

Montana FSA: USDA Accepting Applications to Help Cover Costs for Organic Certification

News Release | Montana | August 10, 2020

View PDF

WASHINGTON, August 10, 2020 – USDA's Farm Service Agency (FSA) announced that organic producers and handlers can apply for federal funds to assist with the cost of receiving and maintaining organic certification through the <u>Organic Certification Cost Share Program</u> (OCCSP). Applications for eligible certification expenses paid between Oct. 1, 2019, and Sept. 30, 2020, are due Oct. 31, 2020.

"For producers producing food with organic certification, this program helps cover a portion of those certification costs," FSA Administrator Richard Fordyce said. "Contact your local FSA county office to learn more about this program and other valuable USDA resources, like farm loans and conservation assistance, that can help you succeed."

OCCSP provides cost-share assistance to producers and handlers of agricultural products for the costs of obtaining or maintaining organic certification under the USDA's National Organic Program. Eligible producers include any certified producers or handlers who have paid organic certification fees to a USDA-accredited certifying agent. Eligible expenses for cost-share reimbursement include application fees, inspection costs, fees related to equivalency agreement and arrangement requirements, travel expenses for inspectors, user fees, sales assessments and postage.

Changes in Reimbursement

Due to expected participation levels and the limited funds available, FSA revised the reimbursement amount available through fiscal year 2023. Certified producers and handlers are now eligible to receive reimbursement for up to 50 percent of the certified organic operation's eligible expenses, up to a maximum of \$500 per scope.

This change is will allow a larger number of certified organic operations to receive assistance. If Congress authorizes additional funding, FSA may provide additional assistance to certified operations that have applied for OCCSP, not to exceed 75 percent of their eligible costs, up to \$750 per scope. The changes to the payment calculation and maximum payment amount are applicable to all certified organic operations, regardless of whether they apply through an FSA county office or a participating state agency. State agencies that are interested in overseeing reimbursements to producers and handlers in their states must establish new agreements with FSA for fiscal 2020.

Opportunities for State Agencies

Today's announcement also includes the opportunity for state agencies to apply for grant agreements to administer the OCCSP program in fiscal 2020. State agencies that establish agreements may be able to extend their agreements and receive additional funds to administer the program in future years.

FSA has not yet determined whether an additional application period will be announced for state agencies that choose not to participate in fiscal 2020. States that would like to administer OCCSP for multiple years are encouraged to establish an agreement for fiscal 2020.

FSA will accept applications from state agencies from Aug. 10, 2020 through Sept. 9, 2020.

State Agencies must submit the Application for Federal Assistance (Standard Form 424 and 424B) electronically via Grants.gov, the Federal grants website, at <u>http://www.grants.gov</u>.

More Information

To learn more about organic certification cost share, please visit the OCCSP webpage, view the notice of funds availability on the Federal Register, or contact the FSA county office at your local USDA Service Center. All USDA Service Centers are open for business, including some that are open to visitors to conduct business in person by appointment only. All Service Center visitors wishing to conduct business with FSA, Natural Resources Conservation Service or any other Service Center agency should call ahead and schedule an appointment. Service Centers that are open for appointments will pre-screen visitors based on health concerns or recent travel, and visitors must adhere to social distancing guidelines. Visitors may also be required to wear a face covering during their appointment.

To learn more about USDA support for organic agriculture, visit <u>usda.gov/organic</u>.

Farm Service Agency:

1400 Independence Ave. SW Washington, DC 20250

Contact:

FPAC Press Desk FPAC.BC.Press@usda.gov