



April 3, 2024

Ms. Michelle Arsenault
National Organic Standards Board
USDA-AMS-NOP

Docket: AMS-NOP-23-0075

**RE: Certification, Accreditation, Compliance Subcommittee (CACS)
Climate-Induced Farming Risk and Crop Insurance
Discussion Document**

Dear Ms. Arsenault:

Thank you for this opportunity to provide comment to the Certification, Accreditation, Compliance Subcommittee (CACS) on its Climate-Induced Farming Risk and Crop Insurance Discussion Document.

The Organic Trade Association (OTA) is the membership-based business association for organic agriculture and products in North America. OTA is the leading voice for the organic trade in the United States. Our members include growers, shippers, processors, certifiers, farmers' associations, distributors, importers, exporters, brands, retailers, and others. OTA's mission is to grow and protect organic with a unifying voice that serves and engages its diverse members from farm to marketplace.

OTA thanks NOSB for carefully considering industry feedback on crop insurance challenges.

Opportunities for Improvement:

1. Quality Factor Consideration During Loss Adjustment

OTA supports policy revisions that would allow coverage relevant to a farmer's organic contract price—under the contract price addendum—when an otherwise in-demand-for-food crop becomes unmarketable due to a climate event.

2. Central Page for Organic Crop Insurance Agents

Insurance agent education on organic crop insurance policies continues to present a barrier for organic farmers wishing to participate in risk management programs. While RMA should ramp up insurance agent education on organic policies across the board, a central resource where farmers can find knowledgeable agents would be extremely useful.

3. Organic Adjusting Standards

OTA agrees the adjusting standards applied to organic farms should consider the unique needs of organic management systems. Because organic management is heavily influenced by the lifecycle of weeds and other nearby plants, RMA should be mindful not to tie the hands of farmers waiting for a crop insurance adjuster during crucial points in the season. The disparate impact of adjusting standards on organic systems underscores the need for ongoing research into organic production systems.

Other Challenges:

The other challenges CACS listed identified by producers and insurance agents reiterate the importance of several OTA priorities:

1. Research

More research is needed to determine the feasibility of compliance with required planting dates when farmers implement diverse crop rotations. Additionally, USDA should renew and increase efforts to study the risk mitigation impacts of both cultural and regionally specific crop rotations.

2. Education

There is a need for increased education on organic policies for insurance agents, and education and technical assistance for producers. Producers require more education on what options exist for them and how to access them. Producers would benefit from more guidance on the role of the Transition System Plan or Transition Producer Plan in coverage opportunities.

3. Accessibility

OTA echoes the concern of agents who report the 50+ page application for the Whole Farm Revenue Program (WFRP) creates a participation barrier. The arduous application, paired with low agent compensation for WFRP sales, disincentivizes both agents and farmers from participating in the program.

RMA programs may also be inaccessible to farmers because it may take years for the producer to establish actual production history for rotational crops, risking both insufficient crop insurance coverage and unreliable market opportunities. Market development continues to be an important element of risk management in organic.

Questions for Stakeholders:

OTA circulated NOSB's questions on transitional yields to our stakeholder network and received responses to the prompts, incorporated below.

1. T-yields (Assigned yields when a producer doesn't have production history)

a. Would organic producers be open to using transitional yield history to accelerate t-yield replacement to build organic yield history faster?

Transitional-yields (T-yields) are county-level actuarial numbers that insurance providers will use to base a policy guarantee on when a farmer either cannot or will not provide previous production data. T-yields will be used during the four-year transition to using actual production history (APH) from a producer when they are a new farmer, transitioning to organic, or previous production data is unavailable. RMA should allow producers to utilize previous yield history, whether conventional or transitioning to organic, with appropriate discounts for known reductions in yields that may occur when employing organic production practices, when calculating Actual Production History for their organic crop insurance coverage.

b. Would "buy up" coverage above 85%, which is the current limit, to 120% be of

interest to obtain more coverage?

Respondents indicated an interest in an option for buy up's up to 120% coverage, however exercise of these options would be based on cost. It is unclear to the OTA if insuring above 100% of the projected value is actuarially sound.

c. Suppose you have a currently approved production history (APH) for organic production. Would you be interested in having a percentage of that APH carried over to your transition or organic t-yields?

Respondents indicated they would be interested in the proposed action. If a grower has a new field that was previously managed by a different producer, the grower should be able to use APH from the previous producer instead of using county t-yield data so long as the field was certified organic. OTA supports allowing organic producers to use a percentage of their APH for parcels in organic transition or with no production history.

2. What other concerns remain?

Education

As stated above, educating both insurance providers and organic farmers on the policy provisions unique to organic must be a priority at RMA. Organic policy education may not be a priority for insurance providers when those sales do not represent a large share of insurance provider income. RMA must invest in organic crop insurance education to empower organic producers to access the programs and self-advocate.


Whole Farm Revenue Cover Limit

Current RMA policies on Whole Farm Revenue Protection (WFRP) coverage limit expansion of revenue coverage to 35%. RMA should ensure that all producers, including rapidly expanding operations that have recently obtained access to premium markets like organic, can obtain coverage under this policy.

- Under the Whole-Farm Revenue Protection Program, RMA should recognize the change in farm revenue after a farm has transitioned to organic. Eliminate the 35% cap on increased production value under the expansion provision.

On behalf of our members across the supply chain and the country, OTA thanks the National Organic Standards Board for the opportunity to comment, and for your commitment to furthering organic agriculture.

Respectfully submitted,



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Organic Trade Association

cc: Tom Chapman



Co-CEO
Organic Trade Association