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Comments on Notice of Request for Public Comment on Supply Chains for the Production of Agricultural Commodities and Food Products

Comments referencing docket # AMS-TM-21-0034

These comments from the Ohio Ecological Food and Farm Association (OEFFA) reflect deep appreciation for the efforts of the current administration to examine how our food and farm system can be more secure and resilient to future disruptions while also effecting food security and justice. OEFFA is a grassroots coalition of more than 4,200 farmers, gardeners, retailers, educators, and others working to build a healthy food system that brings prosperity to family farmers, safeguards the environment, and provides safe, local food. We have been accredited by USDA as an organic certification agency for almost 20 years. and we certify more than 1,280 organic producers and food processors, in a twelve-state region.

The recent COVID-19 pandemic revealed the brittleness of the current food and agricultural system. Proactive planning for and concrete actions in this area, specifically focused on local and regional food systems, organic agriculture and support for farmers, will lead to overall resilience of the food supply and increased human and environmental health while also providing the jobs and economic activity needed to revitalize rural and urban communities. Addressing the role of greater resilience in the food system while also working on how agriculture can mitigate and adapt to a changing climate are mutually synergistic goals.

We understand that you will be inundated with tremendous amounts of data, opinion, policy, and programmatic suggestions. To that end, we have kept our comments as succinct as possible and referenced the appropriate sections of the docket. We can provide data sources and additional detail upon request.

Please give serious consideration to the 20 action recommendations included in our comments and as those recommendations are advanced, OEFFA would be happy to provide formative information for the effective implementation of these actions.

Thank you in advance for taking the time to hear from an organization that has been supporting ecological agriculture and local and regional food systems for decades.

Local and regional food systems

The experiences of the COVID-19 pandemic have highlighted both the resilience that local and regional food systems can have, their adaptability and innovation and the areas where more investment is needed to support what are often small to mid-scale producers facing a multitude of challenges as a result of decades long neglect of the infrastructure to support these systems.

A case in point in Ohio, as in other areas of the country, is meat processing infrastructure for regional food systems. There is a very limited number of facilities available for what is considered "niche" meat processing, which typically

means small to mid-scale operators producing for direct and regional markets. Producers have had to plan their production systems according to when they can get animals in for processing. There has always been a considerable wait period, but the pandemic meant that now these facilities were scheduling a year or more out. See the story of <u>Henry Jochem of Perry County Ohio here.</u>

For organic producers, the situation is far more dire with only one certified organic meat processing facility in the state of Ohio. It is important to note that Ohio is sixth in the nation in the number of certified organic farmers and more farmers would certify if they had access to more facilities able to provide certified organic processing. Adding insult to injury, the lack of the aforementioned meat processing capacity was exacerbated both during the pandemic with the illness and death of food processing workers and recently with the hacking of JBS which also affected the supply chain of meat products. This example further highlights the need to shore up a diversity of family scale livestock producers with access to regionally distributed slaughterhouses able to serve their communities.

Increasing the number of regional meat processing facilities would allow livestock producers to access higher value markets, be more financially viable, contribute to local community economic development and build the resilience of meat supply chains.

OEFFA is a member of the Ohio Farm to School Task Force where a recurring theme is that schools have moved away from food processing facilities in favor of "heat and serve" kitchens. At the same time, we do not have the regional processing infrastructure necessary that would allow farmers to cost-effectively process, freeze or dry products for school and other institutional markets. *Creating employee-owned, or cooperative food processing infrastructure, is another way to create real market opportunities for farmers,* deal with the incongruence of specialty crop production and the school food calendar in most of the country, and create real wealth for communities across the United States. *Having the ability to flash freeze specialty crops would also provide a supply chain buffer during times of food system disruption.*

Far from having the redundancy needed for food and agriculture infrastructure, these two areas reflect serious gaps in domestic processing that led to points of failure during the pandemic. It is also important to note that *relatively low-cost investments in these areas will result in healthier kids, job creation and lifting the economic future of rural residents.*

Actions

- 1. Ensure significant investments in rebuilding regional food system infrastructure is included in the <u>American Jobs Plan</u> Act and that there is funding to support technical assistance in identifying and subsequently organizing community sites for these targeted investments.
- 2. Support the passage of the <u>Strengthening Local Processing Act</u> or include those provisions in the American Jobs Plan implementation.

Facilitating fair and competitive markets

In 2010, Assistant Attorney General Christine Varney commented that agriculture is an essential part of the American economy and that "well-functioning agricultural markets are not only a matter of economic efficiency, but a matter of national security and public health." In <u>the report "Competition in Agriculture"</u> that followed a series of listening sessions across the country to gather feedback on this subject, a key finding stressed the critical role antitrust enforcement has to play in fostering a healthy and competitive agricultural sector.

USDA and the Department of Justice held listening sessions and hearings where themes of market concentration, merger enforcement, monopsony, bid rigging, potential market manipulation, market transparency, captive ownership, contracting, regulatory burdens, low or volatile prices for agricultural commodities, high input prices, a lack of capital, and a variety of issues with genetically modified seeds were shared. Almost 10 years ago now, a cowcalf producer at one of the hearings shared the need for decentralization of meat packing as "a real key" and urged that "we bring the small, medium-sized meat packers back." Had those words been heeded, we may not have seen the meat processing bottlenecks and high incidence of meatpacking workers become ill and die as a result of the pandemic.

Many growers also reported that concentration in poultry left them with few—or only a single—bidder(s) for their services, rendering them powerless in negotiations with integrators. Retail concentration was, and remains, a concern as the retail share of the food dollar rises proportional to the loss of the farmers' share.

As a result of the aforementioned process and analysis, a commitment was made to take all appropriate investigatory and enforcement action against conduct threatening harm to competition in agricultural markets. Despite that commitment, the level of market concentration and ongoing mergers has not decreased. A stronger, more resilient food and agricultural system--one that brings wealth and health to farmers and communities--requires real action to bring about fairer and more competitive markets.

Actions

- 3. The administration should redouble efforts to examine non-competitive behavior in the food and agriculture marketplace and continue the commitment of the Obama administration to the assertive enforcement of antitrust violations.
- 4. Antitrust laws do not permit courts or enforcers to engineer an optimal market structure. Therefore, the administration must take proactive steps to invest in and promote more distributed food processing and retail markets by working with Congress to expand the Local Agricultural Market Programs and to provide specific incentives for employee-owned infrastructure to build community wealth.

Advancing efforts to transform the food system:

The disruptions being caused by climate change combined with the realistic potential for multiple disruptions in the future necessitate investment in open-source, regionally adapted seeds and breeds. In recent decades, public resources for the development of improved plant varieties and cultivars have dwindled, while resources have shifted toward genomics and biotechnology, with a focus on a limited set of major crops.

Farmer access to regionally adapted seeds and breeds is paramount to fostering the competitiveness of agriculture in all regions of the U.S. As agricultural research has shifted toward an emphasis on lab-based and molecular breeding, seed choice has not kept up with demand, and the diversity of our plant genetic resources has narrowed. Farmers need access to seeds that are bred specifically for their regions and cropping systems. In particular, farmers lament limited cultivar options in major crops, especially publicly held seed varieties and plant cultivars released by land grant universities that are adapted to regional farming needs to satisfy the national market. By improving agricultural productivity and resilience, classical or field-based breeding also improves food security for our growing population.

Classical or "conventional" plant and livestock breeding is a proven science and is highly cost-effective when compared with other breeding approaches. It is our most successful and benign approach to crop improvement, *accounting for about half of our dramatic food and fiber crop yield increases throughout the 20th and early 21st centuries.* Classical breeding, using field-based selection, complements newer forms of breeding and fills important roles that lab-based approaches, such as genomics, are not well suited to.

USDA recently made regionally adapted cultivar development using conventional breeding techniques a higher priority within the overall plant breeding funding area. The most recent development is that a "cultivar development" priority area was created within AFRI, in response to direction from the Senate appropriations report language. While this development represents progress, the amount of overall funding remains extremely low relative to the need and the number of proposals submitted. In addition, the AFRI practice of awarding three-or-four-year grants conflicts with the longer-term breeding cycles typical for public cultivar development projects.

Actions

5. Funding for public cultivar development should be given greater priority within the AFRI process and NIFA should award longer-term grants within the cultivar development priority area to be more consistent with the longer breeding cycles typical for these projects.

Addressing the Risks Posed by Climate Change

Organic agriculture is the only codified, regulated and inspected form of agriculture. It is also the only voluntary system of farming that exists to address the climate crisis and other environmental concerns in the holistic and systems-based manner required of these challenges. The organic marketplace continues to grow exponentially, creating new opportunity for family scale farmers and bringing health and wealth to communities across the country.

The management practices associated with organic agriculture focus on soil building techniques and reducing the need for off-farm inputs which are a persistent emitter of nitrous oxide, a long-lived greenhouse gas (GHG). Nitrous oxide emissions from soils comprise 50.4% of all domestic agricultural emissions. The chemical is a long-lived GHG and ozone depleter, with 310 times the global warming potential of carbon dioxide. Synthetic pesticides disrupt nitrogen fixation and inhibit soil life and the use of these products has had devastating effects on critical pollinators and water quality. The absence of pesticides in the soil allows diverse organisms and beneficial insects to decompose plant residues and help sequester carbon.

• Organic regulations (§205.105) prohibit the use of synthetic substances in crop production.

According to Rattan Lal, Director of Ohio State University's Carbon Management and Sequestration Center, the world's cultivated soils have lost between 50 and 70 percent of their original carbon stock, much of which has oxidized upon exposure to air to become CO2. Carbon is the main component of soil organic matter and helps give soil its water-retention capacity, its structure, and its fertility. Many of the practices delineated in the Organic standards are consistent with practices being advanced to sequester carbon and to mitigate the effects of climate change.

- Organic regulations (§205.203) require the implementation of soil fertility and crop nutrient management practices to maintain or improve soil such as crop rotations, cover cropping, and the application of plant and animal manures.
- Cover crops, routinely planted by organic farmers after harvesting cash crops, rebuild soil nitrogen and improve carbon sequestration by adding soil organic matter. Planting deep-rooted cover crops like forage radish or cereal rye further aid in the long-term sequestration of carbon.
- Compost is an important organic farming soil amendment and, when used judiciously and in combination with cover crops, accrues more soil organic carbon than when used alone.
- Healthy soils are a cornerstone for organic farmers and are an important factor in GHG emissions. As biologically active soils break down crop residues, they release carbon dioxide and nutrients. Stabilized soil organic carbon that adheres to clay and silt particles or resists decomposition is sequestered and can remain in soils for decades or longer.

Long-term studies conducted at the Rodale Institute demonstrate both the increased water holding capacity and the better water infiltration of organically managed soils which is also key to the climate adaptation necessary for farmers to survive and thrive in the years ahead. Organic farming practices also help mitigate climate change by keeping roots in the soil, preventing soil erosion, and sequestering soil carbon.

Research has also shown that if the standard practices used by organic farmers to maintain and improve soils were implemented globally, it would increase soil organic carbon pools by an estimated 2 billion tons per year – the equivalent of 12 percent of the total annual GHG emissions, worldwide. While individual practices such as cover cropping or no-till can accrue measurable amounts of SOC, *integrated systems of practices based on sound agro-ecological principles have the greatest potential to mitigate agricultural GHG emissions, sequester and stabilize SOC, and attain the full measure of a productive and resilient agriculture.*

Actions

- 6. USDA must recognize and promote the multifactorial benefits of organic agriculture by setting clear goals for the growth of organic agriculture.
- 7. USDA can support conventional producers changing to organic management systems by creating a farmer-to-farmer mentorship program for transition.

- 8. Increase organic certification cost share reimbursement rates to \$1,000 annually per scope for organic producers who meet the Small Business Administration definition of a small business.
- 9. Streamline the process of providing organic cost-share reimbursement.
- 10. Increase research into holistic organic agricultural management systems to help organic farmers deal with the ongoing challenges of weed management, employ effective methods of reduced tillage and introduce perennial agriculture into these holistic systems.

Supporting and Promoting Consumers' Nutrition Security, Particularly for Low-Income Populations and Cross Agency Planning and Policy

According to agricultural economist John Ikerd, "Hunger in the world of today is not necessary, it's a choice. It's a decision that we have made as a society." Dr. Ikerd has detailed an economically viable strategy for ensuring greater food security, one that accounts for the frequent market failures that leave too many hungry. Community Food Utilities, or CFUs, would be a public utility similar to those organized to provide electrical, water, and sewer services where it is economically logical to have only one service provider. Food insecurity will persist as long as communities are unable to insulate their local and regional food systems from national and global markets. CFUs would have the power to protect local communities from continued economic exploitation.

Dr. Ikerd explains that individual communities could develop their CFU to fit the culture of place and its agricultural area. "A vertical cooperative organizational, leadership and membership structure would foster a sense of personal connectedness, mutual caring, and sharing among food recipients, local farmers and food providers, and members of larger communities in general." These structures could eventually form regional and national networks, which could be opened for all to join and within which there would be no hunger or malnutrition.

It is just this kind of big picture, transformational thinking that is necessary for America to "Build Back Better" by investing in long-term and permanent solutions to food insecurity.

Finally, if we are to truly transform the U.S. Food System, we need a National Food Strategy. What we currently have is an uncoordinated set of laws and policies that impact the food system. Other countries have developed national food strategies to address challenges in a holistic and integrated manner. Laurie Beyranevand and Emily Broad Leib have detailed in "<u>Making the Case for a National Food Strategy in the United States</u>," how such a national food strategy would address many existing food system regulatory challenges. This national planning process will require governmental engagement to achieve the benefits of long-term, coordinated food system law and policy making.

Actions

- 11. Develop a National Food Strategy
- 12. Provide interagency directives, collaboration, and regulatory change.
- 13. Support the SNAP online Expansion and Delivery Act
- 14. Promote the development of Community Food Utilities.

<u>Targeting Support for Socially Disadvantaged Producers and Processors, Tribal Communities, Small</u> <u>Businesses, Beginning Farmers and Ranchers and Meeting the Needs of the Agricultural Workforce</u>

OEFFA appreciates the Biden administration's focus is not just on hard infrastructure but also on the social infrastructure that is as, if not more, important than the former. We also have a need to invest in a strong social infrastructure for the viability of our food supply chains.

Of particular attention in the agricultural sector is a focus on farmer health care and childcare needs. Research by Dr. Shoshanah Inwood at The Ohio State University recently coined these as the two hidden challenges facing family farms. While USDA has done a good job advancing programming for young and beginning farmers and their business and technical needs, we as a society have not always realized the impact of a corresponding social infrastructure.

Dr. Inwood's research found that two-thirds of farmers have preexisting health conditions and one in three has a family member whose health problems add a stressor to the farm operation. Historically, farmers have met their health care needs by one of the primary operators having an off-farm job. While this has been a necessity, it threatens the viability of diversified and distributed family-scale farming operations across the country. Additionally, 68% of personal bankruptcies are connected to health and medical expenses.

Childcare is a critical need as every day 33 children are seriously injured in farming accidents and one child dies on a farm every three days. Dr. Inwood's research also found that two-thirds of farm parents struggle with the cost, availability, and quality of childcare.

The Biden administration's American Families Plan holds much promise in addressing these needs.

- 15. Expand access to health-care options for full-time farming families.
- 16. Include child-care assistance for farming families in the American Families Plan Act.

Additionally, in addressing resilience and thinking about the needs of underserved communities, it is important to ask for whom are we planning for resilience? Are we supporting the most vulnerable and empowering BIPOC farmers and communities?

In our recommendations we echo the suggestions advanced by the National Organic Coalition, of which OEFFA is a member. We ask that the department think about the nuances involved in ensuring land access needs of BIPOC farmers.

- 17. Recognize and support incentivizing cooperative land ownership structures for BIPOC farmers.
- 18. In ensuring land access for beginning and BIPOC farmers utilize and sufficiently staff a federal land-link program to connect landowners with young or beginning farmers and include legal resources, such as model leases, on how to structure enforceable lease and lease-to-own agreements to respect the unique needs of both retiring and new organic farmers. These legal resources need to include options to purchase land at agricultural value (OPAV), after the development rights on the property are donated or sold, to reduce the cost of purchasing the land.
- 19. Expand FSA grant and loan guarantee programs (such as the Highly Fractionated Indian Land Loan Program and Indian Tribal Land Acquisition Loan Program) for land acquisition for beginning and socially disadvantaged farmers under sustainable agriculture covenants.
- 20. Appoint a USDA-led "land commission" and conduct a periodic national-scale land tenure study to provide a holistic perspective on socio-economic, political, and market-based factors limiting access to land for beginning and BIPOC farmers.

Thank you again for this solicitation of comment and for its serious consideration.

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