



# ORIGIN OF LIVESTOCK RULE

**The Origin Of Livestock Rule started in 2015. Will we finalize it this year? What must the rule do for organic dairy farmers?**

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Since 2013, the organic community has been working to fix a loophole in the organic standards regarding the Origin of Livestock (OOL) for organic cow dairies. The United States Department of Agriculture (USDA) needs to finalize the Origin of Livestock rule, ensuring

that all organic dairy farms are being held to the same standards. If you are not in the dairy industry, you might wonder what the Origin of Livestock rule is about and why it is so important to organic dairy producers and the entire organic community.



## WHAT IS THE ORIGIN OF LIVESTOCK RULE?

This is the National Organic Program's guideline for transitioning conventional dairy livestock to organic dairy production. Simply put, it sets the standards for the who, what, when, and how a dairy goes into organic production. The Origin of Livestock specifies that for a calf to be considered organic when it is born, the mother cow must be raised organically for the last third of the gestation period and that once an animal leaves an organic herd, it may not return to organic.

## WHAT IS THE LOOPHOLE?

The Origin of Livestock rule allows an exception for conventional dairies transitioning to organic. For a dairy farm to transition its operation to organic, it must transition its land over a 3-year period. In the third year, it may transition its dairy herd, meaning the full herd must be managed organically for a year, then the animals in that herd will be considered organic animals for milk production (but not for meat production, since the animal was not born and raised organically its entire life).

Unfortunately, for the last decade, some dairies have manipulated this loophole to continually transition cows onto an organic farm. An example of this loophole being used by some large dairies is the practice of removing their organic calves from their farm to be raised elsewhere with conventional practices, including the use of milk replacer (calf formula). Feeding calves with conventional milk replacer and feed is less expensive than feeding them with organic whole milk. A year before these animals can



Organic dairy calves drink organic milk from a group nipple feeder on pasture.

be milked, they will be transitioned back to become organic and join the milking herd. This example of continual transition into the organic herd is not allowed by most certifiers, nor does it embody the intention of organic standards. However, some certifiers continue to allow this practice.

This loophole puts farmers complying with the Origin of Livestock rule as intended at a large economic disadvantage. Truly raising organic livestock from a newborn calf to a full-producing dairy cow is much more expensive when using organic practices throughout their lives. Farms taking advantage of the existing loophole to continually transition cows into the organic system can grow and manage their organic herds at a much lower cost and are benefiting from an unfair economic advantage within the industry.

## WHAT IS THE SOLUTION?

We need the USDA to issue a Final Rule on the Origin of Livestock that is enforceable, consistently interpreted by organic certifiers, stops continuous dairy animal transition, and provides specificity on what the transitioned animals and their progeny can be used for.



## ORIGINAL INTENTION OF THE RULE IS IMPORTANT

The final rule must clearly delineate the intention of the Origin of Livestock rule that allows for a finite exemption for a one-time herd transition to organic.

The intention of the rule was laid out in both the Organic Foods Production Act of 1990 (OFPA) and the preamble of the National Organic Program (NOP) Final Rule (December 2000).

OFPA established a minimum standard that dairy cows must be managed under organic production for one year. The preamble of the NOP Final Rule contains several statements that build on that minimum and can be combined under three principles:

1. The opportunity for a producer to convert a conventional herd of dairy animals to organic production is a one-time event per producer. This is clearly mentioned in two separate statements.
2. Once the operation has been certified, all animals brought onto the farm must be organic from the last third of gestation. This is clearly stated in the first and fourth statements of the preamble.
3. There is no allowance to move transitioned animals from the operation on which they were transitioned, to another certified organic operation.

The final rule must clearly delineate these principles so that all certifiers, operations, and the National Organic Program understand them the same way, without the possibility of varied interpretations, so the rule can be upheld in the court of law.

## WHY ARE THE DETAILS SO IMPORTANT?

Organic farmers rely on an organic label with high integrity that consumers trust. This is achieved with high organic standards and regulations that are enforceable and upheld by law. Certified organic farmers voluntarily hold themselves to the highest standards. In fact, producers and industry stakeholders regularly share recommendations with the National Organic Standards Board (NOSB) to ensure that organic integrity is upheld with high standards that continually evolve and improve.

Organic dairy farmers call on the USDA to finalize the Origin of Livestock rule this year and ensure that the rule is strong, enforceable, and able to meet these principles:

**Organic Integrity:** Organic milk is a building block for consumer trust in the organic seal. With this seal, consumers trust that organic milk is provided from cows free of antibiotics and do not consume feed produced with the use of chemicals or pesticides. They trust that the offspring of these cows are raised organically, and future growth of the herd is not the result of continuously bringing conventionally raised animals into the fold.

**Consistency and Fairness:** One consistently interpreted standard for all dairies transitioning from conventional dairy to organic dairy production, no matter the size or scope of the operation.

**Economic Equality:** Applying two sets of rules or allowing for inconsistent interpretation of the rule creates an economic disadvantage for producers who follow original intentions of the Origin of Livestock rule when raising young stock for their herd. Those raising youngstock conventionally by taking advantage of the continuous transition regulatory loophole benefit financially by utilizing conventional feed and treating medical issues with antibiotics and other synthetic treatments not allowed in organic production.

Consistent application of OOL leads to a gradual growth of organic milk supply in the marketplace that doesn't undermine existing producers. The continuous transition allows herds to grow at a rapid pace and creates market surpluses forcing down the price organic producers are paid for their milk. As a result, producers are paid at a level that makes them financially unstable and without a sustainable future in the dairy industry. This impacts the dairy family not only on a business level, but leads to potentially losing their sole income, farm ground, and the home they live in.

**Enforceability:** A clear regulation will be an enforceable regulation, ensuring farms are held to the same legal standard by all certifiers. A final rule must be an easily enforceable rule, clearly written with easily understood standards.

**Growing the Organic Footprint:** If organic dairy producers can be confident that everyone is following the same rules, producers can make better informed-decisions about the future value of their organic milk and their organic dairy farms. Addressing the problem of continuous transition of livestock will also help create value for organic farms to sell organically-raised cattle, creating a new market for farmers.

Consumers of organic milk expect farms to be managed like the farm below, and the great majority are. But an increasing amount of organic milk is coming from a few farms that do not uphold high organic integrity. Fixing the OOL loophole would level the playing field. (Photo from Chico State Organic Dairy by Darby Heffner)

## The national organic community has been united in calling for the OOL loophole to be closed for over a decade.

Organic dairy producers plan for the grazing season and work to balance the right number of cattle to their farms' pasture and water resources. This balance is one example of organic dairies being great stewards of the land. When farmers must make the hard decision to sell organic cattle, they currently do not receive a premium over conventionally-raised cattle. This is exacerbated by the continuous transition loophole, which some farms use to purchase conventional cattle and continuously transition them into their organic farms. The loophole is stifling industry market growth and diversification.

### THE RULE IS LONG OVERDUE

The national organic community and consumers have been united in calling for this loophole to be closed for over a decade. Without consistent enforcement, organic dairy family farmers have been at an economic disadvantage for many years. Trust in the NOSB process and the USDA's National Organic Program has faded.





Many dairy farmers leading the fight for a final OOL rule can be credited as pioneers in the organic industry—they are the very people who helped build consumer trust behind the organic seal. Unfortunately, we have lost many of our model, pioneering organic dairies because of the low milk prices paid and the volatility of the organic dairy market because of this inconsistency in the rule. A stronger Origin of Livestock rule has been recommended by every National Organic Standards Board since 1994. The USDA's Inspector General recommended finalizing the OOL rule seven years ago. Congress instructed the USDA to finalize a regulation as a priority by June 2020.

However, the proposal has languished in the USDA internal review process.

Dairy producers have fought long and hard to create fairness in the organic dairy sector with Origin of Livestock. Equality and fairness are essential to our hardworking producers throughout the organic community. As we look to support fairness for existing producers, we are also supporting fairness for future organic farmers, providing encouragement for organic production methods, and ensuring consumer trust in the organic label.



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