



# National Organic Coalition

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Testimony of

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Before the

Senate Committee on Agriculture, Nutrition and Forestry

regarding

Economic Challenges and Opportunities Facing American  
Agricultural Producers Today

Chairman Harkin, Senator Chambliss, Members of the Committee-

Thank you for the opportunity to testify today. My name is Kathie Arnold. I have been farming in New York State for 27 years, in partnership with my husband and his brother. We have been certified organic for 9 years, have 140 dairy cows, youngstock and crop about 700 acres—raising pasture, hay, corn and small grains.

I also serve on the Board of the Northeast Organic Dairy Producers Alliance, which is a member of the National Organic Coalition. I offer my testimony on behalf of both groups. Organic farming is a production system that enables family farms to have a viable and even thriving business that is both environmentally and family friendly. The process of transitioning is not easy for producers, nor should it be. Farmers make a commitment to produce according to the stringent standards for organic production, and are rewarded when consumers buy organic products. The strong standards and the price premium go hand in hand.

While the National Organic Program has been positive overall, there is still a great deal of work to be done to ensure that standards are consistent and strong. Most notably, the issue of pasture for organic livestock remains unresolved.

Under the current USDA standards, organic livestock must be given access to pasture. In spite of the clear requirement, this standard has not been adequately enforced. At a USDA forum on the subject a year ago, I and many others presented testimony urging a proposed rule specifying that:

Organic dairy animals must consume at least 30% of their food needs from pasture for the growing season, which can be no less than 120 days.

USDA's National Organic Program indicated that a proposed rule would be forthcoming, yet it is still not issued. We hope USDA will act quickly to implement a strong pasture standard. However, if they do not, there may be a need for Congress to act.

As this Committee undertakes the task of putting together the 07 Farm Bill, I urge your consideration of several key proposals related to organic ag:

1. The National Organic Certification Cost Share should be reauthorized and updated to reflect increased costs. This is particularly important in encouraging small-and-medium-sized operations to become and stay certified.
2. The Conservation Security Program should be fully funded with mandatory funding and be available in all watersheds. An easy "crosswalk" should be created between organic certification and CSP, so that an organic farm plan can also provide eligibility for CSP benefits.
3. A National Organic Conversion and Stewardship Incentives Program should be created to provide financial and technical support to farmers for the adoption of advanced conservation practices as part of the process of converting to organic production.
4. Organic research programs should be reauthorized at higher funding levels to reflect organic's 3 percent share of the U.S. food retail market. Changes should be made to renew and enhance the public capacity for classical plant and animal breeding.
5. As food processing firms and retailers consolidate and dominate markets, farmers' leverage to negotiate fair prices and contract terms is in jeopardy. The Agricultural Fair Practices Act

of 1967 should be amended to require processors to bargain in good faith with associations of producers.

6. When genetically engineered material is detected in organic product due to "contamination" beyond producers' control, farmers and processors can lose markets and are unfairly forced to bear the costs. A liability regime should be established so that farmers who suffer such contamination can recoup their losses from the manufacturers of genetically engineered seeds.

7. Organic producers are required to pay a 5 percent surcharge on their crop insurance rates yet are often reimbursed for losses based on conventional prices, without recognition of the higher value of their organic products. These inequities should be rectified.

Thanks for your consideration of these proposals, and for this opportunity to testify.