

2018 Farm Bill Summary and Next Steps for Implementation

The Agriculture Improvement Act (2018 farm bill) signed into law in December 2018 includes policies that:

- 🔴 Promote a healthy organic marketplace
- 🔵 Ensure organic farmers continue to be successful
- 🟡 Expand organic production

OVERSIGHT AND ENFORCEMENT



The 2018 farm bill provides support and adequate funding for the **U.S. Department of Agriculture's National Organic Program (NOP)** to keep pace with industry growth, set uniform standards, and carry out compliance and enforcement actions in the U.S. and abroad.

- ✓ **Authorizes up to \$24 million per year in discretionary funding for the NOP by 2023**
- ✓ Includes \$5 million for the NOP to invest in **technology systems to modernize and improve international organic trade tracking** and prevent fraud
- ✓ **Requires electronic organic import certificates** to ensure full traceability without hindering trade, and establishes a USDA tracking system for these documents
- ✓ **Requires USDA to issue a final rule within a year requiring all entities currently excluded from certification in the global organic supply chain such as ports, brokers and importers to become certified**
- ✓ Grants the NOP and certifying agents authority to require increased documentation and verification from producers and handlers if there is a compliance risk
- ✓ Establishes an interagency working group between USDA and Customs and Border Protection to verify the authenticity of organic imports
- ✓ Requires USDA to report to Congress annually on compliance activities including all domestic and overseas investigations and actions taken as well as the implementation of the oversight and enforcement provisions in the act

Organic delivers
BIG RESULTS 
from small seeds 



Implementation Requests:

- » Ensure that USDA completes the **strengthening organic enforcement rulemaking** by December 2019
- » Ensure that USDA completes **annual reporting requirements to Congress** thoroughly and on-time
- » **Fully fund the NOP at the levels authorized by the farm bill** in annual appropriations legislation



RESEARCH

The 2018 farm bill includes robust and stable funding for federal research on organic production methods, development of new organic crop varieties and finding sustainable solutions to combat pests, weeds and disease pressure. This will ensure that organic farmers can continue to meet the unique challenges they face.

- ✓ Gradually increases mandatory funding for **USDA's Organic Agriculture Research and Extension Initiative (OREI)** from \$20 million to \$50 million per year by 2023 to achieve stable, baseline funding for the program

Implementation Requests:

- » Ensure that USDA releases and processes requests for applications (RFAs) in a timely fashion every year that prevents delays in funding important research projects
- » Work with organic industry stakeholders to make sure that high priority research needs for the sector are awarded funding



DATA COLLECTION

The 2018 farm bill fully funds **USDA's Organic Production Market and Data Initiatives (ODI)** program that collects information vital to maintaining stable markets, creating risk management tools, tracking production trends, and increasing exports.

- ✓ Provides mandatory funding of \$5 million for ODI and authorizes an additional \$5 million in discretionary funding through appropriations

Implementation Requests:

- » Ensure that organic producers continue to be included in the U.S. Census of Agriculture
- » **Provide direct funding for organic data collection in annual appropriations legislation**
- » Work with organic industry stakeholders to identify current gaps in organic data collection and require USDA to collect and report missing data



CERTIFICATION COST SHARE

The National Organic Certification Cost Share program is important to transitioning farmers and to attracting new, young farmers to organic. Farms can receive up to \$750 each year (up to 75% of the certification fee) to help defray the annual costs of organic certification. The 2018 farm bill maintains funding for this program.

- ✓ Provides \$40.5 million over the life of the farm bill until expended

Implementation Requests:

- » Allow for maximum flexibility in administering the program
- » Provide discretionary appropriations if mandatory funding for the program runs out



CONSERVATION

Organic practices strongly align with approved practices within conservation incentive programs generally. Organic producers utilize and rate strongly the **Environmental Quality Incentives Program (EQIP) and the Organic Initiative (OI)** within EQIP. The 2018 farm bill expands access for organic farmers and incentivizes farmers to transition to organic in existing USDA conservation programs.

- ✓ Raises the payment limit for EQIP OI projects from \$80,000 over six years to \$140,000 over five years
- ✓ Further incentivizes transition to organic within the **Conservation Reserve Program Transition Incentives Program (CRP TIP)** by giving transitioning organic farmers a two year head start on their organic certification process for land coming out of CRP
- ✓ Expands access for organic farmers and farmers transitioning to organic in the **Conservation Stewardship Program (CSP)** by authorizing state allocated funding for this purpose

Implementation Requests:

- » Work with USDA to ensure that the new conservation provisions are promoted to farmers and implemented seamlessly
- » Ensure that states are allocated funding under CSP to support organic and transitioning farmers





RISK MANAGEMENT

Organic farmers need USDA to continue making improvements in the farm safety net in order to achieve appropriate risk management tools for organic farms. **While the 2018 farm bill contained minor steps forward, it fell far short of providing organic farmers with the needed policies to help manage risk on their farms.** The lack of support in this area acts as a major barrier for transitioning more acreage to organic production. **Congress should direct oversight of USDA when implementing existing risk management programs** to ensure that organic farmers are not unfairly penalized simply based on their production system.

- ✓ Requires crop insurance agents to be knowledgeable in organic farming systems as part of their continuing education
- ✓ Codifies organic price elections for the **Noninsured Crop Disaster Assistance Program (NAP)**
- ✓ Includes the national organic program under issues covered by **state agricultural mediation programs**

Implementation Requests:

- » Ensure the **USDA's Risk Management Agency (RMA)** continues to prioritize development of additional organic price elections for crop insurance coverage
- » Direct RMA to **allow transitioning farmers to utilize their previous yield history when calculating Actual Production History** for their organic crop insurance coverage
- » **Direct FSA to incorporate organic price premiums** when determining loan rates for their **Farm Storage Facility Loan Program**
- » Direct RMA to consider organic farming practices when developing the "good farming practices guide" and ensure that organic producers' ability to obtain crop insurance is not negatively impacted

