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FEDERAL ASSISTANCE FOR FARMERS TRANSITIONING TO ORGANIC PRODUCTION



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On April 10, 2023, the Natural Resource Conservation Service (NRCS), an agency housed within the United States Department of Agriculture (USDA), announced that it would invest \$75 million into programs to assist farmers transitioning to organic production. This funding, granted to NRCS via the 2020 Coronavirus Aid, Relief, and Economic Security Act (CARES Act), will provide technical and financial assistance to farmers transitioning to organic agriculture. According to NRCS, this funding will help build new and better markets and income streams, strengthen local and regional food systems, stimulate an affordable American food supply, promote climate-smart agriculture, and ensure equity for all producers.

The <u>National Organic Program</u>, a USDA program in charge of certifying both farms and food as organic, requires farms to manage their land, eliminate the use of prohibited substances, and partake in organic practices for three years before becoming certified. Organic farmers often spend more on inputs than traditional farmers, which organic farms can recuperate due to the higher profit margins of organic food. However, when a farm transitions into organic production, it must pay higher input costs while selling its products as traditional agricultural commodities. This initial financial burden inhibits farmers who may otherwise choose to farm organically.

Recognizing that many farmers who would like to transition into organic farming have avoided so due to this financial burden, the USDA created the Organic Transition Initiative, a multi-agency USDA effort to support transitioning farmers and build and strengthen organic markets.

The \$75 million announcement represents NRCS's contribution to the Organic Transition Initiative. Of this funding, \$70 million goes toward direct farmer assistance. Those eligible to apply for the program include farmers, ranchers, forest landowners, and other producers transitioning into organic agriculture.

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Transitioning into organic agriculture poses a financial burden, and many farmers face the challenge of learning how to farm in compliance with the organic laws and regulations. USDA's Organic Transition Initiative aims to assist farmers with these technical challenges as well as the financial burden.

To learn more about the Organic Transition Initiative, visit the Organic Transition Initiative webpage, or contact the GrayRobinson national <u>Food Law Team</u> at 866.382.5132 or <u>foodlaw@gray-robinson.com</u>.

Jana Caracciolo is an associate at GrayRobinson, providing an astute knowledge of food labeling regulation and interpretation and counsel related to food safety-related issues. She provides legal counsel and compliance guidance to farmers, ranchers, producers, processors, distributors, and retailers on compliance issues with the U.S. Food and Drug Administration (FDA), the U.S. Department of Agriculture (USDA), and various state agencies' requirements on food safety, food and beverage labeling and packaging, and product development. Prior to joining GrayRobinson, Jana served as a staff attorney at the National Agricultural Law Center, researching and analyzing food safety and food labeling issues.

