

**REPORT TO CONGRESS**  
**Fiscal Year (FY) 2019**  
**NATIONAL AND AGRICULTURAL MANAGEMENT ASSISTANCE**  
**ORGANIC CERTIFICATION COST SHARE PROGRAMS**

**I. BACKGROUND**

The U.S. Department of Agriculture (USDA) administers two organic certification cost share programs collectively referred to as the Organic Certification Cost Share Programs (OCCSP); (1) The National Organic Certification Cost Share Program (National), and (2) The Agricultural Management Assistance Organic Certification Cost Share Program (AMA).

The Farm Service Agency (FSA) provides cost share assistance either to State agencies who may provide cost share payments to producers and handlers by establishing a grant agreement with FSA or directly to producers and handlers who apply for cost share payments at one of FSA's 2,100 county offices. Applicants are free to apply with either the State agency or FSA in States where a State agency participates in OCCSP. However, applicants may not apply through both the State agency and FSA.

In 2019, FSA announced the availability of National and AMA funds through a variety of communication channels, such as telephone calls and emails to State contacts, outreach materials, and informational postings to Grants.gov and through the FSA Web site:  
<https://www.fsa.usda.gov/programs-and-services/occsp/index>.

To be eligible for OCCSP, applicants must receive an initial certification or continuation of certification from a USDA-accredited certifying agent, in accordance with the USDA organic regulations. The 2019 reimbursement amount was 75 percent of certification costs, with a maximum of \$750 per certification category: crops, livestock, wild crops, processing/handling, and State Organic Program fees.<sup>1</sup> Operations that were certified in more than one category were eligible for a maximum reimbursement of \$750 per certification category, not to exceed 75 percent of total certification costs.

**A. National OCCSP**

The National OCCSP is authorized under Section 10606 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 6523), as amended by Section 10004(c) of the Agriculture Act of 2014 (2014 Farm Bill; Pub. L. 113-79), and Section 10105 of the Agricultural Improvement Act of 2018 (2018 Farm Bill; Pub. L. 115-334), which reauthorized the National OCCSP and provided "no year" funding, available to certified organic producers and handlers in the 50 States, the District of Columbia, and five U.S. Territories (hereafter referred to as "States").<sup>2</sup> Twenty-six State agencies chose not to participate in FY 2019; however, certified operations in all states could participate through FSA county offices. State agencies that did not participate are American Samoa, Colorado, Delaware, the District of Columbia, Georgia, Guam, Hawaii, Idaho, Illinois, Indiana, Iowa, Louisiana, Michigan, Nebraska, Nevada, New Hampshire, New Mexico, the Northern Mariana Islands, Oklahoma, Puerto Rico, South

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<sup>1</sup> State Organic Program fee was added as an eligible category in 2017. It applies only to producers in a State with a recognized State Organic Program under the National Organic Program regulations.

<sup>2</sup> The 2018 Farm Bill authorized \$2 million from CCC to be used for National OCCSP for each of FYs 2019 and 2020, \$4 million for FY 2021, and \$8 million for each of FYs 2022 and 2023, to remain available until expended.

Dakota, Tennessee, U.S. Virgin Islands, Utah, West Virginia, and Wyoming. Funds obligated through grant agreements that are not used are returned to FSA and available for later years

## **B. The AMA OCCSP**

The AMA OCCSP is authorized under the Federal Crop Insurance Act (FCIA), as amended (7 U.S.C. 1524(b)). Under this authority, Congress authorizes USDA to annually provide organic certification cost share assistance to certified organic producers operating in 16 specifically named States: Connecticut, Delaware, Hawaii, Maine, Maryland, Massachusetts, Nevada, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Utah, Vermont, West Virginia, and Wyoming. State agencies in Delaware, Hawaii, New Hampshire, Nevada, Utah, West Virginia, and Wyoming chose not to participate, citing inadequate resources to manage the program or a decision to let FSA administer all OCCSP payments in that State. To prevent duplicate assistance payments, producers participating in the AMA OCCSP are not eligible to participate in the producer portion of the National OCCSP. Unused funds are returned to the Treasury because AMA OCCSP funds are annual funds.

## **II. FISCAL YEAR 2019**

### **A. National Participation**

Under the 2019 National OCCSP, \$1,876,000<sup>3</sup> was available under the 2018 Farm Bill, and \$14,698,164 in unobligated funding was available from prior years. FSA allocated \$9,595,350 to the 30 State agencies that signed grant agreements. These State agencies subsequently disbursed \$6,864,148 in cost share assistance to 9,405 qualifying organic operations. Funds apportioned for FY 2019 that were not allocated to State agencies were available to provide payments directly to certified operations through FSA county offices and cover FSA administrative costs. Under the 2019 National OCCSP, FSA county offices have disbursed \$2,160,677 to 2,888 certified operations. Remaining FY 2019 National OCCSP funds that were not spent by State agencies or FSA remain available for FY 2020.

The Appendix to this report provides State-by-State data on the funds allocated and disbursed by participating State agencies and FSA county offices. Disbursements vary by the number of requests for reimbursement submitted by organic operations.

### **B. AMA Participation**

Under the 2019 AMA OCCSP, \$938,000<sup>4</sup> was apportioned for 16 States authorized to receive funds by the legislation. FSA allocated \$801,591 to the 9 States that signed agreements with FSA to participate. The \$136,409 difference between the total apportionment for the program and the amount FSA allocated to the 9 participating States was available to make payments through FSA county offices and cover FSA administrative costs. The participating State agencies subsequently disbursed \$723,240 in cost share assistance to 1,167 qualifying organic operations. FSA county offices disbursed \$72,924 to 106 qualifying organic operations.

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<sup>3</sup> The 2018 Farm Bill authorized \$2,000,000 in National OCCSP funding for fiscal year 2019, which was sequestered at 6.2% for a total apportionment of \$1,876,000.

<sup>4</sup> In fiscal year 2019, AMA OCCSP was authorized \$1,000,000 and then sequestered at 6.2% for a total apportionment of \$938,000.

The Appendix to this report provides State-by-State data on the funds allocated and disbursed by participating State agencies and FSA county offices

### III. APPENDIX

#### National Organic Certification Cost Share Program FY 2019 Allocation and Disbursement

State	State Agency Funding and Disbursements		Funds Disbursed by FSA County Offices	Number of Operations Assisted by State Agencies	Number of Operations Assisted by FSA
	FY 2019 Allocation <sup>1</sup>	FY 2019 Funds Disbursed <sup>2</sup>			
Alabama	\$8,000	\$2,475	\$2,065	3	1
Alaska	\$12,000	\$9,718	\$1,206	7	2
American Samoa	N/A	\$0	\$0	0	0
Arizona	\$75,000	\$61,284	\$7,996	79	9
Arkansas	\$11,000	\$5,036	\$7,965	8	12
California	\$4,100,000	\$2,132,475	\$23,882	3,682	31
Colorado	N/A	\$0	\$117,845	0	156
Connecticut	\$26,000	\$21,433	\$960	35	2
Delaware	N/A	\$0	\$2,604	0	3
Dist. of Columbia	N/A	\$0	\$0	0	0
Florida	\$78,000	\$43,715	\$16,170	46	20
Georgia	N/A	\$0	\$49,133	0	65
Guam	N/A	\$0	\$0	0	0
Hawaii	N/A	\$0	\$49,422	0	59
Idaho	N/A	\$0	\$110,395	0	147
Illinois	N/A	\$0	\$130,502	0	181
Indiana	N/A	\$0	\$224,763	0	265
Iowa	N/A	\$0	\$266,250	0	376
Kansas	\$50,000	\$33,122	\$20,181	51	29
Kentucky	\$50,000	\$50,000	\$750	127	1
Louisiana	N/A	\$0	\$27,926	0	20
Maine	\$283,000	\$272,897	\$1,969	98	2
Maryland	\$47,991	\$33,648	\$5,114	68	6
Massachusetts	\$5,000	\$4,965	\$38,548	7	55
Michigan	N/A	\$0	\$187,045	0	257
Minnesota	\$493,000	\$449,281	\$47,489	555	59
Mississippi	\$5,000	\$0	\$9,801	0	7
Missouri	\$93,400	\$93,382	\$32,453	102	45
Montana	\$180,000	\$146,169	\$13,564	210	19
Nebraska	N/A	\$0	\$102,540	0	139
Nevada	N/A	\$0	\$12,655	0	18
New Hampshire	N/A	\$0	\$15,945	0	45
New Jersey	\$57,000	\$47,924	\$3,194	60	5
New Mexico	N/A	\$0	\$25,516	0	40
New York	\$448,000	\$420,132	\$57,828	436	76
North Carolina	\$209,000	\$201,418	\$14,957	211	21
North Dakota	\$105,000	\$105,000	\$1,243	132	2
N. Mariana Islands	N/A	\$0	\$0	0	0
Ohio	\$383,809	\$383,706	\$37,513	458	54
Oklahoma	N/A	\$0	\$12,747	0	28
Oregon	\$330,150	\$206,553	\$105,609	238	146

State	State Agency Funding and Disbursements		Funds Disbursed by FSA County Offices	Number of Operations Assisted by State Agencies	Number of Operations Assisted by FSA
	FY 2019 Allocation <sup>1</sup>	FY 2019 Funds Disbursed <sup>2</sup>			
Pennsylvania	\$215,000	\$213,432	\$13,906	272	19
Puerto Rico	N/A	\$0	\$0	0	0
Rhode Island	\$8,000	\$7,977	\$3,847	15	6
South Carolina	\$36,000	\$13,216	\$8,949	24	17
South Dakota	N/A	\$0	\$46,470	0	65
Tennessee	N/A	\$0	\$20,044	0	31
Texas	\$50,000	\$37,264	\$58,745	150	77
U.S. Virgin Islands	N/A	\$0	\$669	0	1
Utah	N/A	\$0	\$18,347	0	26
Vermont	\$363,000	\$351,266	\$14,429	478	12
Virginia	\$43,000	\$30,582	\$67,832	88	82
Washington	\$825,000	\$616,994	\$33,514	958	42
West Virginia	N/A	\$0	\$6,423	0	9
Wisconsin	\$1,005,000	\$869,084	\$64,671	807	73
Wyoming	N/A	\$0	\$19,053	0	25
<b>Total</b>	<b>\$9,595,350</b>	<b>\$6,864,148</b>	<b>\$2,160,677</b>	<b>9,405</b>	<b>2,888</b>

<sup>1</sup> Amount FSA authorized the State agency to use for reimbursement to certified organic operations plus indirect cost, if applicable, to cover State agencies administrative expenses. N/A represents non-participation by the State agency.

<sup>2</sup> Funds paid by State agency to reimburse certified organic operators plus indirect cost, if applicable, to cover State agencies administrative expenses.

### AMA Organic Certification Cost Share Program FY 2019 Allocation and Disbursement

State	State Agency Funding and Disbursements		Funds Disbursed by FSA County Offices	Number of Operations Assisted by State Agencies	Number of Operations Assisted by County Offices
	FY 2019 Allocation <sup>1</sup>	FY 2019 Funds Disbursed <sup>2</sup>			
Connecticut	\$37,500	\$28,335	\$675	53	1
Delaware	N/A	\$0	\$0	0	0
Hawaii	N/A	\$0	\$10,796	0	17
Maine	\$100,000	\$99,978	\$679	182	1
Maryland	\$18,091	\$17,705	\$0	43	0
Massachusetts	\$47,000	\$31,804	\$3,919	53	8
Nevada	N/A	\$0	\$1,500	0	2
New Hampshire	N/A	\$0	\$3,481	0	10
New Jersey	\$20,000	\$16,603	\$904	34	2
New York	\$255,000	\$254,301	\$30,667	365	40
Pennsylvania	\$189,000	\$139,514	\$7,668	196	11
Rhode Island	\$5,000	\$5,000	\$0	14	0
Utah	N/A	\$0	\$5,585	0	6
Vermont	\$130,000	\$130,000	\$0	227	0
West Virginia	N/A	\$0	\$7,050	0	8
Wyoming	N/A	\$0	\$0	0	0
<b>Total</b>	<b>\$801,591</b>	<b>\$723,240</b>	<b>\$72,924</b>	<b>1,167</b>	<b>106</b>

<sup>1</sup> Amount FSA authorized the State agency to use for reimbursement to certified organic operations plus indirect cost, if applicable, to cover State agencies administrative expenses. N/A represents non-participation by the State agency.

<sup>2</sup> Funds paid by State agency to reimburse certified organic operators plus indirect cost, if applicable, to cover State agencies administrative expenses.