

## ORIGIN OF LIVESTOCK PROPOSED RULE

### Questions and Answers

#### **Question: What is the purpose of the Origin of Livestock proposed rule?**

Answer: The proposed rule aims to amend the requirements for the transition of dairy animals into organic production under the USDA organic regulations. It would update the regulations by explicitly requiring that milk or milk products labeled, sold, or represented as organic be from dairy animals that have been organically managed since the last third of gestation, with a one-time allowance for producers to transition conventional dairy animals to organic milk production after a one-year transitional period.

#### **Question: Why is the proposed rule necessary?**

Answer: A stated purpose of the Organic Foods Production Act of 1990 (OFPA) is to assure consumers that organically produced products meet a consistent and uniform standard. The action would improve consistency and facilitate enforcement of the USDA organic regulations. It is also consistent with multiple recommendations from the National Organic Standards Board, an advisory committee of organic community representatives, and it responds to a report from the USDA's Office of the Inspector General recommending that USDA take action to end the inconsistent interpretation of current rules.

#### **Question: How are the existing regulations improved?**

Answer: The current regulations contain a provision which allows non-organically raised animals to be transitioned into organic milk production. While the current regulations consider the herd the regulatory unit, the proposed rule regulates the producer. In addition, organic operations and certifying agents have interpreted the current USDA organic regulations differently, leading to confusion about when the transition of a herd into organic production should be considered complete. By clarifying the manner in which producers can transition dairy animals into organic milk production and by promoting consistency among certifying agents, the USDA establishes a level playing field that protects all organic farms and businesses and maintains consumer confidence in organically labeled products.

#### **Question: How must producers transition dairy animals under the proposed rule?**

Answer: Under the proposed rule, a producer can transition dairy animals into organic production only once. After completion of this one-time transition, any new dairy animals that a producer adds to a dairy farm would need to be managed organically from the last third of gestation or they may choose to purchase dairy animals that have already been certified organic.

**Question: What impact will the proposed rule have on existing organic operations?**

Answer: Under this action, organic dairies that currently sell their excess organic replacement heifers may see an increase in demand and price for their heifers, while dairies that already raise their own organic replacement heifers would not be affected.

The proposed rule would mostly impact the less than 5 percent of organic dairy operations that currently purchase transitioned heifers, as well as a limited number of heifer development operations that transition herds of conventional dairy animals to organic production through a one-year transition process.

The Agricultural Marketing Service (AMS) has reached out to stakeholders to identify additional information regarding the costs of the proposed regulatory changes, as well as ways in which any costs associated with this action could be partly mitigated (e.g., through different compliance periods). AMS will consider such information as part of the rulemaking process.

**Question: What are the benefits to organic trade?**

Answer: The rule will enable AMS and accredited certifying agents to efficiently administer National Organic Program requirements regarding how producers transition dairy animals to organic production and improve compliance and enforcement activities within the organic industry. Since organically raised dairy animals are typically more expensive than those transitioned to organic operations through a one-year transition process, the proposed action also levels the playing field for organic dairy producers.

**Question: What sort of input has been received to date?**

Answer: Over the last few years, the organic community, including the National Organic Standards Board, has provided substantial input about the need to revise the USDA organic regulations to prohibit continuous transition of replacement dairy animals. Overall, AMS is aware that consumer groups, certifying agents, and most organic dairy producers support clarifying and narrowing the allowance to transition dairy animals into organic milk production.

**Question: Are additional comments welcomed?**

Answer: Public participation and comments are vital to USDA's work in organics, and are always encouraged and welcomed. Given the size of the organic milk sector in the organic community, AMS anticipates significant interest in this action. Members of the organic dairy community and members of the public are encouraged to provide formal comment by visiting the "Open for Public Comment" section on the National Organic Program website at [www.ams.usda.gov/NOP](http://www.ams.usda.gov/NOP).