



# National Organic Coalition

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Testimony of

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submitted to the

House Subcommittee on Agriculture, Rural Development,  
Food and Drug Administration, and Related Agencies

regarding

Fiscal Year 2011 Appropriations Requests

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Chairwoman DeLauro, Ranking Member Kingston, and Members of the Subcommittee:

My name is Steven Etka. I am submitting this testimony on behalf of the National Organic Coalition (NOC) to detail our fiscal year 2011 funding requests for USDA programs of importance to organic agriculture.

The National Organic Coalition (NOC) is a national alliance of organizations working to provide a voice for farmers, ranchers, environmentalists, consumers, cooperative retailers and others involved in organic agriculture. The current members of NOC are Beyond Pesticides, Center for Food Safety, Equal Exchange, Food and Water Watch, Maine Organic Farmers and Gardeners Association, Midwest Organic and Sustainable Education Service, National Cooperative Grocers Association, Northeast Organic Dairy Producers Alliance, Northeast Organic Farming Association- Interstate Policy Council, Organically Grown Company, Rural Advancement Foundation International -USA, and the Union of Concerned Scientists.

## **USDA/ Agricultural Marketing Service (AMS)**

### **National Organic Program**

***Request: \$10.08 million***

Sales of organic food and beverages had experienced a rapid growth over the last decade, averaging nearly 20 percent per year. Even despite the recession, organic sales grew at a rate of 5 percent in 2009. The National Organic Program (NOP) is the agency charged with regulating and enforcing the USDA organic label. For years, the exponential growth of the organic industry has far outpaced the resources provided to the NOP, which has greatly limited the ability of NOP to fulfill its regulatory and enforcement role credibly.

Fortunately, both Congress and the Administration have heard this concern, and have responded with a steady increase in funding in the last two years to meet these needs. In addition, over the last year, the new leadership at USDA and NOP has taken significant steps to bolster the integrity of the program and public confidence in the organic label through issuance of long overdue regulations (e.g. pasture rule for organic ruminants) and through efforts to seek independent oversight of its accreditation procedures to assure compliance with international standards of quality management. In addition, NOP leadership has made its budget and its plans fully transparent to the public. These changes have met with widespread praise from the full spectrum of stakeholders in the organic sector, from consumers to farmers to handlers.

We are strongly supporting the Administration's FY 2011 request for \$10.08 million for the National Organic Program (NOP), representing an increase of \$3.11 million over last year's level. \$2.11 million of this request is for regulatory review, enforcement and equivalency agreements; with an additional one-time amount of \$1 million for assisting certifying agents in achieving compliance with international certification standards.

In addition, we are requesting inclusion of report language praising the agency for the significant improvements that have been made over the past year. In previous years, Congress has included report language urging improvements in the program. Now that many of these improvements are being made, it seems fitting for Congress to recognize the progress. We request inclusion of the following report language:

*The Committee notes the significant improvements made in the administration of the National Organic Program over the last year, in keeping with the requests of this Committee in previous years. The Committee applauds the agency for the long-overdue publication of the final pasture rule for organic livestock, the decision to seek independent oversight and recognition of its accreditation procedures by NIST within the*

Department of Commerce, and for its actions to make the NOP budget and planning process transparent to the public. These actions bolster the integrity of the USDA organic seal and enhance public confidence in that label.

## **USDA (AMS, ERS, NASS)**

### **Organic Data Initiative**

***Request: \$5 million***

Authorized by Section 7407 of the 2002 Farm Bill, the Organic Production and Marketing Data Initiative states that the “Secretary shall ensure that segregated data on the production and marketing of organic agricultural products is included in the ongoing baseline of data collection regarding agricultural production and marketing.” Section 10302 of the Farm, Conservation, and Energy Act of 2008 amends the provision further to provide mandatory funding, and to authorize \$5 million annually in discretionary funding.

As the organic industry matures and grows at a rapid rate, the lack of national data for the production, pricing, and marketing of organic products has been an impediment to further development of the industry and to the effective functioning of many organic programs within USDA. The organic data collection and analysis effort at USDA has made significant strides in recent years, but remains in its infancy. Because of the multi-agency nature of data collection within USDA, organic data collection and analysis must also be undertaken by several different agencies within the Department: The Administration’s FY 2011 budget requests \$300,000 for AMS and \$500,000 for NASS organic data collection. We are requesting the full \$5 million to be appropriated for this initiative, to be divided between the three main data collection sub-agencies as follows:

#### **Economic Research Service (ERS)**

***Request: \$1.5 million***

#### **Agricultural Marketing Service (AMS)**

***Request: \$3 million***

#### **National Agricultural Statistic Service (NASS)**

***Request: \$500,000***

## **USDA/ National Institute of Food and Agriculture (NIFA)**

### **Organic Transitions Program**

***Request: \$5 million***

The Organic Transition Program, authorized by Section 406 of the Agricultural Research, Education and Extension Reform Act (AREERA) for Integrated Research Programs, is a research grant program that helps farmers surmount some of the challenges of organic production and marketing. As the organic industry grows, the demand for research on organic agriculture is experiencing significant growth as well. The benefits of this research are far-reaching, with broad applications to all sectors of agriculture, even beyond the organic sector. Yet funding for organic research is minuscule in relation to the relative economic importance of organic agriculture and marketing in this nation. Starting in FY09, the program has been administered in combination with the NIFA Water Quality integrated research program, to study the watershed impacts of organic systems.

The Organic Transition Program was funded at levels ranging between \$2.1 and \$1.8 million during the period

of FY 2003 through FY 2009, and then received a significant increase to \$5 million in FY 2010. The Administration's budget proposes to eliminate funding for the Organic Transition Program, as well as the other section 406 "integrated" programs within the NIFA budget, based on vague assertions that the needs will be met through other competitive grants research programs. The past Administration made similar recommendations regarding the 406 programs, which have been consistently rejected by Congress. We urge the Committee to continue to reject this proposal to defund the Organic Transition Program, and to provide FY 2011 funding at last year's level of \$5 million.

**Organic Research and Extension Initiative (OREI)**

***Request: \$10 million***

OREI is USDA's flagship competitive research and education grant program specifically dedicated to the investigation of organic agriculture. The program is consistently oversubscribed and in FY 09 could only fund 17% of the funds requested. The 2008 Farm Bill authorized \$25 million annually in discretionary funds, in addition to mandatory funds authorized. We request that \$10 million be appropriated for OREI for FY 2011.

**Agriculture and Food Research Initiative (AFRI)**

***Request: Report language on Conventional/Classical Plant and Animal Breeding***

In recent decades, public resources for classical plant and animal breeding have dwindled, while resources have shifted toward genomics and biotechnology, with a focus on a limited set of major crops and breeds. This problem has been particularly acute for organic and sustainable farmers, who seek access to germplasm well suited to their unique cropping systems and their local environment.

Since Fiscal Year 2005, the Senate Agriculture Appropriations Subcommittee has included report language raising concerns about this problem, and urging CSREES (now NIFA) to give greater consideration to research needs related to classical plant and animal breeding when setting priorities within the National Research Initiative/AFRI. Despite this report language, research proposals for classical plant and animal breeding that have sought AFRI funding in recent years have been consistently denied.

In Section 7406 of the Food, Conservation, and Energy Act of 2008, the National Research Initiative was merged with the Initiative for Future Agriculture and Food Systems to become the Agriculture and Food Research Initiative (AFRI). Congress included language within AFRI to make "conventional" plant and animal breeding a priority for AFRI research grants, consistent with the concerns expressed by the Appropriations Committee in preceding appropriations cycles.

When CSREES released its AFRI Program Announcement for FY 2009, it invited research proposals on conventional/classical plant and animal breeding. However, when researchers submitted their initial letters of intent spelling out their research topics in the arena, they were nearly all rejected in the pre-proposal stage. We are awaiting the FY 2010 AFRI Request for Applications. After numerous meetings with NIFA leadership and letters urging the full inclusion of the classical breeding into the FY 2010 funding priorities, we are anxious to see how the agency responds to this need, and the strong expressions of both the Congressional appropriators and authorizers on this matter.

We are requesting report language from the Subcommittee to reiterate that the funding for classical plant and animal breeding should be a priority area within the AFRI process.

**Sustainable Agriculture Research and Education (SARE)**

***Request: \$30 million (\$25 million for research and education grants; and \$5 million for professional development grants)***

The SARE program has been very successful in funding on-farm research on environmentally sound and profitable practices and systems, including organic production. The reliable information developed and distributed through SARE grants have been invaluable to organic farmers. The President's budget requests \$30 million for SARE program for Fiscal Year 2011, including \$10 million to start the Federal-State Matching Grant program. Consistent with the President's request, we are requesting \$25 million for research and education grants (including \$10 million for the Federal-State Matching Grant program) and \$5 million for professional development grants.

**USDA/Rural Business Cooperative Service**

**Appropriate Technology Transfer for Rural Areas (ATTRA)**

***Request: \$3 million***

ATTRA, authorized by Section 6016 on the Food, Conservation, and Energy Act of 2008, is a national sustainable agriculture information service, which provides practical information and technical assistance to farmers, ranchers, Extension agents, educators and others interested and active in sustainable agriculture. ATTRA interacts with the public, not only through its call-in service and website, but also provides numerous excellent publications written to help address some of the most frequently asked questions of farmers and educators. Much of the real-world information provided by ATTRA is extremely helpful to both the conventional and organic communities, and is available nowhere else. As a result, the growth in demand for ATTRA services has increased significantly, both through the website-based information services and through the growing requests for workshops. We are requesting \$3 million for ATTRA for FY 2011. .

**USDA/ Agriculture Research Service (ARS)**

**Classical Plant and Animal Breeding Activities**

***Request: \$9.03 million***

As noted above in the AFRI section of this request, public resources for classical plant and animal breeding have dwindled in recent decades, and as a result, our capacity for public breeding is at critical point. While USDA's statutory obligation to address this problem through the AFRI competitive grant program remains strong, USDA's ARS also has an obligation in this regard. Although ARS has the resources and expertise to help reverse this dangerous trend, the agency has not made a concerted effort in this regard, until now. The Administration's Fiscal Year 2011 budget requests an increase of \$4.289 million for "crop breeding to enhance food and production security" and other \$4.75 million for "crop protection to enhance food and production security," with a clear focus on classical plant and animal breeding activities.

As described on pages 16-19 and 16-29 of the USDA Budget Justifications document:

*"Sustainability of our Nation's food supply depends on a continuous supply of improved plant varieties with protection from emerging diseases, insects, and damaging environmental conditions. While there has been major investment in the public and private sector in new genomic and biotechnology strategies for crop*

*improvement, classical plant breeding research and expertise continues to be a major but unmet need. Developing improved seeds and new varieties requires effective methods and expertise in selecting desired traits (“phenotyping”) and field evaluation. There is an urgent national and international need for more research and expertise in classical, conventional plant breeding. New emerging diseases such as citrus greening and cereal rusts are threatening the future supply of food crops. Temperature extremes and reduced water supplies provide new challenges for crop production.*

*Breeding research is particularly needed to improve complex traits that require long-term research and challenging methods such as developing perennial grains with high seed yields, as well as integrating disease resistance and weather stress tolerance genes from wild and weedy relatives of crop plants. Perennial grain production systems offer benefits in soil and water conservation, and decreased dependence on fertilizer and fuel inputs. The Land Institute, Salinas, Kansas, has led in developing perennial grain varieties and production systems. More breeding and disease protection research is needed to increase the production capacity of perennial grains and to optimize perennial grain production systems.*

*The need for classical breeding research and expertise is growing, but the supply of trained classical plant breeders is diminishing worldwide. The entire plant breeding industry faces a shortage of trained plant breeders as a result of industry expansion. Also, traditional partner disciplines for plant breeding, such as statistics, plant pathology, physiology, and entomology have often shifted away from field-based, practical plant breeding applications. ARS has a force of more than 125 plant breeders, working in teams with plant pathologists, biologists, entomologists and other skilled crop scientists. Clearly, ARS has an obligation to increase training, and mentor more new plant breeders to meet this urgent need.”*

We strongly agree with the above statement and fully support the request for \$9.03 million to meet this need. In addition, we request report language calling on ARS to report to the Committee about its activities in the area of classical breeding.

## **USDA/ Food and Nutrition Service**

### **WIC Program**

#### ***Report Language: Removing Barriers of Access to Organic Foods for WIC recipients***

Despite the growing body of peer-reviewed research demonstrating the human health benefits of organic food, particularly for pregnant mothers and small children, many States have greatly limited or prohibited access to organic foods as part of the WIC program. Some of the barriers are explicit, whereby WIC recipient are expressly prohibited in some states from using their WIC certificates or vouchers for organic versions of WIC foods. Others barriers are indirect, such as rules that make it difficult for retail stores that carry organic foods from participating in the program. Therefore, we are requesting that report language be included in the Food and Nutrition Service section of the FY 2011 Appropriations report, such as:

***“The Committee is concerned about the number of States the have set up barriers within the WIC program to hinder or prohibit WIC recipients from purchasing organic food. The Committee strongly urges FNS to actively encourage States to remove barriers to the purchase of organic foods as part of the basic food instrument, and to understand the nutritional and health benefits of organic foods for the vulnerable populations served by this program.”***