiative** received mandatory funding of \$5 million in the 2008 Farm Bill. Half of this funding will go to the Agriculture Marketing Service (AMS) for price collection. The remaining funds will be divided between the Economic Research Service (ERS) and the National Agricultural Statistics Survey (NASS). NASS is preparing a national survey of organic producers to follow up from the 2007 Census of Agriculture and ERS will continue their baseline data collection about organic producers and acreage. USDA recently issued a report to Congress called the "Status of Organic Production and Marketing Data Activities." This document provides brief summaries of projects that are gathering or analyzing social and economic data about the organic sector. Some of these activities are planned or underway

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OFAN is a project of the Organic Farming Research Foundation.

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with recent Farm Bill funding and others are ongoing efforts. The report also details how USDA has allocated the \$5 million provided by the Farm Bill for these organic data activities.

### **Organic Certification Cost-Share**

The **Organic Certification Cost Share Program** reimburses growers and handlers up to 75% of the costs of organic certification with a maximum payment of \$750. USDA has released funds to each state's department of agriculture, which are each responsible for distributing the money to qualifying producers and handlers. To receive reimbursement for certification costs, farmers and handlers should contact their state department of agriculture.

### **Organic Conversion and Conservation Programs**

The 2008 Farm Bill establishes a new policy specifically providing support for farmers converting land and livestock to organic status. Financial and technical support for organic conversion will now be part of the **Environmental Quality Incentives Program (EQIP)**, a USDA conservation program which supports improved environmental performance on farms and ranches. Financial support for organic conversion will provide up to \$20,000 per year with a limit of \$80,000 over six years. EQIP is managed by the USDA Natural Resources Conservation Service (NRCS).

In addition to the organic conversion support program within EQIP, other provisions of the Farm Bill now explicitly recognize organic agriculture as a conservation system. The bill requires USDA to make a "crosswalk" between NRCS and the National Organic Program that oversees organic certification and labeling. This provision is intended to reduce duplication between the paperwork for the various programs.

The USDA recently released an interim final rule that will govern the EQIP program. There is a public comment period for the EQIP rule that is open until March 16<sup>th</sup>, 2009. For information on the new EQIP rule and instructions on how to submit comments related to the organic provisions of the rule, visit the OFRF website: [www.ofrf.org](http://www.ofrf.org).

Producers who want to participate in EQIP must register with NRCS and fill out a preliminary application. Check with your local USDA Service Center to find out your state's deadline. To find your USDA Service Centers visit [offices.sc.egov.usda.gov/locator/app](http://offices.sc.egov.usda.gov/locator/app).

### **Crop Insurance Reform for Organic Farms**

The Farm Bill requires USDA's Risk Management Agency (RMA) to contract for studies that address the current inequities in premiums and payouts for organic producers, and provide options for creating a fairer structure. RMA has 180 days from the date of enactment of the Farm Bill to enter into a contract with an outside entity. They released their Request for Proposals in November 2008 and the deadline was in late December 2008. RMA is now in the process of determining who the outside contractor will be. OFRF will post updates on this process as they are relevant on our website and through the OFAN networks.

**Please contact Tracy Lerman if you have questions: [tracy@ofrf.org](mailto:tracy@ofrf.org) or (831) 426-6606 x 108.  
For more information about OFRF, visit [www.ofrf.org](http://www.ofrf.org).**

**The National Sustainable Agriculture Coalition's *Grassroots Guide to the Farm Bill* has a full update on all of the sustainable agriculture provisions in the 2008 Farm Bill. Read it at [www.sustainableagriculturecoalition.org](http://www.sustainableagriculturecoalition.org).**

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