

ORGANIC FARMING RESEARCH FOUNDATION

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TO: H.R. 2419 Conferees FROM: Undersigned Groups and Businesses

RE: Organic Research Funding in H.R. 2419 Conference Package

Dear H.R. 2419 Conferee,

The undersigned groups and businesses urge your attention to ensuring significant progress towards a fair share of agricultural research and education spending for organic farming and ranching. In crafting a final conference agreement on H.R. 2419, we strongly recommend that you accept the House policy language but the Senate funding provision for the Organic Agriculture Research and Extension Initiative $(OREI)^1$.

The Senate bill provides mandatory spending of \$16 million per year for OREI. The House bill provides only \$5 million per year, a negligible increase from the current funding of \$3 million per year.² The House policy language amendments add conservation outcomes and seed breeding to the program's purposes.

The Senate figure is still less than 0.7% of total USDA-REE expenditures in FY07. A "fair share" of USDA-REE research expenditures for organic, at current U.S. market share of about 4%, would be roughly \$100 Million per year. By FY2013, the market share of organic foods is expected to be nearly 10%. <u>A significant increase in OREI funding is absolutely crucial to making progress towards the fair-share benchmark.</u>

USDA-REE expenditures directed explicitly to research and information programs for organic agriculture in FY 07 were only slightly above 1% of total REE spending. This discrepancy in the share of research funding spent on organics is detrimental to an industry that relies intensively on management and information for its success. In fact, lack of knowledge is the biggest limiting factor for farmers and ranchers who are looking to take advantage of the growing organic market demand and profits that it brings.

¹ OREI is established in Section 1672B(e) of the Food, Agriculture, Conservation and Trade Act of 1990, as amended by Section 7218 of the Farm Security and Rural Investment Act of 2002. Senate provision of H.R. 2419 is Section 7104; House provision is Section 7310.

² OFRF's initial recommendation last year for mandatory organic research funding was \$40 Million/yr.

Without an increase in research and education spending to a level that is at least commensurate with organic's share of the domestic food retail market, U.S. farmers will lack the necessary information they need to compete against rising imports, and participate in the economic opportunity presented by the rapidly growing organic market.

OREI is USDA's premier competitive research and education program specifically dedicated to investigation of organic agriculture. Research and extension projects funded through the OREI competitive grant program focus on meeting the production, marketing and policy needs of the growing organic industry. But the funding is extremely small compared to the research and education needs. In fact, of the 210 fundable proposals submitted for Integrated Organic Program funding between 2004 and 2006, only 29 proposals, (13.8%), could be funded due to the limited money available.

We understand that there are enormous pressures on you to cut Farm Bill spending. We are mindful of Chairman Peterson's instruction last spring that, "everyone will be unhappy." We accept that organic agriculture should be treated equally with respect to the shortfall from our goals. The Senate bill's funding level for OREI would still be far short of our fair-share goal, but would at least get us closer to equally sharing the fiscal pressures.

Thank you for your consideration.

Respectfully,

NATIONAL ORGANIZATIONS Organic Farming Research Foundation Organic Trade Association Sustainable Agriculture Coalition National Organic Coalition National Center for Appropriate Technology Farm Aid Center for Rural Affairs National Campaign for Sustainable Agriculture National Catholic Rural Life Conference Harvest Christian Fellowship Union of Concerned Scientists The Organic Center Equal Exchange Organic Seed Alliance Organic Seed Growers and Trade Association **Beyond Pesticides** Organic Consumers Association Center for Food Safety Food and Water Watch The Rural Advancement Foundation International – USA National Cooperative Grocers Association

STATE AND LOCAL ORGANIZATIONS

Iowa Organic Association Practical Farmers of Iowa Georgia Organics Southern Sustainable Agriculture Working Group Midwest Organic and Sustainable Education Service (WI&MN) Minnesota Project Virginia Biological Farmers Association Northern Plains Sustainable Agriculture Society (ND) Community Alliance with Family Farmers (CA) California Certified Organic Farmers California Farmers Union Agriculture & Land-Based Training Association (CA) California Food and Justice Coalition Pennsylvania Association for Sustainable Agriculture Pennsylvania Certified Organic Tuscarora Organic Growers Cooperative Maine Organic Farmers and Gardeners Association Northeast Organic Dairy Producers Alliance Northeast Organic Farming Association of Massachusetts Northeast Organic Farming Association of New York Northeast Organic Farming Association of Connecticut Northeast Organic Farming Association of New Hamphire Northeast Organic Farming Association of New Jersey Northeast Organic Farming Association of Rhode Island Northeast Organic Farming Association of Vermont Northeast Organic Farming Association Interstate Council Northeast Organic Dairy Producers Association Dakota Rural Action Alternative Energy Resources Organization (MT) Montana Organic Producer Co-op Maryland Organic Food and Farming Association Oregon Tilth Provender Alliance (OR) The Washington Sustainable Food & Farming Network Heartland Center (IN) Florida Certified Organic Growers and Consumers, Inc. Texas Organic Cotton Marketing Cooperative Hawaii Organic Farmers Association Valley of Heart's Delight Project (Palo Alto, CA) Adelante Mujeres, (OR) Farm Fresh Rhode Island Raccoon River Watershed Association (IA) Green Party of Delaware Delaware Local Food Buying Club

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Melissa Hughes, General Counsel, CROPP Cooperative/Organic Valley Family of Farms Myra Goodman, Earthbound Farms, CA Gary Hirshberg, CE-Yo and Nancy Hirshberg, VP Natural Resources, Stonyfield Farm, VT Bu Nygrens, Veritable Vegetable, San Francisco, CA Keith Olcott, Equal Exchange, West Bridgewater, MA Frederick Schilling, Founder, Dagoba Chocolate, Ashland, OR Grant Lundberg, CEO, Lundberg Family Farms, Richvale, CA Melody Meyer, Director of Produce Purchasing, Albert's Organics, Inc., Santa Cruz, CA Nate Morr, SunOpta Global Organic Ingredients, Inc, Aptos, CA Heidi Rayher, Regional Produce Procurement Team Leader, Whole Foods Market - California **Distribution Center** Pam Marrone, CEO/Founder, Marrone Organic Innovations, Inc, Davis, CA John Teixeira, Lone Willow Farms, Firebaugh, CA Francis Thicke, Radiance, Dairy, Fairfield, IA January Hodgson, LLC Officer, Savor Specialty Foods, Atlanta, GA Michael Tuohy, Chef/Owner, Woodfire Grill, Atlanta, GA Chef Carvel Grant Goud, We're Cooking Inc. dba Canoe Restaurant, Atlanta, GA Bill Sutherland, Sutherland Produce Sales, El Cajon, CA Laurie Moore, Owner, Moore Farms and Friends, Woodland, AL Bonnie C. Poux, President, Access Organics, Inc., Kalispell, MT Jamie Samuels, President and Kevin McCluney, Local Foods Coordinator, ASU Clean Energy, Tempe, AZ Steve Pierce, My Neighbor Steve's Pasta Sauce, Baldwin, KS Rodney LeBlanc, RKL & Associates, LLC, Winsted, CT Art Scheele, President/ Owner, American Organic Seed & Grain, Warren, IL Luke Patruno, MCL Distributing, Inc., Los Angeles, CA Steve Taft President, Eco Farms, Temecula, CA Miriam MacGillis, OP, Genesis Farm, Blairstown, NJ Lorena Estrada, Sales Manager and Darlene Eells, Registration/Certification Coordinator Manager, Sundance Natural Foods Company, Oceanside, CA Rick Christianson, Co-op Partners Warehouse, St Paul, MN Olivia Sargeant, Owner & General Manager, Farm255, Athens, GA Robert Simmons, Senior Executive Partner, International Certification Services, Inc. dba Farm Verified Organic, Medina, ND Kate Elsberry, C.H. Robinson Worldwide, Southeast Produce Sales, Miami, FL Diane Dempster, Charlie's Produce, Seattle, WA Mary G. Woltz, Owner/Operator, Bees' Needs, L.L.C Sag Harbor, NY Jack Salemme, President, Northwest Growers Marketing Inc., Pasco, WA Erin Barnett, Director, Local Harvest, Inc., Santa Cruz, CA Charlie Heermans, President, Guaranteed Organic Certification Agency, Temecula, CA John K. Ashby, General Manager, California Natural Products, Lathrop, CA Marnie Rundiks and Krista Golly, Growers Organic, Denver, CO Thomas McCracken, Green Earth Farm, Saguache, CO Helmut Klauer, Owner, Classic Organic, Gaviota, CA

Mark Tudor, Tudor Hills Vineyard, Grandview, WA Tim P. Miller, Millberg Farm, Austin, TX The Reverend Roger W. Verley, Managing Partner, Verley Family Farm, LLC. Annandale, VA Miriam MacGillis, Genesis Farm, Blairstown, NJ Becky Rondy, Green Edge Organic Gardens, Amesville, OH

Gay Timmons, Oh, Oh Organic , Inc. Milpitas, CA Representing: VegeTech Inc. - Certified Organic Botanical Extracts Lemur Int'l - Organic Healing and Essential Oils of Madagascar Organic India ® - Certified Organic Castor Oil Oh, Oh Organic Cosmetic Ingredients Glory Bee Foods, Org. beeswax, honey and bee stuff!

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