

## 2009-2012 Farm Bill Spending (Actual) on Organic Agriculture: Woefully Inadequate to meet Growing Demand and Producer Needs

From 2009 through 2012, the farm bill provided \$259 million, an average of \$65 million a year, to support organic agriculture. Spending declined every year and was woefully inadequate to address the infrastructure, research, education and technical assistance needs to meet the growing demand for organically produced food in the US. In 2012, the organic food market reached \$32 billion in sales, and the number and acreage of organic farms nationally cannot keep up with the demand for organic food and animal feed. Imports are on the rise to meet that demand.

The majority of funds, \$96 million over four years, was spent on a new organic initiative under the Environmental Quality Incentives Program that supports conservation practices on organic farms and farms transitioning to organic agriculture. According to data from NRCS, 577,915 organic acres of farmland were enrolled under this initiative from 2009 to 2012, including 216,628 acres in transition from conventional agriculture. The Organic Research and Extension Initiative was the second largest program, spending an average of \$18 million a year. Demand for resources from this program also far exceeds available funding. Although 97 proposals submitted in 2012 passed the initial screening process, only eight grant awards were made, leaving 92 percent unfunded.

California, the nation's leading organic producer, grows 36 percent of the country's organic food and is home to the largest number of organic farms and most organic acreage (500,000 acres). Yet the state received an average of just 7 percent of all organic funding nationwide in 2009-2012 (about \$2.5 million a year), and just 4 percent of organic research and extension funding and zero percent from the Organic Transitions program. In two of the four years, (2010 and 2012), California received zero funding for research from the Organic Research and Extension Initiative despite great needs for organic research.

|  | 2009          |              | 2010          |              | 2011          |              | 2012          |              | 2009-2012      |               |            |
|--|---------------|--------------|---------------|--------------|---------------|--------------|---------------|--------------|----------------|---------------|------------|
|  | US            | CA           | US            | CA           | US            | CA           | US            | CA           | US             | CA            | % CA of US |
| <b>Award Totals (in millions)</b>                            | <b>\$73.4</b> | <b>\$4.3</b> | <b>\$65.7</b> | <b>\$2.9</b> | <b>\$64.2</b> | <b>\$6.6</b> | <b>\$55.6</b> | <b>\$4.0</b> | <b>\$258.9</b> | <b>\$17.8</b> | <b>7%</b>  |
| Environmental Quality Incentives Program:                    |               |              |               |              |               |              |               |              |                |               |            |
| Organic Initiative   | 36.2          | 3.2          | 23.8          | 1.4          | 22.5          | 2.7          | 13.2          | 2.7          | 95.7           | 10.0          | 10%        |
| Organic Research and Extension Initiative                    | 18.5          | 0.4          | 19.3          | 0            | 19.9          | 2.6          | 17.8          | 0            | 75.5           | 3.0           | 4%         |
| National Organic Program Support                             | 7             | n/a          | 7             | n/a          | 6.9           | n/a          | 10.0          | n/a          | 30.9           | n/a           | n/a        |
| Organic Certification Cost Share Program                     | 4.3           | 0.7          | 5             | 0.9          | 6.1           | 1            | 7.3           | 1.1          | 22.8           | 3.6           | 16%        |
| Sustainable Agriculture Research and Education* <sup>^</sup> | 3.9           | 0            | 4.6           | 0.6          | 3.7           | 0.3          | 3.7           | .2           | 15.9           | 1.1           | 7%         |
| Organic Transitions  | 2             | 0            | 4.5           | 0            | 3.9           | 0            | 3.6           | 0            | 14.1           | 0             | 0%         |
| Organic Production and Market Data Initiative                | 1.5           | n/a          | 1.5           | n/a          | 1.2           | n/a          | 0             | n/a          | 4.2            | n/a           | n/a        |

Source: EWG analysis of USDA documents, websites, and information provided by USDA staff

\*Totals include only those projects focused on organic production ^Funding totals from grant awards only, no administrative costs included

## **Farm Bill Programs that Support Organic Agriculture and Production**

**Environmental Quality Incentives Program: Organic Initiative** – This NRCS-funded program, added to the 2008 farm bill, sets aside EQIP funding to address natural resource concerns related to organic transition and production.

**National Organic Program Support** – A regulatory program responsible for developing and enforcing national standards for organically produced agricultural products.

**Organic Certification Cost Share Program** – Provides support for producers and handlers to become certified organic under the National Organic Program.

**Organic Production and Market Data Initiative** – An initiative that generates organic statistics, organic price reporting and economic reports.

**Organic Research and Extension Initiative** – OREI funds research and extension programs to help improve the ability of organic producers and processors to grow and market high-quality organic agricultural products.

**Organic Transition Incentives for Beginning Farmers** – Operated under the Conservation Reserve Program (CRP), this program provides support for beginning or socially disadvantaged farmers and ranchers who are transitioning CRP land into organic certification.

**Organic Transitions** – This program provides research, education and extension grants to support farmers adopting organic practices and to improve the competitiveness of organic livestock and crop producers.

**Sustainable Agriculture Research and Education** – SARE provides grants to fund ongoing innovation in sustainable agriculture, including projects focused on organic agricultural production.