

THE FARM BILL





What's in it for Organic?

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The farm bill is a multi-year federal bill that defines United States food and farming policy. The National Organic Program, organic certification cost share, conservation programs, and other programs important to organic producers are funded by the farm bill.

The 2014 Farm Bill expires in September 2018, and advocacy groups and Congress worked on the bill throughout 2017. Here is an overview of organic farm bill provisions and some of the political dynamics surrounding this farm bill.

Farm Bill Basics

The current Agricultural Act of 2014 (2014 Farm Bill) authorized \$489 billion for four years of funding in two major categories: farming and nutrition assistance (non-farming) programs. Nutrition assistance programs receive 80 percent and farming programs split up the remaining 20 percent of farm bill funds.

In response to the Dust Bowl disasters, which led to enormous crop losses and mass migration from rural to urban areas and intensified the Great Depression, the United States passed its first farm bill in 1933. Since then, the farm bill has evolved into an "omnibus" bill made of 12 major sections or titles. An omnibus bill is one with many parts.

Because of its complexity, the farm bill is difficult to describe and understand. President Barack Obama quoted his Secretary of Agriculture Tom Vilsack in this attempt to explain the farm bill in 2014:

Secretary Vilsack calls it a jobs bill, an innovation bill, an infrastructure bill, a research bill, a conservation bill. It's like a Swiss Army knife. ... It multitasks.

Farming Titles

Historically, the farm bill has emphasized support for commodity crops. The *Commodities* title is important to organic field crop, livestock, and dairy producers. International trade agreements and programs such as the Market Access Program contained in the *Trade* title are extremely important to organic producers and businesses that export.

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Today, most of the value of the \$6 billion of U.S. organic farmgate production is in specialty crops (vegetables, fruits, nuts, and nursery crops) rather than commodities. Specialty crops only recently received attention in the farm bill. The *Horticulture* title was introduced in the 2008 Farm Bill and includes many of the programs that benefit organic producers, including funding for the National Organic Program, the National Organic Cost Share Program, and the Farmers’ Market and Local Food Promotion Program.

The *Conservation* title is also important to organic farmers. It funds programs such as the Environmental Quality Incentives Program, or EQIP, which helps farmers plan and implement conservation practices and includes specific organic and transitional initiatives. Certified organic grower and CCOF member Javier Zamora from Aromas, California, supports continued funding for EQIP. Said Zamora, “Conservation programs help us meet our goal of being more environmentally friendly. We have to make sure that those programs stay in place in order for small growers to succeed.”

The *Crop Insurance* title in the 2014 Farm Bill directed the Risk Management Agency to develop price elections that reflect the actual price for all certified organic crops. It also laid the groundwork for what is now the Whole Farm Revenue Protection program, a crop insurance option for highly diversified producers.

It may be surprising to learn that the *Research* title is the farm bill title in which organic priorities have made the largest gains over the past three farm bills. Though the Organic Foods Production Act was part of the 1990 Farm Bill, mandatory funding for organic programs wasn’t available until the 2002 Farm Bill, which authorized \$3 million per year in the *Research* title for the Organic Agriculture Research and Extension Initiative (OREI).

Encouraged by this advance, the Organic Farming Research Foundation (OFRF) and other advocacy groups focused their efforts on increasing federal organic research funding and succeeded. In 2008, OREI was renewed for \$15.6 million per year, and it was authorized for a mandatory \$20 million per year in the 2014 Farm Bill.

Though dedicated organic research funds still total just over one percent of *Research* title authorizations, organic advocates had to fight hard for each farm bill to retain and expand organic research funds.

The next farm bill could be a game changer for organic research. Earlier this year, OFRF worked with U.S. Representatives Chellie Pingree (D-ME), Jimmy Panetta (D-CA), and Dan Newhouse (R-WA) to introduce the Organic

Agriculture Research Act, a bill that would increase OREI funding to the \$50 million annually required for a program to have baseline funding. Baseline funding is important because when Congress projects future farm bill costs, programs authorized for \$50 million or more annually are included and all other programs are dropped. Supporters of non-baseline programs must organize to defend their continuation in each farm bill.

Brise Tencer, executive director of OFRF, said, “It’s not just baseline for baseline’s sake, but there is great demand for organic research by the farming and research communities. Vast numbers of good projects go unfunded each year. We need stability for organic research funding.”

If the Organic Agriculture Research Act is successfully integrated into the next farm bill, the \$50 million mandatory funding annually will become the first organic baseline program in the history of the farm bill.

Nutrition Title

Eighty percent of farm bill funding goes to the *Nutrition* title, which funds the Supplemental Nutrition Assistance Program (SNAP), the largest public food assistance program in the United States. A discussion arises each time Congress renews the farm bill over whether the nutrition and farming programs should be kept together in one bill. Most legislators recognize the natural fit between the nutrition title, which provides markets for agricultural products, and the farming titles.

Farmer and farm group testimony presented at farm bill field hearings early in 2017 were unanimous in supporting a single bill. But the various constituents vying for a slice of the farm bill pie have different opinions, putting their elected representatives at odds with farmers. Arguments over splitting the bill would likely delay passage of the farm bill until after the midterm elections in November 2018.

Farm Bill Fights

The farm bill has become an increasingly contentious piece of legislation over the past few decades. What started as a package of common sense policies to stabilize prices, control supply, and provide food to the hungry has become a national fight over federal funds, often causing tension between big ag and small farms, commodity and specialty crop growers, fiscal conservatives and progressives, and rural versus urban interests. Traditionally, farm bills were passed in four- or five-year intervals, but the past three farm bills have been delayed by partisan wrangling and have taken six years to get through Congress.



Today, many in agriculture seem resigned to cuts in the next farm bill because of the “fiscal austerity” tone coming from the White House and Congress. While the Senate Agriculture Committee under the leadership of Debbie Stabenow (D-MI) in 2014 voluntarily reduced farm bill spending by \$23 billion compared to the previous version (while maintaining strong support for organic programs), the agriculture sector is steeling itself to take even more cuts.

It is hard to predict how this farm bill discussion will play out. Based on recent history, expect plenty of posturing about the need to balance the budget by cutting small programs that help non-commodity producing farmers. Meanwhile, even conservatives argue that agriculture faces unique challenges that warrant government investment. If the bipartisan cooperation so far displayed by the House and Senate Agriculture Committees continues, odds may be in favor of a “low drama” farm bill debate and strong support for organic in the next farm bill.

With a \$50 billion industry, and political clout cultivated over time by organic industry leaders and advocates, the profile of organic is higher than ever before. At the same time, well-publicized controversies during National Organic Standards Board meetings and a series of articles on fraudulent organic imports have attracted criticism of NOSB and the National Organic Program from the media and some high-ranking politicians. In a worst-case scenario, these critiques could gain traction during farm bill negotiations, resulting in decreased farm bill support for organic.

Will a New Farm Bill be Passed in Time?

There are two schools of thought on whether a new farm bill can be passed before the 2014 bill expires in September 2018. Some are hopeful that bipartisan cooperation displayed by both House and Senate Agriculture Committees this year will contribute to ready consensus when it comes time to pass the bill. At the Agri-Pulse Farm Bill Summit in March 2017,

House Agriculture Committee Chair Mike Conaway (R-TX) said, “There’s not going to be a lot of drama this time. We want to get started and get it done.”

Others feel that, due to the partisan mood in Washington D.C., the odds of renewing the farm bill before it expires and midterm elections occur are low. If the bill is not renewed, only basic farm bill programs with baseline funding will continue, leaving out all organic-specific programs. This is what happened in 2012, when Congress failed to pass a new farm bill before the 2008 bill expired. Programs such as OREI and the National Organic Certification Cost Share Program lost their funding for a full year until the farm bill was finally renewed in 2014.

Top Organic Farm Bill Priorities

To support existing organic farmers and ranchers and create conditions that will attract new producers to organic, the organic infrastructure must be strong. CCOF focuses its farm bill advocacy on this crucial infrastructure.

National Organic Program (NOP)

CCOF supports maintaining NOP’s current funding level of \$15 million per year and advocates for a 10 percent increase each year of the farm bill. The NOP is the regulatory platform for organic, and its effectiveness is necessary to maintain consumer trust and attract more growers into organic certification. The controversy over fraudulent organic grain imports reported by *The Washington Post* this year shone a spotlight on NOP’s capacity to oversee the complex global distribution system for organic agricultural commodities. NOP needs adequate funding to maintain strong enforcement at home and abroad and create more opportunity for domestic organic producers.

National Organic Certification Cost Share Program

Organic certification fees can pose a challenge to medium- and small-scale producers wanting to sell into the organic

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marketplace. Cost share ensures that organic certification is affordable and accessible for all producers. The program reimburses organic farmers, ranchers, and handlers 75 percent of their certification-related expenses up to a maximum of \$750 per certified scope. CCOF advocates for level funding for organic certification cost share (\$11.5 million per year).

Organic Agriculture Research and Extension Initiative

Organic research historically has been underfunded. Research is needed to increase domestic production, increase organic cropland acreage, and support farmers making the organic transition. CCOF joins with OFRF and others to support an increase from \$20 million to \$50 million per year for this important source of dedicated organic research funds.

Organic Production and Market Data Initiative

Organic farmers and ranchers have not had routine access to organic price data. Now, the Agricultural Marketing Service uses Organic Data Initiative (ODI) funds to issue price reports for organic produce, grains, and dairy. These price data also are used to set price elections for organic crop insurance. Additionally, ODI funds allowed the National Agricultural Statistics Service to conduct a series of national organic farmer surveys, which provide valuable production and demographic data for the organic sector.

Other Important Farm Bill Programs

While the following farm bill programs are not organic-specific, they help today's farmers stay in business through the vicissitudes of price and weather cycles and provide crucial support for the next generation of beginning farmers.

- » Beginning Farmers and Ranchers Development Program (*Research* title). Some of these funds are dedicated to assist returning veterans.
- » Whole Farm Revenue Protection and organic crop insurance (*Crop Insurance* title). The safety net for organic farms is still not perfect, but organic crop insurance now covers many specialty crops and compensates for the organic—rather than conventional—value of the crop.
- » The Market Access Program for export promotion (*Trade* title).
- » Farm ownership and operating loan programs, particularly for beginning farmers (*Credit* title).
- » Outreach and assistance to socially disadvantaged, Native, minority, and military veteran farmers; and Non-Insured Crop Disaster Assistance, which provides catastrophic coverage for crops that aren't insurable under other types of crop insurance (*Miscellaneous* title).

- » Rural stimulus programs such as Rural Business Development Grants, Value-Added Producer Grants, and the Rural Microentrepreneur Assistance Program (*Rural Development* title).
- » Specialty Crop Block Grant Program (*Horticulture* title). Each state receives funds for projects that address that state's unique market and research needs.
- » The Environmental Quality Incentives Program (EQIP) and the Conservation Stewardship Program (*Conservation* title).

“Organic Has Arrived”

Despite the uncertainty around federal legislation in the current political climate, organic programs and issues have never been so well-funded and prominent in farm bill discussions as they are now. “There is a sense now that organic has arrived,” observed Tencer of OFRF, citing strong bipartisan interest, particularly in organic research. Tencer encouraged legislators to fund organic systems research at a members-only House Agriculture Subcommittee on Biotechnology, Horticulture, and Research roundtable in June where she was invited to speak.

A Senate Agriculture Committee hearing in July focused specifically on organic and specialty crops—the first time that organic was included in these hearings. “They had an entire hearing on organic,” Tencer noted. “This wouldn't have happened two farm bills ago.”

Your Role in the Farm Bill

The members of Congress who design and approve farm bill policies are elected by you, their organic constituents. Your voice is one of the most important to your congressperson and senator. Get to know your elected representatives. Call them when important issues are being discussed and voted on. Visit them when they are in town and let them know that organic issues are important to your success. Keep informed through the CCOF Newsletter and magazine, other farm media, and social media. Join with others who want to grow the organic movement through democratic engagement.

John Teixeira, owner of Lone Willow Ranch in Firebaugh, California, flew to Washington D.C. to visit congressional offices and talk about how important organic research is to him. About the trip, he said, “They see all kinds of people in their office but they really light up when a farmer from their district shows up. They appreciate the effort of a person who's coming from a farm and giving them a reality check.”