

National Organic Coalition

www.NationalOrganicCoalition.org

Organic Scorecard on the 2018 Farm Bill

(Compares the House version of the Farm Bill, as passed by the full House on June 21, 2018, with the Senate version of the Farm Bill, as passed by the full Senate on June 28, 2018)

NOC Priority	House Farm Bill Grade	Senate Farm Bill Grade
Organic Research Investing in organic research is central to increasing domestic production of organic crops. Unfortunately, over the past five years, while overall funding for agricultural research has grown significantly, funding for organic research has stagnated. For example, the Organic Agriculture Research and Extension Initiative (OREI) has been funded at \$20 million annually since fiscal year 2010, while many production challenges of organic farmers go unaddressed. OREI funding should be increased to \$50 million annually to help meet these challenges.	B- The bill increases funding for OREI from \$20 million to \$30 million annually, and adds "soil health" as an additional priority for the program. Despite the meaningful increase in funding, the bill falls short of the goal of \$50 million in annual funding for OREI.	The bill gradually increases funding for OREI from current level of \$20 million annually to \$50 million annually by fiscal year 2022, and thereby achieves on-going baseline funding status that will make the program less vulnerable in future Farm Bills. Specifically, the bill provides \$40 million annually for FY 2019 and 2020, \$45 million for FY 2021, and \$50 million for FY 2022 and beyond. It also adds "soil health" as a priority.
Certification Cost Share Assistance One of the unique costs faced by organic farmers is the fee associated with the rigorous annual organic certification. Two federal programs, the National Organic Certification Cost Share Program (NOCCSP) and the Agricultural Management Assistance (AMA) program, provide organic farmers with modest organic certification cost-share assistance. These programs should be renewed with adequate mandatory funding to meet projected demand.	F The bill eliminates funding for the National Organic Certification Cost Share Program, as well as the cost-share funding provided in 16 states through the Agricultural Management Assistance (AMA) program.	A+ The bill provides full mandatory funding (\$11.5 million annually) for the National Organic Certification Cost Share Program. Also keeps the Agricultural Management Assistance (AMA) program intact.

Regionally Adapted Seeds and Breeds to Address Farmers' Needs

Farmers need seeds and animal breeds ideally suited to their local growing conditions, changing climates, and farming systems. Without these tools, farmers are handicapped, and their productivity is impacted. Congress, USDA, and public research universities must reinvest in public plant and animal breeding programs to provide farmers with regionally adapted seeds and breeds.

A provision should be added to the Farm Bill to require USDA to devote \$50 million annually to public plant and animal breeding programs focused on developing regionally adapted cultivars and animal breeds. The funding should come from existing USDA competitive grant research programs and a coordinator should be appointed to oversee these efforts, seek input from all USDA research subagencies and the affected public, and ensure a coordinated plan to meet the funding targets.

F

The bill does not include any provisions to reinvigorate public plant and animal breeding.

В

The bill includes helpful language to amend the statutory language governing the National Genetic Resources Advisory Committee (NGRAC) to require the advisory committee to do an assessment of needs related to public cultivar development, and to make recommendations to the Secretary regarding funding gaps. It also requires the Secretary to designate 4 seats on the NGRAC for members with public cultivar and animal breed development expertise.

While the bill gives NGRAC additional responsibilities with regard to public plant and animal breeding, it fails to require any USDA funding in this area or require any USDA coordination activities in this regard.

The bill also requires USDA to develop a national strategic germplasm and cultivar collection assessment and utilization plan to address the significant backlog of characterization and maintenance of existing accessions critical to preserve the viability of, and public access to, germplasm and cultivars.

Organic Import Oversight and Enforcement

All organic products entering the U.S. are required to meet U.S. organic standards for production and handling. However, mechanisms for ensuring compliance and inspection must be enhanced to ensure that all imported organic products are meeting U.S. standards. This is critical to ensure that consumer expectations are being met, and that U.S. organic producers are not disadvantaged by unfair competition from products that do not meet U.S. organic standards.

Α

The bill includes additional resources and authorities for organic import enforcement, including provisions to improve tracking of organic imports and ensure that imported products fully comply with U.S. organic standards. Includes \$5 million in mandatory funding for improving import data tracking systems.

A

The bill provides additional resources and authorities for organic import enforcement, including provisions to improve tracking of organic imports and ensure that imported products fully comply with U.S. organic standards. Includes \$5 million in one-time mandatory funding for improving import data tracking systems. Relative to the House bill, the Senate provision also includes more detailed language about circumstances that should trigger expedited investigations with regard to organic import fraud, and also lays out a clear plan for inter-agency coordination to ensure full collaboration between USDA and relevant border and customs agencies. Unlike the House bill, the Senate bill fails to give USDA's National Organic Program the authority to perform more frequent accreditation reviews of satellite offices of organic certifiers operating in countries with higher risk of fraudulent activity.

Protecting the Role and Structure of the National Organic Standards Board

The Organic Foods Production Act (OFPA) of 1990 established the National Organic Program to create consistent organic standards across the country. The law also created the National Organic Standards Board (NOSB) as a citizen advisory board with a carefully crafted authorities and structure to ensure that the full spectrum of organic stakeholders (farmers, handlers, certifiers, consumers, scientists, and environmental/conservationists) are represented. The statutory authority and structure of the NOSB is sound and should NOT be amended through the Farm Bill.

F

The bill includes statutory reforms to the NOSB that are unnecessary and weaken the authority of the NOSB. Reforms include:

- a provision to clarify that the farmer, handler and retail seats can be filled with employees;
- a provision creating an expedited process for reviewing materials petitions for inclusion of materials on the National List that are related to post-harvest handling and food safety;
- and a provision requiring the NOSB to establish a task force for the review of any petition regarding materials that have been approved by FDA or EPA, to allow the agency to consult with the Board about the material.

C-

The bill includes an unnecessary statutory change to the NOSB process for reviewing and approving materials for use in organic. As described by the Committee's own summary, the provision "Codifies the requirement for an amendment to the National List to be a decisive vote that requires 2/3 of the votes cast at a meeting of the National Organic Standards Board at which a quorum is present."

NOC continues to argue that the statutory authority and structure of the National Organic Standards Board (NOSB) as laid out by the Organic Foods Production Act (OFPA) is a delicate and appropriate balance. Any statutory changes to the NOSB are unnecessary and potentially undermine the integrity of organic.

Organic Data Initiative

Reliable data about production and sales trends are extremely important to the organic sector and policymakers alike. The Organic Data Initiative should be funded with \$5 million in one-time mandatory Farm Bill funding, with an authorization of \$5 million in additional funding through the annual appropriations process.

A

The bill includes \$5 million in onetime mandatory funding for the Organic Data Initiative, and authorizes additional \$5 million annually through the appropriations process.

A

The bill includes \$5 million in one-time mandatory funding for the Organic Data Initiative, and authorizes additional \$5 million annually through the appropriations process.

Conservation Program Reforms

Payment limits under the Environmental Quality Incentive Program's Organic Initiative (EQIP OI) should be equalized with the larger EQIP program, to improve access for organic farmers. Currently, the payment limit for the EQIP OI is \$80,000 over 6 years, whereas the limit in the general EQIP program pool is \$450,000 over 6 years. In addition, USDA conservation programs should provide technical assistance and mentorship for farmers transitioning to organic.

D-

Payment limit inequity under EQIP is not addressed in the bill. NOC strongly opposes the provision in the bill that repeals the Conservation Stewardship Program (CSP), which is a critically important program for organic farmers. A modest CRP provision in the bill could make it easier for landowners with CRP contracts to start the 3-year organic transition process prior to the expiration of their CRP contract to be eligible for certification when the contract expires.

B+

The bill creates a new allocation within CSP to allocate funds to each State to "support organic production and transition to organic."

During Committee mark-up, a Leahy-Casey amendment was added to increase the payment limit under the EQIP Organic Initiative (OI) to \$160,000 over the 5-years. While this stops short of full equity with the larger EQIP program, it makes significant progress from the current \$80,000 payment limit for EQIP OI.

The bill maintains level funding for conservation programs overall, but makes cuts to both the EQIP and CSP programs to fund other conservation programs.

Risk Management Program Reforms

Organic farmers should be able to insure their crops based on organic prices. While USDA's Risk Management Agency (RMA) has made progress, organic price elections are still not available for all organic crops. The Farm Bill should renew the requirement for price elections for all organic crops.

The bill should make changes to Whole Farm Revenue Insurance to improve implementation and effectiveness for diversified farming operations. This includes providing incentives to insurance agents to sell WFR policies, to compensate them for complexities.

Not Addressed

В

The bill fails to require RMA to complete the process of offering organic price elections for all organic crops. However, the bill does include helpful provisions to:

- clarify that sustainable and organic practices (as determined by Secretary) should be considered "good farming practices.";
- require continuing education for crop insurance agents to ensure they understand sustainable and organic farming practices; and
- require additional reimbursement incentives to insurance agents selling Whole Farm Revenue Insurance policies.

Miscellaneous	Section 5401 of the Senate-passed bill amends the Agricultural Credit Act of 1987 to clarify that State Mediation programs should include mediation on matters related to the National
	Organic Program.