



ORGANIC FARMING RESEARCH FOUNDATION

August 28, 2008

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The Honorable Ed Schafer, Secretary
United States Department of Agriculture
1400 Independence Ave, SW
Washington, DC 20250

Mr. James Nussle, Director
The Office of Management and Budget
725 17th St, NW
Washington, DC 20503

Dear Secretary Schafer and Director Nussle:

We are writing to protest the significant cut to the Organic Agriculture Research and Extension Initiative proposed in the Administration's Revised FY 2009 Budget Request transmitted to Congress on August 1, 2008. The proposed cut is at odds with both the Congressional intent in enacting the Food, Conservation, and Energy Act of 2008 and the National Agricultural Research, Extension, Education, and Economics Advisory Board (NAREEEAB) recommendations transmitted to the Secretary's Office and the Congressional Committees on Appropriations in March.¹ We urge you to not pursue this proposed cut any further.

EXECUTIVE
DIRECTOR

Bob Scowcroft

The Organic Agriculture Research and Extension Initiative, (OREI), USDA's flagship competitive grants program specifically dedicated to the investigation of organic agriculture, was one of only two programs that received mandatory funding in the Research Title of the 2008 Farm Bill. Congress provided a significant increase in mandatory funding for OREI beyond its current level of \$3 million/yr. to \$18 million in 2009, and \$20 million for each of FY's 2010-2012. In addition, Congress provided an annual authorization for appropriations for \$25 million above and beyond the mandatory funding levels. Clearly, Congress intends for this program to expand exponentially. Your request would stifle this deliberately planned growth.

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Organic product sales are rapidly approaching 4% of the domestic food retail market, yet USDA-REE expenditures directed explicitly to research and information programs for organic agriculture in FY 07 reached only slightly above 1% of total REE spending. This discrepancy in the share of research funding spent on organics is detrimental to an industry that relies intensively on management and information for its success. Congress took a significant step in the 2008 Farm Bill to begin to close this gap by providing a strong down payment towards achieving the fair share goal. In providing the significant increase in mandatory funding Congress chose \$18 million in 2009 as the baseline down payment figure to which further resources could be added through appropriations. While the

¹ "Report and Recommendations from a Focus Session on Organic Agriculture Conducted at the Advisory Board Meeting held in Washington, D.C. on October 29-31, 2007". National Agricultural Research, Extension, Education, and Economics Advisory Board. Transmitted to the Agriculture Secretary and Senate and House Committees on Agriculture, and Appropriations, March 5, 2008.

proposed cut would still be an increase for the OREI program, the remaining allocation would be far short of the threshold Congress determined was necessary to further realize the multiple benefits of improved organic production and marketing systems.

The increased investment in OREI was the centerpiece in Congress' overall effort to harness the multiple benefits of organic agriculture through the 2008 Farm Bill. Congress made increased investments in existing organic programs such as the National Organic Certification Cost Share Program and the Organic Production and Market Data Collection Initiative and also included a host of new efforts to integrate organic agriculture into the Federal Conservation programs. But the return on these investments requires that there be adequate investment in research and education to support successful organic systems. Congress even added a purpose to the OREI to spur research into "examining optimal conservation and environmental outcomes relating to organically produced agricultural products."² This provision will help to facilitate proper implementation and ensure maximum benefit of the new conservation provisions supporting organic agriculture³. Your proposal to slash funding from OREI would in effect undermine the policy goals Congress set out to achieve through the 2008 Farm Bill.

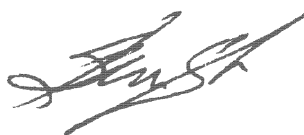
In addition, the proposed cut would undercut the recommendations that the National Agricultural Research, Extension, Education and Economics Advisory Board (NAREEEAB) transmitted to you on March 5, 2008. In its recommendations the Board wrote, "The Board commends the REE agencies for taking the initiative to address this [organic] emerging and increasingly important segment of the food supply chain and encourages further development of its programs relative to organic agriculture, as well as sustainable agriculture." Instead of using this license to capitalize on the new money provided by the 2008 Farm Bill to enhance and expand the efforts it has already made and fulfill the recommendations of the NAREEEAB, the agency is instead looking to hold back by offering a proposal to cut a significant part of the increase in funding for OREI. With organic agriculture as one of the fastest, if not the fastest growing segment of American agriculture, and in a realm where research investment is already lagging, the proposed reductions may be penny-wise but are certainly pound-foolish.

We are sympathetic to the data processing needs of the Department, but cutting funds for organic research and education is a short-sighted trade-off, and we ask that you drop this proposal.⁴

Sincerely,



Robert Scowcroft
Executive Director



Steve Ela, Board President
Ela Family Farms (Colorado)

cc:

House and Senate Committees on Agriculture
House and Senate Committees on Appropriations

² SEC. 7206(a)(1)(C)

³ SEC. 1242(i) (as added by SEC. 2706); [SEC. 1238F(h) and 1238G(c) (as added by SEC. 2301)]; SEC. 2111(b); SEC. 2501(a)(2); SEC. 1240B(i) (as added by SEC. 2503); SEC. 2707.

⁴ *Disclosure:* Organic Farming Research Foundation was a subcontractor for a grant awarded by the USDA-CSREES Integrated Organic Program. Grant # 2207-01384. "Midwest Organic Research Symposium."