

## **Organic Dairy Assistance, Investment, and Reporting Yields (O DAIRY) Act of 2023**

### **Background:**

Organic dairy farmers face persistent economic pressures due to spiking production costs without a matching milk price increase. According to the USDA's Census of Agriculture, small commercial farms with 10-199 milk cows declined by 37 percent between 2007 and 2017, with more exiting the industry since then. Larger farms with 1,000 cows or more have become the dominant players due to their lower average operating costs. Some small farms have transitioned to organic production, which involves a significant upfront investment and adherence to USDA organic guidelines. These guidelines include a 3-year transition period, abstaining from antibiotic use for herd health, providing pasture access to cows, and using feed grown without the use of fertilizers and pesticides. As organic producers strive to meet these guidelines, they face significant and unique increases in their marketing costs, compounded by increases in feed and transportation costs and the limited availability of organic feed.

Without assistance, small organic dairies will continue to decline, impacting the well-being of our rural communities. This bill will help ensure organic dairy producers continue to operate as they face a volatile market, higher production costs, unstable feed supply and prices, and other challenges that have created unique hardships.

### **Legislation:**

The *O Dairy Bill Act of 2023* would provide crucial support to the organic dairy industry in the United States. Specifically, this bill:

- Extends ELAP to organic dairy farmers facing losses due to factors like organic feed shortages and increased input costs that result in a net income decrease of more than 10% in a given year.
- Requires the USDA to streamline the payment process under this program.
- Mandates improved data collection for organic dairy, including cost-of-production data for organic milk, feedstuff prices, and other production-related costs.
- Establishes the "Organic All Milk Prices Survey" to collect and report data about organic milk prices.
- Requires the USDA to publish periodic reports for organic milk, equivalent to data reported for conventionally produced milk.
- Directs the USDA to develop a proposal and submit a report to Congress with recommendations for implementing an organic dairy safety net program.
- Establishes programs and positions to boost infrastructure investments, research, and innovation within the organic dairy sector, including authorizing funding for on-farm processing infrastructure.

### **Endorsing Organizations:**

Organic Valley, Northeast Organic Dairy Producers Alliance, Organic Farmers Association, Northeast Organic Farmers Association-Vermont, Northeast Organic Farmers Association-New York, Maine Organic Farmers and Gardeners Association, Western Organic Dairy Producers Alliance, Straus Family Creamery, Center for Food Safety