



REPORT TO CONGRESS
Fiscal Year (FY) 2014
NATIONAL AND AGRICULTURAL MANAGEMENT ASSISTANCE
ORGANIC CERTIFICATION COST SHARE PROGRAMS

I. BACKGROUND

The U.S. Department of Agriculture, Agricultural Marketing Service (AMS) administers two organic certification cost-share programs: the National Organic Certification Cost Share Program and the Agricultural Management Assistance (AMA) Organic Certification Cost Share Program, collectively referred to as the OCCSP (Organic Certification Cost Share Programs).

The AMS administers the OCCSP by awarding funds to participating States that in turn reimburse organic producers and handlers for specific costs related to organic certification. To be eligible, recipients must receive an initial certification or continuation of certification from a USDA-accredited certifying agent, in accordance with the USDA organic regulations. The annual reimbursement is set at 75 percent of certification costs, with a maximum of \$750 per certification category: crops, livestock, wild crops, and handling. Operations that are certified in more than one category are eligible for a reimbursement of \$750 maximum per certification category.

Each Federal fiscal year, AMS announces the availability of the 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 the AMS Web site: www.ams.usda.gov.

A. National OCCSP

The National OCCSP was initially established as a part of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 6523). It was then reauthorized in section 10301 of the Food, Conservation, and Energy Act of 2008. The expiration of the 2008 “Farm Bill” effectively terminated the award program and its financial benefits to certified organic operations in fiscal year (FY) 2013. The Agricultural Act of 2014 restored authority and funding for the National OCCSP through 2018; however, because it was not enacted until February 7, 2014, the gap in funding led the States to shift resources away from their cost share programs. This impacted their ability to re-deploy resources and take full advantage of the FY 2014 funds. As a consequence, AMS and participating States focused on rebuilding the processes and infrastructure for delivering the program in FY 2014.

The Agricultural Act of 2014 provides “no year” funding for the National OCCSP, which is open to certified organic producers and handlers in the 50 States, the District of Columbia, and five U.S. Territories (hereafter referred to as “states”). The 56 states are eligible to use the funds; however, five chose not to participate, specifically, as follows: the District of Columbia, Utah, American Samoa, Guam, and the Northern Mariana Islands.



B. The Agricultural Management Assistance Cost Share Program

The AMA OCCSP is authorized under the Federal Crop Insurance Act (FCIA), as amended (7 U.S.C. 1524). 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. Of the 16 States, only Utah chose not to participate, citing inadequate resources to manage the AMA funds. To prevent duplicate assistance payments, producers participating in the AMA program are not eligible to participate in the producer portion of the National OCCSP.

II. FISCAL YEAR 2014

A. National Participation

Under the National OCCSP, \$11,500,000 was apportioned. AMS allocated \$10,843,400 to state entities that subsequently disbursed the funds to qualifying organic operations. Fifty-one of the 56 state entities participated in the National program in FY 2014. The states provided \$6,025,573 in cost-share assistance to 7,616 operations. The Appendix to this report provides state-by-state data on the funds allocated and disbursed, the number of certified organic operations benefiting from the reimbursement of certification costs, and percent of funds used.

B. AMA Participation

Under the 2008 Farm Bill, \$1,424,000 was apportioned for FY 2013. In accordance with the Agriculture Act of 2014, the apportionment was \$1,392,000 for FY 2014. AMS administered both FY 2013 and FY 2014 funds in 2014, to better align the disbursement of funds in the same fiscal year and to improve financial reporting. AMS allocated a combined total (FY 2013 and FY 2014) of \$2,600,250.

Participating States first utilized the FY 2013 allocated funds prior to utilizing FY 2014 funds. As a result, some States, such as Connecticut, Maryland, and Rhode Island, requested an allocation of FY 2014 funds but were unable to use the funds because they maximized the use of their FY 2013 allocation.

Participating States used a total amount of \$1,528,652 and assisted 2,205 operations in FY 2014. The Appendix to this report provides individual State data on the funds allocated and disbursed, the number of certified organic operations benefiting from the reimbursement of certification costs, and the percent of funds used.



III. APPENDIX
National Cost Share Program FY 2014
Allocation, Disbursement and Use of Funds

State	Total Allocation ¹	Amount for State Distribution ²	Amount Paid as Reimbursements ³	Number of Operations Assisted ⁴	Percent of Funds Used ⁵
Alabama	\$16,700	\$9,714	\$9,714	13	58%
Alaska	\$11,800	\$11,475	\$11,475	13	97%
Arizona	\$91,200	\$44,987	\$44,987	56	49%
Arkansas	\$27,300	\$12,359	\$12,359	23	45%
California	\$2,849,000	\$1,548,390	\$1,548,390	1844	54%
Colorado	\$255,500	\$255,500	\$255,500	220	100%
Connecticut	\$12,000	\$10,638	\$10,638	16	89%
Delaware	\$5,000	\$2,049	\$2,049	6	41%
Florida	\$230,900	\$96,839	\$96,839	122	42%
Georgia	\$121,700	\$44,614	\$44,614	63	37%
Hawaii	\$18,000	\$17,918	\$17,918	33	100%
Idaho	\$173,000	\$101,782	\$101,782	131	59%
Illinois	\$271,800	\$93,064	\$93,064	124	34%
Indiana	\$270,200	\$57,977	\$57,977	67	21%
Iowa	\$501,500	\$249,486	\$249,486	345	50%
Kansas	\$81,700	\$50,044	\$50,044	86	61%
Kentucky	\$95,900	\$95,000	\$95,000	120	99%
Louisiana	\$20,700	\$8,860	\$8,860	11	43%
Maine	\$70,000	\$41,831	\$41,831	83	60%
Maryland	\$25,000	\$12,763	\$12,763	28	51%
Massachusetts	\$60,000	\$13,662	\$13,662	21	23%
Michigan	\$225,000	\$155,781	\$155,781	203	69%
Minnesota	\$541,500	\$435,567	\$435,567	529	80%
Mississippi	\$ 5,000	\$5,000	\$5,000	7	100%
Missouri	\$167,700	\$60,820	\$60,820	76	36%
Montana	\$144,500	\$114,215	\$114,215	171	79%
Nebraska	\$144,200	\$98,716	\$98,716	115	68%
Nevada	\$16,900	\$13,242	\$13,242	20	78%
New Hampshire	\$42,000	\$7,931	\$7,931	16	19%
New Jersey	\$91,100	\$51,849	\$51,849	67	57%
New Mexico	\$102,800	\$36,203	\$36,203	79	35%
New York	\$115,000	\$86,095	\$86,095	115	75%
North Carolina	\$212,600	\$104,883	\$104,883	140	49%
North Dakota	\$109,800	\$93,783	\$93,783	120	85%
Ohio	\$478,600	\$191,962	\$191,962	238	40%

¹ Amount of money AMS authorized the State to use.

² Amount of money requested by State for reimbursement to certified organic operations.

³ Funds actually paid by States to reimburse certified organic operators. Any difference between the amount requested by State and the amount paid to operators is: (a) either returned to the federal government; or (b) held for future disbursement, depending on the cost share program.

⁴ Number of certified operations that received reimbursement.

⁵ Total reimbursement divided by the total allocation amount.



**National Cost Share Program FY 2014
Allocation, Disbursement and Use of Funds (cont.)**

State	Total Allocation ¹	Amount for State Distribution ²	Amount Paid as Reimbursements ³	Number of Operations Assisted ⁴	Percent of Funds Used ⁵
Oklahoma	\$42,300	\$11,591	\$11,591	51	27%
Oregon	\$529,100	\$304,198	\$304,198	357	57%
Pennsylvania	\$155,000	\$66,550	\$66,550	90	43%
Rhode Island	\$10,000	\$3,036	\$3,036	6	30%
South Carolina	\$41,200	\$8,360	\$8,360	10	20%
South Dakota	\$70,400	\$48,932	\$48,932	60	70%
Tennessee	\$44,000	\$18,335	\$18,335	28	42%
Texas	\$317,600	\$76,795	\$76,795	99	24%
Vermont	\$40,000	\$27,355	\$27,355	40	68%
Virginia	\$114,600	\$56,326	\$56,326	74	49%
Washington	\$818,900	\$513,108	\$513,108	789	63%
West Virginia	\$5,000	\$4,249	\$4,249	5	85%
Wisconsin	\$1,032,200	\$647,331	\$647,331	679	63%
Wyoming	\$10,000	\$3,658	\$3,658	6	37%
Puerto Rico	\$5,000	\$0	\$0	0	0%
US Virgin Islands	\$2,500	\$750	\$750	1	30%
Total	\$ 10,843,400	\$6,025,573	\$6,025,573	7,616	56%

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⁴ Number of certified operations that received reimbursement.

⁵ Total reimbursement divided by the total allocation amount.



**AMA Cost Share Program FY 2014
Allocation, Disbursement and Use of Funds**

State	Total Allocation ¹	Amount for State Distribution ²	Amount Paid as Reimbursements ³	Number of Operations Assisted ⁴	Percent of Funds Used ⁵
Connecticut	\$37,000	\$0	\$0	0	0%
Hawaii	\$50,200	\$33,387	\$33,387	27	67%
Maine	\$50,000	\$35,172	\$35,172	52	70%
Maryland	\$42,100	\$0	\$0	0	0%
Massachusetts	\$45,700	\$10,854	\$10,854	18	24%
New Jersey	\$18,100	\$0	\$0	0	0%
New York	\$440,700	\$99,003	\$99,003	123	22%
Pennsylvania	\$275,300	\$9,812	\$9,812	12	4%
Rhode Island	\$10,000	\$0	\$0	0	0%
Vermont	\$261,700	\$54,467	\$54,467	104	21%
Wyoming	\$16,600	\$15,095	\$15,095	23	91%
Total	\$1,247,400	\$257,790	\$257,790	359	21%

**Summary of AMA Cost Share Program FY 2013 Funds in 2014
Allocation, Disbursement and Use of Funds**

State	Total Allocation ¹	Amount for State Distribution ²	Amount Paid as Reimbursements ³	Number of Operations Assisted ⁴	Percent of Funds Used ⁵
Connecticut	\$29,000	\$26,140	\$26,140	49	90%
Delaware	\$5,000	\$2,118	\$2,118	4	42%
Hawaii	\$50,000	\$8,458	\$8,458	11	17%
Maine	\$205,000	\$205,000	\$205,000	365	100%
Maryland	\$36,000	\$35,475	\$35,475	86	99%
Massachusetts	\$45,000	\$45,000	\$45,000	74	100%
Nevada	\$12,000	\$12,000	\$12,000	28	100%
New Hampshire	\$25,000	\$25,000	\$21,627	63	87%
New Jersey	\$18,000	\$14,543	\$14,543	42	81%
New York	\$450,000	\$449,686	\$449,686	502	100%
Pennsylvania	\$202,500	\$200,874	\$200,874	240	99%
Rhode Island	\$9,000	\$4,942	\$4,942	14	55%
Utah	\$2,350	\$0	\$0	0	0%
Vermont	\$245,000	\$244,999	\$244,999	368	100%
West Virginia	\$4,500	\$0	\$0	0	0%
Wyoming	\$14,500	\$0	\$0	0	0%
Total	\$1,352,850	\$1,274,235	\$1,270,862	1,846	94%

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⁵ Total reimbursement divided by the total allocation amount.