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25% of Vermont's dairies are certified organic. Even though the Northeast tends to be in an organic milk deficit, organic producers in New England are still faced with the nationwide issue of an oversupply of organic milk. From Bob Parson's research, we know the break even pay-price in New England for organic dairy farmers is around \$35/cwt. Our organic producers in the past year have seen a \$6/cwt drop in their pay price; the CROPP cooperative average pay price for 2017 is estimated at \$30.59. The CROPP pay price in Vermont for December will be \$28.80/cwt. In addition to this most producers are now under quota. This is not sustainable for our small organic family farms and they are struggling to make ends meet.

The surplus of organic milk has been caused by inadequate supply management by the two main organic milk buyers, poor implementation of National Organic Program (NOP) regulations and the failure of the NOP to publish regulations to uphold a consistent and fair organic standard.

The NOP's lack of enforcement and implementation of regulations has created an unlevel playing field for producers, allowing very large dairies in the West to expand despite the national market being in oversupply, and is reducing consumer confidence in organic. We need Congress to use the Farm Bill to direct the NOP to take action with the following regulations:

- Prioritizing the Publication of the Final Rule for the Origin of Livestock. This rule was first published almost 10 years ago, in 2008; there has been no word of this rule being implemented since 2015. It should be a priority that this rule is published and enforced, allowing only a one-time transition of animals, not this continuous transition that some certifiers have allowed.
- Regular interpretation and implementation of §205.237 Livestock Feed and §205.239 Livestock Living Conditions. There must be a consistent policy, enforcement and calculation for pasture dry matter intake, to ensure pasture consumption and access to pasture.
- The immediate implementation of the Organic Livestock & Poultry Practices Regulation. By making the final livestock rule effective immediately the integrity of the organic seal can be protected and the trust of consumers maintained for organic livestock products.

Organic Production Market and Data Initiatives (ODI)

The USDA's ODI collects information vital to maintaining stable markets, creating risk management tools, tracking production trends, and increasing exports.

Support for the reauthorization of the ODI to provide \$5million/year in mandatory funding for USDA organic data efforts, as well as a continuation of existing language authorizing the additional funding through the annual appropriations process. We support the expansion of reporting real time data on organic dairy and the cooperation between all agencies within USDA, principally the Federal Milk Marketing Orders, USDA ERS and AMS, to provide producers with an accurate assessment of the market on the supply and utilization of organic milk.