

USDA Agricultural Marketing Service (AMS)
National Organic Program

Origin of Livestock (OOL) Final Rule Public Webinar

Jennifer Tucker
Deputy Administrator
National Organic Program
April 20, 2022





Agenda

1. Rule Overview

2. What Does the Rule Do?

3. Stakeholder Engagement

4. Benefits and Costs

5. Implementation and Enforcement



Rule Overview



Origin of Livestock (OOL) Overview



What does the rule do?

- Describes how and when nonorganic dairy animals can be **transitioned into organic production**
- Harmonizes the market by ensuring all organic dairy producers use the **same transition practices**

How will the rule benefit farmers?

- Ensures more consistent **production and certification practices**
- Promotes the ability to **compete more fairly** in the organic market

Who is affected?



Producers



Certifiers



Inspectors



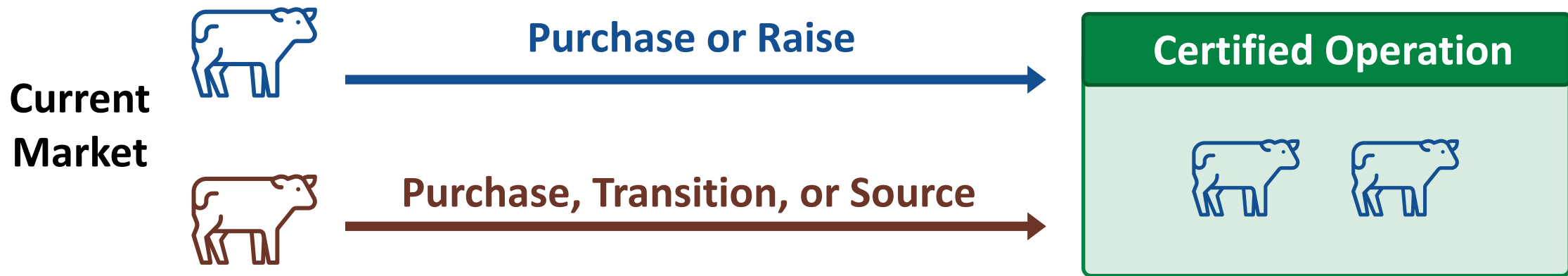
Consumers

Why Is OOL Needed?



USDA organic regulations are interpreted differently:

- Some certified organic dairy producers source animals managed **organically from the last third of gestation**.
- Others **continuously transition nonorganic animals** into organic production.



= Organic for Life = Transitioned to Organic

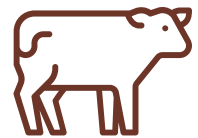


What Does the Rule Do?

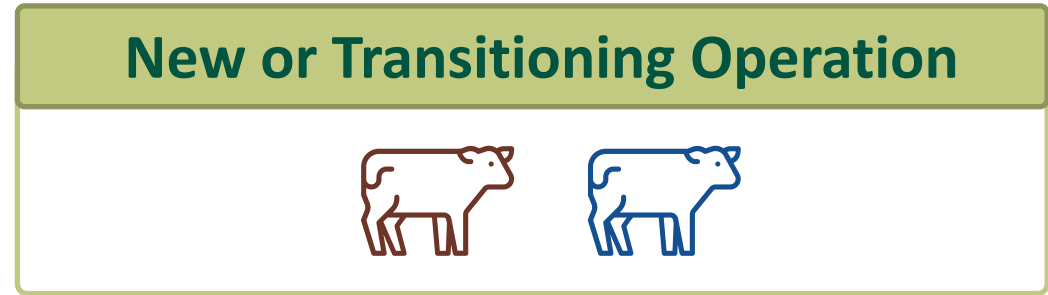


OOL: Key Takeaways

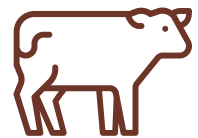
Allows new operations, or operations converting to organic, a **one-time transition** of nonorganic animals to organic production



1x Transition per Operation



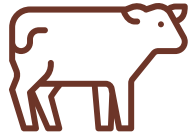
Prohibits certified organic dairies from **sourcing any transitioned animals**



NO Purchase or Transition



 = Organic for Life  = Transitioned to Organic



Transitioned animal:

- A dairy animal **converted to organic milk production** in accordance with § 205.236(a)(2) that has not been under continuous organic management from the last third of gestation
- Offspring born to a transitioned animal that, during its last third of gestation, consumes third-year transitional crops
- Offspring born during the one-time transition exception that themselves consume third-year transitional crops.

OOL: One-Time Transition

New operations or operations converting to organic may:

(a) Purchase or raise organic animals, or

(b) Transition nonorganic animals to organic production *ONCE*.



Once an operation is certified, all animals must be organically managed from the last third of pregnancy.

OOL: Transfer of Transitioned Animals



Once certification is complete:

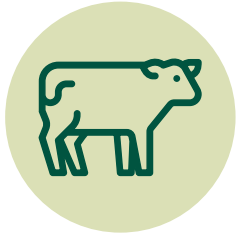
(a) An operation may only source animals that have been under continuous organic management since the last third of pregnancy.

(b) An operation cannot source (purchase, sell, or transfer) transitioned animals from another operation.*

**Some small businesses may be granted limited exceptions by the AMS Administrator*



 = Organic for Life  = Transitioned to Organic



Some small businesses may be granted limited exceptions by the AMS Administrator when

- i. The certified operation selling the transitioned animals is part of a bankruptcy proceeding or a forced sale; or
- ii. The certified operation has become insolvent, must liquidate its animals, and as a result has initiated a formal process to cease its operations; or
- iii. The certified operation wishes to conduct an intergenerational transfer of transitioned animals to an immediate family member.



Requests for an exception must be **submitted** to an operation's certifying agent and **approved** by the USDA's Agricultural Marketing Service.



Stakeholder Engagement



Who Is Affected?



Producers



Certifiers

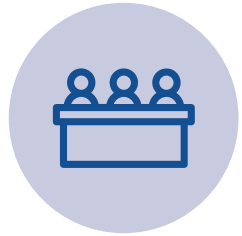


Inspectors



Consumers

This rule was developed with input from crucial stakeholders.



Recommendations from the **National Organic Standards Board (NOSB)**, a federal advisory committee to the NOP



An audit from the **USDA Office of Inspector General (OIG)**



Feedback from **industry stakeholders** during multiple public comment opportunities

Public Comments



This rule is **strongly supported by stakeholders across the industry.**



Producers



Certifiers



Trade Groups



State Organic Associations

USDA values **stakeholder feedback** and used public comment to **shape the OOL rule.**

2,632 Public Comments
3 Comment Periods



Benefits and Costs



Summary of Benefits and Costs



Ensures more **consistent production and certification practices**



Promotes the ability to **compete more fairly in the organic dairy market**



The rule's **costs are low** and mainly affect **producers** who were **continuously sourcing transitioned animals.**



\$615,000—\$1,845,000 total annual cost, spread across the organic dairy industry



Implementation and Enforcement



All certified organic dairy operations must comply with the OOL rule by **April 5, 2023**.



Certified operations that began transitioning livestock before **April 5, 2022**, may complete these transitions. All transitions must be complete by April 5, 2023.



Certified operations may source transitioned animals for one year until **April 5, 2023**.



Certified operations may not source transitioned animals after **April 5, 2023**.

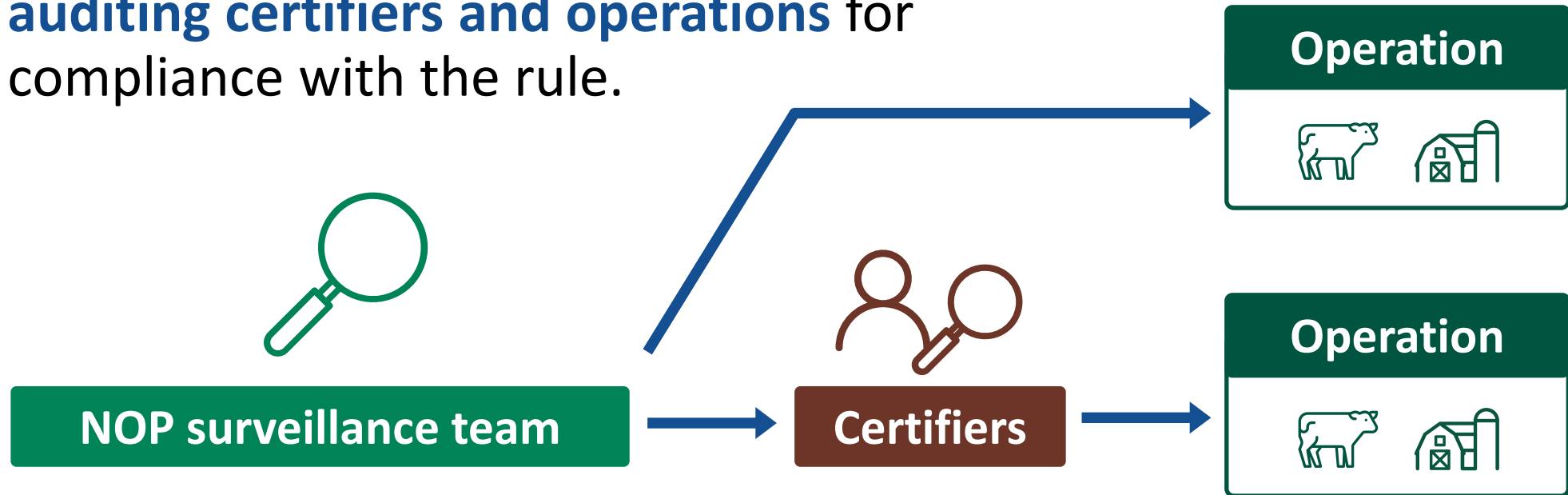
NOP Enforcement of OOL



NOP will review certifiers' **systems of oversight and enforcement** for updates that reflect OOL's new requirements, such as updated Organic System Plan (OSP) templates and inspection reports.



The **NOP surveillance** team will begin **auditing certifiers and operations** for compliance with the rule.





NOP will provide **training for certifying agents and producers** via the Organic Integrity Learning Center.



To read the rule, visit the **NOP website:**
www.ams.usda.gov/organic