



Organic Regulations & Resources

Matt Ernst¹

Introduction

Markets for organic products are among the faster growing sectors of the food and consumer packaged goods industries. Because U.S. consumers appear willing to continue paying premiums for organic foods, organic production is of interest not only to new farmers and small-scale farmers, but also to larger established conventional farms.

Two challenges for beginning organic crop production are meeting certified organic requirements and sourcing crop inputs that are approved for organic use. This fact sheet will summarize key considerations for meeting these challenges and list important sources of additional information for a producer interested in evaluating the feasibility of organic production on his or her farm.

The National Organic Program

Organic is a labeling term that is regulated under the National Organic Program (<https://www.ams.usda.gov/about-ams/programs-offices/national-organic-program>) by the U.S. Department of Agriculture. Products that carry the USDA certified organic label must be produced in accordance with the methods approved under this program. According to USDA, these methods “integrate cultural, biological, and mechanical practices that foster cycling of resources, promote ecological balance, and conserve biodiversity.”

Producers must be inspected to gain USDA organic certification under the National Organic Program. Organic certification is required to sell, label or represent products as organic.



Producers new to organic certification are often encouraged to work with producer peers, agricultural educators, and other helpful resources for beginning the organic certification process. The Organic Association of Kentucky (OAK) (<https://www.oak-ky.org/>) maintains a program for advising farmers interested in transitioning to organic. Many resources are also available from Kentucky universities, including the Organic Agriculture Working Group (<http://organic.kysu.edu/index.shtml>)



at Kentucky State University and the University of Kentucky Center for Crop Diversification Organic Resources page (<http://www.uky.edu/ccd/organic-resources>). The Kentucky Department of Agriculture (KDA) is accredited by the USDA NOP as a certifying agent for the scopes of crops, wild crops, livestock, and handling operations. As of 2017, the KDA certifies entities located in Kentucky only. For information from the KDA on organic certification, including an application and forms, visit its Organic Marketing web page at <http://www.kyagr.com/marketing/organic-marketing.html>.

¹Matt Ernst is an independent contractor with the Center for Crop Diversification.

Obtaining Approved Crop Inputs

The organic certification process involves an audit of all materials used during production. There are several organizations that review materials that may be used in certified organic production. The Organic Material Review Institute, or OMRI, is a longstanding reviewer and its website is located at www.omri.org. The KDA has also recognized materials reviewed by the Washington State Department of Agriculture, Pennsylvania Certified Organic, and California Department of Food and Agriculture Registered Organic Input Materials.

There may be restrictions on how some inputs can be used for organic production. These restrictions will be noted in the reviewing agency recommendations. Because use of non-approved materials could jeopardize a farm's organic status, producers should check with their certifier before using any materials that are not listed as approved by the agencies recognized by the organic certifier. The KDA has a product or input review request form on its website at http://www.kyagr.com/marketing/documents/ORG_Input%20review%20request.pdf.

Obtaining approved crop inputs can be difficult, especially in areas where there are not concentrations of organic producers. Freight and shipping costs can quickly add up and, in some cases, may be as much or more than the cost of the actual inputs. Some organic farms have purchased inputs together so that they might save on freight and obtain bulk discount rates. Getting to know other farmers and organic experts can greatly help a producer identify sources of organic inputs.

Grants and Other Funding Opportunities

Numerous cost share and grant programs are available for organic farm research, production, and assistance in transitioning from conventional to organic production systems. These include the USDA's Organic Certification Cost Share Program (OCCSP), which is administered by the Farm Service Agency (FSA). OCCSP "provides organic producers and handlers

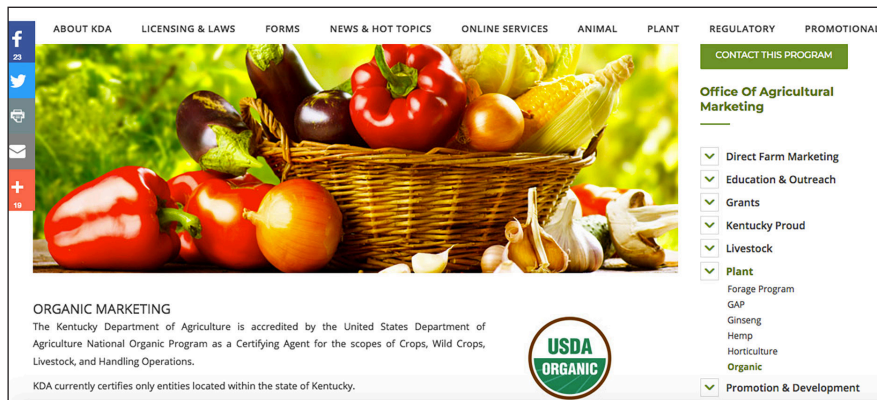
with financial assistance to reduce the cost of organic certification. Once certified, organic producers and handlers are eligible to receive reimbursement for up to 75 percent of certification costs each year, up to a maximum of \$750 per certification scope — crops, livestock, wild crops, handling and State Organic Program fees."¹ Only organic producers and handlers who have been certified by a USDA-accredited certifying agent are eligible for the cost-share funds. Certified organic producers and handlers may apply to a participating state agency, or to an FSA office. In Kentucky, growers can check a box on the KDA's organic certification form to automatically enroll in the program.

Grant opportunities available to organic growers include Sustainable Agriculture Research and Education Producer Grants, Specialty Crop Block Grants, USDA Value-Added Producer Grants and Renewable Energy for America Grants, and FSA Programs for Organic Farmers (a variety of loans, the Noninsured Crop Disaster Assistance Program, and the Conservation Reserve Program). The NRCS EQIP Organic Initiative provides financial and technical assistance for organic farmers, farmers exempt from NOP certification because they sell less than \$5,000 a year in organic products, and farmers transitioning to organic production. NRCS helps with the development of a conservation plan, which includes conservation practices, systems or activities. These include improving irrigation efficiency, establishing buffer zones, creating pollinator habitat, managing cover crops, and more. Kentucky State University's Small Farm Grant Program offers grants for four priority areas, including certified organic farming and marketing, which includes farms that are transitioning to organic. See Selected Resources below to visit the websites of these programs for additional information.

to 75 percent of certification costs each year, up to a maximum of \$750 per certification scope — crops, livestock, wild crops, handling and State Organic Program fees."¹ Only organic producers and handlers who have been certified by a USDA-accredited certifying agent are eligible for the cost-share funds. Certified organic producers and handlers may apply to a participating state agency, or to an FSA office. In Kentucky, growers can check a box on the KDA's organic certification form to automatically enroll in the program.

Business Planning

The Kentucky Center for Agriculture and Rural Development (KCARD) offers technical assistance



The screenshot shows the USDA National Resources Conservation Service website. The main heading is 'EQIP Organic Initiative'. Below the heading is a photograph of a man in a maroon shirt and a cap, smiling. Underneath the photo is the text 'Organic Initiative'. The page content includes a description of the EQIP program and eligibility criteria.

EQIP Organic Initiative

The National Organic Initiative, funded through the Environmental Quality Incentives Program (EQIP), is a voluntary conservation program that provides technical and financial assistance for organic farmers and ranchers, or those interested in transitioning to organic. NRCS can help organic producers improve their operations or help producers transition to organic using a conservation plan tailored to their needs.

Eligibility:

- > **Certified Organic** - producers with a USDA National Organic Program (NOP) Organic Certificate or proof of good standing from a USDA accredited certifying agent. The certification must be maintained for the life of the EQIP contract.
- > **Exempt from Certification of the NOP** - producers who are selling less than \$5,000 a year in organic agricultural products and are exempt from NOP's certification. Exempt organic producers are eligible for the EQIP Organic Initiative if they self-certify that they agree to develop and work toward implementing an Organic Systems Plan (OSP), as required by the NOP.
- > **Transitioning to Organic** - producers who are in the process of transitioning to organic. Transitioning producers self-certify that they agree to develop and work toward implementing an OSP, as required by the NOP.

Assistance begins with the development of a conservation plan based on a needs assessment and each farmer's unique goals. The plan includes conservation practices, systems or activities, and the resource concerns identified in the assessment.

and educational opportunities for new and existing agricultural businesses. KCARD helps with feasibility studies and market assessments, business plan development, marketing plan development, business management, offers grant workshops, and much more. Small Business Development Centers are also available to help with agricultural businesses. For more information on these and other organizations, see Selected Resources below.

¹USDA Farm Service Agency Organics Fact Sheet (2017) https://www.fsa.usda.gov/Assets/USDA-FSA-Public/usdafiles/FactSheets/2017/organics_fact_sheet_oct2017.pdf

Selected Resources

State organizations

- Organic Association of Kentucky (OAK) <https://www.oak-ky.org/>
- Illinois Organic Growers Association (IOGA) <http://illinoisorganicgrowers.org>
- Ohio Ecological Food and Farm Association (OEFFA) <http://www.oeffa.org>
- Tennessee Organic Growers Association (TOGA) <http://tnorganics.org>

General Information

- Kentucky Department of Agriculture Organic Marketing <http://www.kyagr.com/marketing/organic-marketing.html>
- “Organic Certification” (USDA/AMS) <https://www.ams.usda.gov/services/organic-certification/certification>

- “Organic Production” Sustainable Agriculture Research & Education <https://www.sare.org/Learning-Center/Topic-Rooms/Organic-Production>
- “Organic Farming” (ATTRA) <https://attra.ncat.org/organic.html>
- What is Organic? (National Organic Program) <https://www.ams.usda.gov/publications/content/what-organic>
- USDA Organic Regulations <https://www.ams.usda.gov/rules-regulations/organic>

Business Planning

- Kentucky Center for Agriculture and Rural Development (KCARD) <http://www.kcard.info>
- Kentucky Small Business Development Center <https://www.ksbdc.org/home>
- U.S Small Business Administration (find a state office) <https://www.sba.gov/tools/local-assistance/sbdc>
- SARE Building A Sustainable Business: A Guide to Developing a Business Plan for Farms and Rural Businesses <https://www.sare.org/Learning-Center/Books/Building-a-Sustainable-Business>

Grants and other funding opportunities

- SARE Producer Grant Programs <https://www.southernshare.org/News-and-Media/Press-Releases/Southern-SARE-Producer-Grant-Calls-for-Proposals-Released3>
- KY Specialty Crop Block Grant Program <http://www.kyagr.com/marketing/crop-block-grant.html>
- Specialty Crop Block Grant Program state contacts <https://www.ams.usda.gov/services/grants/scbgs/state-contacts>
- KSU Small Farm Grant Program <http://ksu.edu/academics/cafss/research-extension/small-scale-farm-grant-program/>
- USDA National Organic Certification Cost Share Program <https://www.fsa.usda.gov/programs-and-services/occcsp/index> (**NOTE:** Growers can check a box on the KY certification application form to automatically enroll)
- FSA Programs for Organic Farmers https://www.fsa.usda.gov/Assets/USDA-FSA-Public/usdafiles/Outreach/pdfs/Organic_Farming_Trifold.pdf
- USDA Value-Added Producer Grants <https://www.rd.usda.gov/programs-services/value-added-producer-grants>
- USDA Renewable Energy for America Grants <https://www.rd.usda.gov/programs-services/all-programs/energy-programs>

- NRCS EQIP Organic Initiative
https://www.nrcs.usda.gov/wps/portal/nrcs/detail/national/programs/?cid=nrcs143_008224
Kentucky contact for NRCS: Deena Wheby (deena.wheby@ky.usda.gov)
- Some grants for organic pasture access and animal production may be available from Food Animal Concerns Trust; family farmers with at least one year of experience may be eligible.
<https://foodanimalconcernstrust.org/grants/>

Sources of Organic Inputs

NOTE: This listing is provided as a resource for producers evaluating organic production costs for a new enterprise. No endorsement or recommendation is implied for any particular supplier.

Seeds

- Directory of Organic Seed Suppliers (ATTRA)
https://attra.ncat.org/attra-pub/organic_seed/
- Organic Seed Alliance <https://seedalliance.org/>
- Association of Official Seed Certifying Agencies Organic Seed Finder <http://www.organicseedfinder.org/Page/Home.aspx?nt=358>

Production Inputs

- Charlie's Compost <http://charliescompost.com/>
- KY Earthworm Castings <http://www.kentuckyearthwormcastings.com/KECHomeEg.html>
- Fertrell <http://www.fertrell.com/>
- Johnny's Selected Seeds <http://www.johnnyseeds.com>
- Nature's Safe <https://www.naturesafe.com/>
- Ohio Earth Food <http://ohioearthfood.com/>
- Seven Springs Farm <http://www.7springsfarm.com>
- Vermont Compost <http://www.vermontcompost.com/>

Transplants

- UK Horticulture Research Farm Organic Unit
Contact: Steve Diver, Farm Superintendent, (859) 272-5513, steve.diver@uky.edu
Greenhouse care for organic transplants. Producer provides materials and labor for initial seeding.

Buyers and Sellers of Organic Grains, Oilseeds and Feed

- ATTRA Organic Livestock Feed Suppliers Database (Other States)
https://attra.ncat.org/attra-pub/livestock_feed/
- Burkmann Feed
<http://www.burkmann.com/find-my-store>
- Cumberland Commodities <http://www.burkmann.com/cumberland-commodities>
- KY Organic Farm and Feed - KOFFI
Guthrie, Ky., Phone 270-265-5004
- New Country Organics
<http://www.newcountryorganics.com/find-us/>
- Windy Acres Farm (Orlinda, TN)
<http://windyacrestn.com/grain/>
- www.soybeanpremiums.org
(Soy industry-sponsored listing of specialty soybean sources, including buyers/sellers of organic soy)

Organic Price Reports

- USDA Agricultural Marketing Service Organic Price Reports
<https://www.ams.usda.gov/market-news/organic>

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Photos courtesy of USDA AMS National Organic Program website (Page 1), Organic Association of Kentucky (Page 1 logo), Kentucky Department of Agriculture website (Page 2), USDA NRCS EQIP Organic Initiative website (Page 3)

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For additional information, contact your local **County Extension** agent

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