Montana Organic Commodity Advisory Council Meeting

Billings Hotel and Convention Center/ Billings Montana

December 7, 2022

5-6 pm

Minutes 2022

* Welcome & Introductions

In attendance: Georgana Webster, Ed Tyanich, Ed Evanson, (MTDA Staff) Sam Schmidt, Brian Goldhahn, Nate Brown, Randy Hinebauch; (MOCAC Board members)

Absent: Pat Carr, Nate Powell-Palm, Lindsey Aull (MOCAC Board member)

* Minutes 2021

Minutes read by Ed Tyanich. Motion to approve minutes by: Sam Schmidt

Motion to Second by: Brian Goldhahn

Vote to approve unanimous

MTDA Update by Ed Evenson:

7 trade missions, mostly pulse crops and cattle genetics

Heineken signed to purchase more Montana barley

New Wheat & Barley VP: Kent Kupfner

Assessment changes up to 2.5 mils wheat; 3.5 mils barley

Legislative session: Quite session for AG. Red tape relief initiative

Montana Ag Tech Summit: Structured similar to Shark Tank: January 24, 2023, in Great Falls

Beyond the Weather – Meatal Health in rural communities won an award

Ag Director Christy Clark was wondering about purchasing ag land for non ag purchases

MOCAC members commented it is prevalent throughout the state

* USDA NOP Updates- GW
* 1. TOPP-Transitioning to Organic Partnership Program-$300 million Organic Transition Initiative-comprehensive support for farmers transitioning to organic production. To deliver wrap-around technical assistance, including farmer to farmer mentoring, direct support through conservation financial assistance, additional crop insurance assistance, and support market development projects in targeted markets. AMS, RMA, and NRCS primary agencies with focus on 3 areas-Transition to Organic partnership program-Partnership networks in 6 regions with trusted organizations serving direct farmer training, education, and outreach activities. $100 million
* MTDA and WSDA are partnered with the lead in our region, OTCO
* Direct Farmer Assistance-NRCS will develop a new Organic Management conservation practice standard and offer financial and technical assistance to producers who implement the practice. $75 million.
* RMA $25 million for the new Transitional and Organic Grower Assistance Program (TOGA) which will support transitioning and certain certified organic producers participation in crop insurance, including coverage of a portion of their insurance premium.
* Organic Pinpointed Market Development Support-Focus on key organic market where the need for domestic supply is high, or where additional processing and distribution capacity is needed for more robust organic supply chains. $100 million to improve organic supply chains in pinpointed markets.
* 2. SOE-Strengthening Organic Enforcement rule change 2023 -stronger tools and processes to ensure compliance, robust and consistent enforcement of regulations, improved farm to market traceability=certifiers describe procedures used to Id operations and products at high risk of organic fraud, conduct supply chain audits to verify origin and chain of custody of high-risk products, share compliance-related

information about certified operations with other certifiers. Also-changes addressing organic equivalence determinations, clarified mediation procedures, standardized organic certificates, multiple offices operated by single certifier \*estimate to affect 46 certifiers @$15,100 first year, new Handlers $4,900 first year, $60 certified operations IMPLEMENTATION one year after publication of final rule

* 3. Program Summary- see sheet

%Growth negative -5.57%

% Inspections by staff 83.68%

% Inspections by contractors 16.31% dropped by 1/2

% Inspections by organic staff (3) 59.38% up 17.79%

% Inspections by field staff 24.31% up by 4% with 4 new CSB field staff

* Current staff to clients- current full- time staff- 3/current part time staff -.5/shared staff- .15 billing
* 4- Budget Summary -see sheet-current and future budget concerns

Sam questioned why application figure was so low. It was due to being fiscal year.

* 5- FY 21 Producer & Handler Sales Assessments & possible rule change-See Pie charts. Potential Certification Sales Cap Reduction to increase clients-actions needed to reduce sales cap fee/timing of actions/estimated impact both losses and gains
* Increased Clients with increase in USDA NOP oversight-impact to staff and contractors-future budget needs/budget change approval/participant cap estimate based on staff
* Open Discussion

Randy asked if the smaller certified operations are paying their way. Georgana said that the previous rate structure revision helped to balance.

Sam recommended if the maximum was reduced from $5000 to $3000 that it only would apply to Producers. Leave Handlers at $5000

Sam also questioned if we should look at raising the minimum assessment fee.

Sam motioned to reduce the Producer cap from $5000 to $3000. All members present were in favor of the motion but decided to wait for a second to contact the remaining MOCAC members.

Motion to adjourn the meeting by Brian Goldhahn and seconded by Nate Brown

6:30 PM: Motion to adjourn passed unanimously