

Protect Organic Dairy Farms

Organic dairy farmers are in crisis. Since 2016, dairy states have been losing family organic dairy farms at an alarming rate. In Vermont, over 35% of organic dairy family farms have folded or left organic.

ISSUE OVERVIEW

After years of milk prices that do not cover the cost of organic production, US organic dairy farmers are in crisis. Their farms are in dire need of improvements. Increased consolidation in processing and brand ownership and years of inconsistent enforcement of regulations by the National Organic Program have led to oversupply and a low pay price. In recent years, weather disruptions and unstable international trade have created spikes in organic input costs, further eroding profits for organic dairy farmers.

Organic milk is the top selling organic commodity, bringing in over \$1.6 billion in sales in 2021. Investments in infrastructure at the farm, state, and regional level are desperately needed to sustain these organic family farms that are important players in rural economies and in sustainable food security.

HELP IS URGENTLY NEEDED

USDA's National Organic Program (NOP) should increase enforcement of the organic standards (including access to pasture requirements and the updated Origin of Livestock rule) to ensure that all organic dairy farmers are following the same rules. This stepped-up enforcement can take place without any changes to the Farm Bill.

In addition, the upcoming Farm Bill presents an opportunity to provide investments in regional organic dairy infrastructure and long-needed support for the organic dairy market, similar to what conventional dairy has received for many years, including better data collection and an effective safety-net program.

THE FARM BILL CAN HELP

The upcoming Farm Bill presents an opportunity to provide investments in regional organic dairy infrastructure and long-needed support for the organic dairy market, similar to what conventional dairy has received for many years.

Two Farm Bill Marker Bills have been introduced to help pave the way for increased economic stability for organic dairy farmers.

- **The Organic Dairy Assistance, Investment, and Reporting Yields Act (O DAIRY Act S.2442)** will improve data collection for organic dairy, require USDA to design a functional safety-net program for organic dairy farmers, and provide investments in regional organic dairy infrastructure. Sponsors: Sen. Welch [D-VT], Sen. Gillibrand [D-NY], Sen. Sanders [I-VT], Sen. Booker [D-NJ], Sen. Smith [D-MN]
- **The Organic Dairy Data Collection Act (H.R. 4110)** will provide improved data collection to better understand and address the challenges organic dairies face. Sponsors: Rep. Pingree [D-ME], Rep. Wied [R-WI], Rep. Langworthy [R-NY], Rep. Riley [D-NY], Rep. Mannion [D-NY]

IMPROVED DATA COLLECTION

Support is needed for regional programs to collect and publish cost of production data for organic milk (including all costs, not just organic feed). Both the O DAIRY Act and the Organic Dairy Data Collection Act would provide:

- Requirement for USDA to regularly publish regional reports on Receipts of Organic Fluid Milk Products and Cream, Utilization of Organic Fluid Milk Products and Cream by pool plants, and Receipts of Organic Milk produced, by state.
- Establishment by USDA of an Organic All Milk Price Survey, analogous to the existing National Agriculture Statistic Service (NASS) All Milk Price Survey, to gather and report monthly data about what organic farmers are being paid for their milk, nationally and in the largest organic dairy production states.
- Require USDA to set up an organic database equivalent to what conventional has been using with NASS or ERS (Economic Research Service) data.



THE O DAIRY ACT

In addition to improved data collection and reporting for organic dairy, the O DAIRY Act would:

Require USDA to propose a safety net program for organic dairy farms based on organic-specific milk and input cost data that prioritizes small farms

Provide immediate support to address dramatically increased organic input costs for organic dairy farms by extending the program Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish (ELAP) to cover certain losses related to higher than normal organic feed or other input costs.

Provide investment in organic milk processing infrastructure to enhance regional milkshed markets that seek to drive a greater affinity for regionally sourced and processed organic dairy products by incentivizing support for:

- The development of new organic dairy processing plants that support multiple regional small dairy operations;
- Initiatives that establish institutional purchasing of local organic dairy products;
- Investment in infrastructure to gain transport and processing efficiencies;
- The establishment of on-farm organic dairy processing and storage;
- Producers and processors that want to expand regional organic processing infrastructure serving small dairy operations;
- Initiatives that support increasing regional organic dairy processing capacity;
- New regional Organic Dairy Market Specialist positions in each major organic dairy producing region to conduct research on the marketing of organic dairy.