



106 School Street
Suite 201
Spring Mills, PA 16875

PHONE 814-422-0251
FAX 814-422-0255
paorganic.org

June 5, 2023

Senator John Fetterman
Chairman
Subcommittee on Food and Nutrition, Specialty Crops, Organics, and Research
United States Senate
Committee on Agriculture, Nutrition, and Forestry
Washington DC, 20510-6000

Thank you Senator Fetterman for the invitation,

Thank you also to Ranking Member Senator Braun, distinguished Committee Members, and the staff who coordinate these efforts.

It is an honor to report to you on how the Farm Bill can better serve organic specialty crop producers, especially through the certification process. I am proud to represent Pennsylvania, a state that enjoys support for organic from the highest levels, [is third in the nation in organic sales](#), and is the only state with our own Farm Bill. **It is my deepest hope that this is the beginning of many conversations we will have about organic farming and the good these farmers are bringing to all of us.**

This dedicated group of specialty crop farmers and operations, and the research and infrastructure communities that serve them, bear a great regulatory burden for voluntarily choosing to utilize ecologically sound practices; but their work serves as a lesson for all of us: they function with, and as part, of nature. It is not an overstatement to say that their work is one of few things we can depend on to ensure the health and future of humanity, as we all continue to experience the increasing effects of excessive extraction from nature, for the economic benefits of a few.

These farmers know that fundamentally, you cannot have unlimited growth in a system with finite resources without creating harm. Day in and day out they do the hard work it takes to have a food supply that supports healthy people, a healthy business, and a healthy community. To invest in their work and the cost of organic certification is to invest in all of our futures. They provide: the solid foundation of a resilient supply chain, economic regrowth in support of community well-being, and services that can ease the many cost burdens of healthcare, energy, and environmental remediation. **We get their feedback everyday, and they need more support.**

The Farm Bill can better serve these organic producers through additional funding and making current programs permanently funded. A crucial step is to unify and streamline programs to help producers find, understand, and follow through with accessing them without redundant paperwork requirements. Requests for additional program support fall into three categories:

1. Health Benefits - Organic practices bring many health benefits through: producing more nutritious food, bringing equitable access to production and procurement, limiting chemical and pesticide exposure and drift, focusing on farmworker health and safety, and creating healthier communities through ecosystem services. Achieving them requires:
 1. Transition incentives for small farm certification, including direct payments to farmers, which provide producers with the tools and resources necessary to choose and implement the farm practices, systems, and business models that work best for them and the land they farm. What is helpful can vary considerably, even in microclimate within a county.



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2. More funding for NOP to work with certifiers, making the certification process more uniform and including automatic access to programs for farmers.
 3. More funding for research that will encourage land grant universities to take on this work and compete with the funding from chemical and pharmaceutical companies. Benefits of organic research go beyond organic management, and lessons learned can be used by all types of producers to develop more ecologically and economically sound operations.
 4. Making funds for the TOPP Regional Centers permanent and coordinating the OTI efforts with the newly announced Regional Food Centers, streamlining delivery of technical assistance, training, and market and workforce development.
2. Economic Benefits - [The Organic Hot Spot research from the Organic Trade Association and Penn State](#) shows us that organic farming does not as a rule occur *in wealthy communities*, but it *creates more wealth in communities*. To support re-growth of these local strong communities, organic farmers need:
- a. Changes to Crop insurance.
 - b. Equitable access to land for beginning and BIPOC farmers, and therefore production and distribution of food.
 - c. New and better connected infrastructure, including organic processing and distribution facilities, and coordinated market development.
 - d. Coordination and access to emerging markets: organic fiber, including hemp, need attention and support.
3. Ecosystem Services - Soils farmed organically better withstand both droughts and excessive rain events. Organic seeds, that are developed for use without additional inputs and for use in microclimates, offer resilience in the food system in the face of a changing climate. Healthy soils and cover cropping plans provide food for pollinators, and they sequester and store carbon in far superior amounts than any experimental carbon capture technology.
- a. We need recognition and compensation for the ecosystem services these producers provide, including automatic qualification of Certified Organic operations for any 'climate smart' benefits.
 - b. The practices of indigenous communities are the original climate smart practices, and we should also make every possible effort to fund and connect the work of these underserved communities with our efforts. We have much to learn from them.

The world [currently produces enough food to feed the population one and a half times over](#), so why are people still starving and why is our healthcare becoming more burdensome? It is because we are *overinvesting* in a food system that continues to degrade the health of people and the planet, and *underinvesting* in proven ways we know can regenerate a food system for the good of all of us. The funding coming into the organic community of late shows that those in Washington know what to do to shift to a healthier food system, but we need to redirect **much more** of the funding in the Farm Bill to do those things.

The USDA Certified Organic market, once seen as a niche or fad market, now represents \$67.6 billion in annual sales, and it continues to grow year over year. Demand for organic products continues to grow while domestic production has not kept pace, resulting in consumers purchasing more and more imported organic products. To



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increase domestic organic production, intentional investment into actionable research for organic producers is essential.

What really sets the organic industry apart is the economic system change it represents. As the Organic Hot Spot studies have shown, the organic industry does not take root in wealthy communities, but creates them in a variety of compounding ways. Organic inputs and materials generally come from local and regional sources, keeping dollars invested in rural economies rather than extracting and shipping them off to international corporate headquarters. Organic agriculture can help revitalize landscapes through working with natural processes, resulting in a variety of ecosystem services that build a resilient landscape. Put simply, organic agriculture is a proven system of management that not only brings economic gains to an area, but ecological health improvements as well. Positive feedback loops for property values, quality of life, health, and jobs are all created.

Organic certification costs are only going to go up as the sector grows and the need for oversight increases with it. When we attempt to make organic food 'cheaper', we are approaching the problem from the wrong direction. We must recognize the true cost of healthy food production, as well as the many externalized costs of conventional production practices, and invest accordingly via the Farm Bill. Investing in organic research programs at the Agricultural Research Service and National Institute for Food and Agriculture will help farmers comply with organic regulations and thrive in the growing organic marketplace. The research shows this investment results in healthier people, more resilient local economies, sustainable job creation, and stronger communities.

In conclusion, the organic specialty crop community has an outsized regulatory burden for doing right by us all. **They also have seemingly endless reserves of strength to accomplish the most sacred of tasks: figuring out how we can better nourish one another.**

Specific Program Requests for the 2023 Farm Bill:

[Organic Research and Extension Initiative \(OREI\)](#) - This program received mandatory funding in the 2018 Farm Bill. Research is a critical tool to help farmers tackle the production challenges they are facing in a way that adheres to the organic requirements. We can provide even more tools to help farmers further combat these challenges by increasing OREI funding to \$100 million annually in the 2023 Farm Bill

[Specialty Crop Research Initiative](#) - Increases in funding are needed, including sharing the outcomes with venues such as NRCS and extension for technical assistance and support. One important example of how this can help organic specialty crop producers is through learning how to combat invasive species and pests through cultivar testing (research through Penn State).

[Certification Cost Share program](#) - This is a critical tool, especially for transitioning and beginning farmers, currently up to 75% or \$750 of an organic producer's certification costs. The 2023 Farm Bill can further incentivize the entry of new organic producers, including historically underserved and socially disadvantaged producers, by increasing the maximum of \$750 to \$1,500 per certification scope and taking concrete steps to streamline and simplify the reimbursement and application process.

[Crop insurance](#) - While there were improvements made to programs that support crop insurance for organic producers in the 2018 Farm Bill, such as fully funding the Organic Data Collection program, there is still room for improvement as crop insurance continues to not fit the work of a lot of organic producers, especially specialty crop growers. There are several ways the 2023 Farm Bill can seek to make crop insurance an actual workable resource for organic specialty crop grower:

- Most importantly, adapt existing USDA risk management tools authorized by the Farm Bill to ensure that they meet the unique needs of the organic sector, including during the time of transition to organic.



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- Increase mandatory funding for the Organic Data Initiative (ODI) to \$10 million over the life of the Farm Bill and authorizing up to \$5 million annually for appropriations.
- Direct USDA to collect comprehensive market and data information on the organic sector by integrating data collection into routine USDA surveys and segmenting organic data in reporting results to the public.

[Transition to Organic Partnership Program \(TOPP\)](#) - PCO is honored to lead the Northeast/Mid-Atlantic Region of TOPP, which is part of the USDA's Organic Transition Initiative (OTI). We are actively working with regional leads across the US as well as partners in our region to create a network of support for organic producers, providing technical assistance, mentorship, and other services to ease the transition to organic and the ongoing certification process. Codifying and providing continued funding for key elements of the Organic Transition Initiative in the 2023 Farm Bill ensures this comprehensive effort will continue. Organic and transitional commodity purchases for USDA procurement programs would be historic.

[Organic Market Development Grant Program](#) - OTI also includes funding to increase market development and infrastructure support through the Organic Market Development Grant Program. The organic industry is challenged with both scale and geo-spatial limitations. Getting the right sized processing at the right location is currently hindering real growth opportunities. In order to see domestic growth and market expansion, the next farm bill should codify this program, which is fundamentally an organic infrastructure initiative. This investment addresses supply chain gaps in moving organic farm gate commodities up the value chain. Organic infrastructure grant resources target new and existing organic-focused businesses that are committed to the processing, storage, and distribution of organic food and goods. Priority should be given to market-focused efforts that:

- Demonstrate longevity in supply commitments with organic producers.
- Leverage private capital and/or equal investment in matching resources.

[Organic Transition Initiative](#) - When combined, the suite of OTI funding mobilizes the organic community across the nation to make sure there is demonstrated market need and the infrastructure ready to support it, sets organic producers up for success, and ensures a resilient organic supply chain. The current funding is due to expire after five years. Codifying and providing continued funding for key elements of the Organic Transition Initiative in the 2023 Farm Bill ensures this comprehensive effort will continue. This programming allows the organic community to leverage what is perhaps its greatest strength, collaboration for shared success. USDA should continue to facilitate these community building programs.

[Local Agriculture Market Program \(LAMP\)](#), [Value-Added Producer Grant Program \(VAPG\)](#) and [Specialty Crop Block Grant programs](#) - Organic specialty crop producers in particular utilize these programs, and increasing funding for all of them will create more equitable funding pools for organic. A percent based carve out for qualifying organic proposals can further enhance the utilization of these programs by organic specialty crop producers.

[Organic Data and Market Initiative](#) - Industry is calling on the USDA to collect more meaningful data that is publicly available and can inform smart policy and business decisions for the growing organic market. Organic producers are a boon to local and regional economics; now that the organic market has matured and developed into a long-standing and trusted market, having a detailed financial analysis of those economic benefits quantified by ERS is important to understand how far public dollars go when supporting organic agriculture.

Western PA Organic Specialty Crop Farmer Feedback on Programs:

1. Research and easy access to it is essential for continuing to be successful. Saves time and costs to help learn best practices without trial and error. Faster track for expansion and growth.



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2. Crop insurance for organic doesn't fit into what we do, so we don't use it.
3. Please continue the cost share program - it is easy to access and very helpful.
4. EQIP is helpful for a wide range of infrastructure support any farm can find useful.
5. VAPG are helpful for developing new revenue streams and diversifying the operation.

I look forward to any opportunity to talk further with your offices as we address these issues, which are essential to solve for healthy people and communities in the United States. We must work together on the continuing challenges of building a more resilient, equitable, and regenerative food system in the face of increasingly extreme weather events and other potential supply chain interruptions.

Thank you for your time in considering the benefits and needs of the organic community in development of the 2023 Farm Bill.

In service,

A handwritten signature in black ink that reads 'Diana L. Kobus'. The signature is written in a cursive, flowing style.

Diana L. Kobus
Executive Director

PCO is a member of the Organic Trade Association (OTA), and we would like to recognize OTA, the Organic Farming Research Foundation, and a handful of colleagues who reached out with support for developing this testimony. We encourage you to contact them for more information on the policies they are currently focused on in support of organic agriculture producers in the 2023 Farm Bill.

We would also like to thank the organic farmers we serve for the work they do to nourish all of us, particularly Randy Morris of Morris Farm and Jodi Danyo of Cherry Valley Organics for their support and feedback on Farm Bill programs.