



National Sustainable Agriculture Coalition

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National Organic Program, AMS/USDA
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National Organic Certification Cost-Share Program

NSAC Recommendations for Farm Bill Implementation, Information Collection, and Program Administration

The National Sustainable Agriculture Coalition (NSAC) developed the proposal for the National Organic Certification Cost Share Program (NOCCSP) and advocated successfully for its creation in the 2002 Farm Bill. NSAC also led the campaign to secure additional funding for the program in the 2008 Farm Bill and to increase the payment amount per organic operation and we joined with partner groups to more than double available funding for the program in the 2014 Farm Bill.

During the last farm bill cycle, the vast majority of funding allocated to each state to implement NOCCSP and the Agricultural Management Assistance (AMA) program was expended. Both programs have been well utilized since their inception, and have been proven to greatly contribute to the accessibility of organic certification for both growers and handlers. In light of additional funding for the organic cost share program in the 2014 Farm Bill, we appreciate the opportunity to offer recommendations to ensure that the increased funding is directed in a way that is advantageous to USDA and to organic stakeholders.

On behalf of our 40 Represented Members¹, we offer the following recommendations, reflecting important considerations for the continuation of the National Organic Certification Cost Share Program. As part of these recommendations we will respond to the questions posed in the Federal Register Notice (79 FR 14658) and also make general recommendations for program improvements.

¹ Agriculture and Land-Based Training Association - Salinas, CA; Alternative Energy Resources Organization - Helena, MT; California Sustainable Agriculture) - Hereford, TX; Center for Rural Affairs - Lyons, NE; Clagett Farm/Chesapeake Bay Foundation - Upper Marlboro, MD; Community Alliance with Family Farmers - Davis, CA; Dakota Rural Action - Brookings, SD; Delta Land and Community, Inc. - Almyra, AR; Ecological Farming Association -Soquel, CA; Farmer-Veteran Coalition - Davis, CA; Fay-Penn Economic Development Council - Lemont Furnace, PA; Flats Mentor Farm - Lancaster, MA; Florida Organic Growers - Gainesville, FL; GrassWorks - New Holstein, WI; Hmong National Development, Inc. - St. Paul, MN and Washington, DC; Illinois Stewardship Alliance - Springfield, IL; Institute for Agriculture and Trade Policy - Minneapolis, MN; Iowa Natural Heritage Foundation - Des Moines, IA; Izaak Walton League of America - St. Paul, MN/Gaithersburg, MD; Kansas Rural Center - Whiting, KS; The Kerr Center for Sustainable Agriculture - Poteau, OK; Land Stewardship Project - Minneapolis, MN; Michael Fields Agricultural Institute - East Troy, WI; Michigan Food & Farming Systems (MIFFS) - East Lansing, MI; Michigan Organic Food and Farm Alliance - Lansing, MI; Midwest Organic and Sustainable Education Service - Spring Valley, WI; National Catholic Rural Life Conference - Des Moines, IA; The National Center for Appropriate Technology - Butte, MT; Nebraska Sustainable Agriculture Society - Ceresco, NE; Northeast Organic Dairy Producers Alliance -Deerfield, MA; Northern Plains Sustainable Agriculture Society - LaMoure, ND; Northwest Center for Alternatives to Pesticides - Eugene, OR; Ohio Ecological Food & Farm Association - Columbus, OH; Organic Farming Research Foundation - Santa Cruz, CA; Rural Advancement Foundation International – USA - Pittsboro, NC; Union of Concerned Scientists Food and Environment Program - Cambridge, MA; Virginia Association for Biological Farming - Lexington, VA; Wild Farm Alliance -Watsonville, CA.

We appreciate the opportunity to provide comments and thank you in advance for your consideration of our recommendations. If you have any questions, please feel free to contact us.

Sincerely,



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NSAC Policy Director

NSAC is very pleased that Congress has increased funding for National Organic Certification Cost Share Program (NOCCSP), in keeping with the continued growth in number of certified operations as well as the increase in annual certification costs faced by organic farmers and handlers. Our member groups believe this program is a critically important tool to maintain a diversity of scale of operations involved in organic agriculture. Given the increased funding for the program, we urge USDA to utilize a portion of the funding to improve the efficiency of the overall structure of the program, which will both increase access to producers and handlers and streamline the administrative aspects of the program.

Below are recommendations for the implementation of the cost share program over the course of the current farm bill cycle. We understand the importance of prioritizing the timely disbursement of payments to producers in the current fiscal year, especially since the program has been unfunded since 2012. Therefore, the proposed changes to the program outlined below should be progressively applied in subsequent years, rather than implemented immediately, in any instance in which our recommendation would cause delay for payments in FY 14.

RECOMMENDATIONS

I. Program Interaction

Allow for Unspent NOCCSP Funds to be applied to AMA States

Historically, organic farmers in the 16 AMA states have not been eligible for cost share assistance from NOCCSP, since they have access to funding through the AMA program. We urge USDA to reconsider this structure. Given the increase in funding for the cost share program, we recommend that USDA allow producers in the AMA states to be eligible for cost share assistance from NOCCSP to defray certification costs if the AMA funds are expended before all of the interested AMA state farmers have received assistance. We believe this to be a common sense clarification that will assure that all interested organic farmers and handlers have access to organic certification cost-share assistance without interruption.

To successfully accomplish this change, we recommend that a memo or guidance document be issued to state departments of agriculture explaining the new protocol. It is critical that state agency staff be educated on the option to transfer funds between programs to set the precedent of consistency and efficiency at the outset of the change.

II. Program Structure -- Immediate and Long Term Changes

A. Recommendations for Swift Reductions in Paperwork Requirements

1. Standardize state department of agriculture procedures and forms

We recommend that USDA standardize the forms and requirements for supporting documentation that state departments of agriculture use to administer the program. This will require education and outreach to state employees. This educational component can be made available as professional development in the form of webinars, local and regional training sessions, and conference calls.

2. Allow producers to opt-out, rather than opt-in

There is currently no standardized form or process for organic producers and handlers to indicate their interest in receiving cost share assistance. Since all certified organic producers are eligible for cost-share assistance, rather than requiring them to actively apply to the program, they should be automatically eligible, while retaining the ability to opt-out.

For example, in Maine, when the producer receives their bill for their organic certification, there is a section on the form that allows them to opt-out of cost share assistance. If the producer does not indicate a lack of interest, the certifier submits their proof of certification to the state department of agriculture and the producer receives their cost share payment. We urge USDA to adopt and standardize a similar system by providing template language for certifiers to incorporate into their forms that provides the option to opt-out of the program.

Alternatively, each certifier could include the application for certification cost share, both when they begin the certification process in the spring and again when they send the certified farmer their certificate. A number of certifiers in Wisconsin have utilized this technique, and indicate that it is successful in reaching more eligible producers.

B. Long-term Program Structure Revamp

1. Streamline the program and reduce paperwork

We recommend that USDA consider a nuanced approach to the administration of the cost share program that requires less paperwork exchange between state departments of agriculture and certifiers, and empowers certifiers to become a more direct link between producers and cost share payments. Although the grants should remain in the hands of the state to ensure the proper allocation of funds, the current system positions the state departments as intermediaries and requires excessive paperwork.

Specifically, we recommend a new protocol where certifiers send a single spreadsheet to the state once per year with the required information for each certified entity, triggering the state to issue payments. This system will eliminate the need for producers to actively apply to the state for cost share funds, and the need for the state to verify current certification status before authorizing a payment. This approach will reduce staff time on behalf of the state, and producers will receive their payments in a more timely fashion.

Currently, states have different deadlines for the submission of information on certified entities, which complicates the process and presents challenges to certifying organizations that cover several states. We recommend that all states adopt a uniform schedule, with a date for general submission, and a final deadline. The paperwork burden would be lessened for the states and the certifiers, and it would be significantly easier for certifiers to create outreach materials for producers if deadlines are consistent.

2. Reduce paperwork by transitioning to an electronic system

To reduce the paperwork burden associated with administering the cost share program, we recommend that USDA convert all forms and applications to an electronic format. Since the

National Organic Program (NOP) has resources to create an integrated online database, the cost share program should be administered through this database in the future.

We recommend that NOP create a database that all certifiers have access to and can update in real time. In this case, certifiers can input each certification as they complete it, and the state departments will have instant, up-to-date records for producers entitled to cost-share assistance. This system would satisfy the overall need of program efficiency by eliminating the unnecessary exchange of paperwork, and will allow producers to receive their payments faster.

3. Develop cooperative agreements with certifiers for administrative costs

In return for the administrative costs that certifiers accrue while compiling and sending the required information to confirm certification status and applicable certification costs incurred by producers, we suggest that they receive a portion of the 10 percent in administrative overhead allotted to the states. Given the overall funding increase for the program, allotting a portion of the 10 percent to certifiers will not limit proper coverage of state administrative costs.

A cooperative agreement or MOU between states and certifiers would detail the terms of this administrative overhead reimbursement, and should be uniform in all states to avoid conflict of interest and competition amongst certifiers that operate in several states. We recommend a standardized subcontract that states can use to enter into agreements with certifiers that will establish a fixed per-certification reimbursement rate.

III. Outreach

A. Increase Targeted Outreach to Producers Especially in Low Enrollment States

We urge USDA to prioritize increased visibility and accessibility of the program across all the states, and especially in states with low enrollment rates. Also, special attention should be paid to the creation of linguistically and culturally appropriate outreach to ensure that socially disadvantaged and limited English proficient farmers are not excluded from outreach efforts.

State departments of agriculture should collaborate with Cooperative Extension and NGO stakeholders that have direct contact with farmers to advertise and educate producers about the cost share program. We recommend that USDA create educational and outreach materials that can be distributed by state departments to appropriate partner organizations. These materials should also be provided to certifiers to assist them in their outreach efforts.

B. Standardize and Improve Outreach Materials Available to Certifiers & Producers

Currently, eighty-two certifying entities are USDA accredited by NOP and authorized to certify organic operations. Forty-eight are based in the U.S. and the remainder in foreign countries. Certifying agents may take different approaches to their data collection and compilation, and to their communication with state departments of agriculture. Additional guidance is necessary to eliminate this ad-hoc approach and create a more consistent, efficient system.

The NOP Handbook, which is meant to provide guidance to those who own, manage, and certify organic operations, makes no mention of the cost share program. A new section should be created

in the manual that includes specific guidance to certifiers for the administration of the cost share program, as well as templates for required language to incorporate into forms. The section should also include information relevant to producers that encourages their participation in the program.

C. Create Targeted Outreach for Transitioning Producers

To build on the Organic Transitions research and extension grant program administered by NIFA, we recommend that USDA work closely with land grant institutions and other agricultural professionals who advise and counsel growers on transitioning to organic practices to advertise the cost share program. As producers are making the decision to either scale up or pursue organic certification, the opportunity for cost share reimbursement may act as an incentive for exempt producers and those employing organic practices but remaining uncertified to pursue certification.

In the interest of growing the organic sector, the transitioning producer demographic should be targeted, not only with information about the cost share program, but also with the necessary technical assistance that they require to be successful in their transition. Aside from the initial cost of certification, other barriers facing transitioning farmers include challenges in completing paperwork, interpreting regulations, creating business plans, and accurate record keeping.

We appreciate the opportunity to provide comments on this important program. Thank you for your consideration and please contact us with any questions you may have.