

118TH CONGRESS
1ST SESSION

S. 3097

To require the Secretary of Agriculture to provide support for organic dairy producers and processors, and for other purposes.

IN THE SENATE OF THE UNITED STATES

OCTOBER 19, 2023

Mr. WELCH (for himself, Mr. SANDERS, Ms. BALDWIN, and Mrs. GILLIBRAND) introduced the following bill; which was read twice and referred to the Committee on Agriculture, Nutrition, and Forestry

A BILL

To require the Secretary of Agriculture to provide support for organic dairy producers and processors, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Organic Dairy Assist-
5 ance, Investment, and Reporting Yields Act of 2023” or
6 the “O DAIRY Act of 2023”.

1 **SEC. 2. EXTENSION OF ELAP TO CERTAIN LOSSES IN-**
2 **CURRED BY ORGANIC DAIRY FARMERS.**

3 (a) EMERGENCY ASSISTANCE FOR LIVESTOCK,
4 HONEY BEES, AND FARM-RAISED FISH.—Section
5 1501(d)(2) of the Agricultural Act of 2014 (7 U.S.C.
6 9081(d)(2)) is amended—

7 (1) by striking “used to reduce” and inserting
8 the following: “used—

9 “(A) to reduce”; and

10 (2) in subparagraph (A) (as so designated), by
11 striking “fever.” and inserting the following: “fever;
12 and

13 “(B) to reduce losses incurred by organic
14 dairy farmers that are beyond those covered by
15 other disaster programs of the Department of
16 Agriculture, including losses that are caused by
17 an increase in organic feed or other input costs
18 that result in a cumulative decrease in net in-
19 come of more than 10 percent in any 1 calendar
20 year.”.

21 (b) STREAMLINED PAYMENT PROCESS.—Section
22 1501 of the Agricultural Act of 2014 (7 U.S.C. 9081) is
23 amended by adding at the end the following:

24 “(g) STREAMLINED PAYMENT PROCESS.—The Sec-
25 retary, to the maximum extent practicable, shall stream-
26 line the process for making payments under this section.”.

1 **SEC. 3. IMPROVED DATA COLLECTION FOR ORGANIC**
 2 **DAIRY.**

3 (a) IN GENERAL.—The Secretary of Agriculture (re-
 4 ferred to in this Act as the “Secretary”) shall provide sup-
 5 port for regional and national programs to collect and
 6 publish cost-of-production data for organic milk, including
 7 data relating to—

8 (1) the costs of major organic feedstuffs, in-
 9 cluding—

10 (A) corn;

11 (B) corn silage;

12 (C) soybeans;

13 (D) sorghum;

14 (E) oilseeds;

15 (F) small grains;

16 (G) forage crops;

17 (H) pasture;

18 (I) hay; and

19 (J) any other major organic feedstuff, as
 20 determined by the Secretary;

21 (2) with respect to the costs described in para-
 22 graph (1), prices for—

23 (A) major organic feedstuffs produced do-
 24 mestically; and

25 (B) imported major organic feedstuffs; and

1 (3) all other costs relating to the production of
2 organic milk.

3 (b) ORGANIC ALL MILK PRICE SURVEY.—Not later
4 than 90 days after the date of enactment of this Act, the
5 Secretary shall establish a survey, to be known as the “Or-
6 ganic All Milk Prices Survey”, which shall be analogous
7 to the existing All Milk Prices Survey of the National Ag-
8 ricultural Statistics Service, to gather and report monthly
9 data about the amounts that organic dairy farmers are
10 being paid for the organic milk produced by those organic
11 dairy farmers and the prices received for organic milk
12 cows, including—

13 (1) national data; and

14 (2) data relating to, at a minimum, the 6 re-
15 gions with the greatest quantity of organic dairy
16 production, as determined by the Secretary.

17 (c) ORGANIC MILK REPORTING.—

18 (1) IN GENERAL.—Not later than 180 days
19 after the date of enactment of this Act, the Sec-
20 retary, using data collected by the National Agricul-
21 tural Statistics Service, the Economic Research
22 Service, or the Agricultural Marketing Service, shall
23 publish new periodic reports that include, or add to
24 existing periodic reports, data for organic milk,

1 which shall be equivalent to data reported for con-
 2 ventionally produced milk.

3 (2) REQUIREMENT.—Reports published under
 4 paragraph (1) shall include, at a minimum—

5 (A) organic cost-of-production data by
 6 State;

7 (B) regional data relating to the quantity
 8 of organic milk production;

9 (C) organic mailbox price for the 6 regions
 10 with the greatest quantity of organic dairy pro-
 11 duction, as determined by the Secretary; and

12 (D) major organic feedstuff prices.

13 **SEC. 4. SAFETY NET PROGRAM FOR ORGANIC DAIRY**
 14 **FARMS.**

15 (a) PROPOSAL.—Not later than 1 year after the date
 16 of enactment of this Act, the Secretary shall publish in
 17 the Federal Register a proposal to establish new organic
 18 dairy safety net programs to ensure that such programs
 19 provide adequate support for organic dairy farms based
 20 on cost data specific to organic dairy.

21 (b) CONSIDERATIONS.—

22 (1) IN GENERAL.—The Secretary shall accept
 23 written and recorded comments with respect to the
 24 development of a proposal under subsection (a).

1 (2) PUBLIC AVAILABILITY.—Comments accept-
2 ed under paragraph (1) shall be made available to
3 the public.

4 (c) REQUIREMENT.—In developing a proposal under
5 subsection (a), the Secretary shall ensure that—

6 (1) all organic dairy operations are eligible to
7 participate in the programs proposed to be estab-
8 lished pursuant to that proposal; and

9 (2) those programs prioritize support for small
10 dairy operations (as determined based on the small
11 business size standard for the applicable North
12 American Industry Classification System code de-
13 scribed in section 121.201 of title 13, Code of Fed-
14 eral Regulations (or a successor regulation)).

15 (d) REPORT TO CONGRESS.—Not later than 2 years
16 after the date of enactment of this Act, the Secretary shall
17 submit to Congress a report that—

18 (1) includes recommendations relating to the
19 implementation of the proposal developed under sub-
20 section (a); and

21 (2) describes any actions taken by the Secretary
22 to implement that proposal.

1 **SEC. 5. INVESTMENTS IN ORGANIC DAIRY PROCESSING IN-**
2 **FRAStructure.**

3 (a) INFRASTRUCTURE INVESTMENT FUNDING PRO-
4 GRAM.—Not later than 180 days after the date of enact-
5 ment of this Act, the Secretary shall establish a program
6 to provide funding for investments in infrastructure to en-
7 hance regional organic milkshed markets that seek to
8 drive a greater affinity for regionally sourced and proc-
9 essed organic dairy products by incentivizing support
10 for—

11 (1) the development of new organic dairy proc-
12 essing plants that support multiple regional small
13 dairy operations (as determined based on the small
14 business size standard for the applicable North
15 American Industry Classification System code de-
16 scribed in section 121.201 of title 13, Code of Fed-
17 eral Regulations (or a successor regulation));

18 (2) initiatives that establish institutional pur-
19 chasing of local organic dairy products;

20 (3) investment in infrastructure on farms and
21 in sites that aggregate raw milk to gain transport
22 and processing efficiencies;

23 (4) the establishment of on-farm organic dairy
24 processing and storage;

25 (5) producers and processors that want to ex-
26 pand regional organic processing infrastructure serv-

ing regionally produced organic milk from multiple regional small dairy operations (as determined based on the small business size standard for the applicable North American Industry Classification System code described in section 121.201 of title 13, Code of Federal Regulations (or a successor regulation)), including by—

(A) supporting work to finalize business plans; and

(B) providing processor start-up capital;

and

(6) initiatives that support increasing regional processing capacity to facilitate co-packing and tolling for regionally produced organic milk from multiple regional small dairy operations (as determined based on the small business size standard for the applicable North American Industry Classification System code described in section 121.201 of title 13, Code of Federal Regulations (or a successor regulation)).

(b) REGIONAL ORGANIC DAIRY MARKET SPECIAL-

ISTS.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary shall establish regional positions in each

1 major organic dairy producing region, to be known
2 as “Regional Organic Dairy Market Specialists”—

3 (A) to conduct research on the marketing
4 of organic dairy, including research relating
5 to—

6 (i) quality standards, including
7 changes in those standards over time;

8 (ii) cost-of-production data;

9 (iii) consolidation of, and lack of com-
10 petition among, buyers;

11 (iv) requirements for certification, in-
12 cluding changes in those requirements over
13 time;

14 (v) direct marketing of value-added
15 products at the farm level; and

16 (vi) the establishment and promotion
17 of new or existing regional organic dairy
18 brands that source regional milk; and

19 (B) to provide reports, recommendations,
20 and advice to the Secretary, organic dairy pro-
21 ducers and processors, Congress, and the public
22 with respect to the matters described in clauses
23 (i) through (vi) of subparagraph (A) and other
24 matters relating to the marketing of organic
25 dairy, including a report describing the options,

1 costs, and feasibility of establishing an organic
2 dairy insurance program through the Depart-
3 ment of Agriculture.

4 (2) REQUIREMENT.—A Regional Organic Dairy
5 Market Specialist may be—

6 (A) an employee of the Department of Ag-
7 riculture; or

8 (B) a position at a relevant institution of
9 higher education.

10 (3) RESEARCH TEAMS.—A Regional Organic
11 Dairy Market Specialist shall establish a research
12 team to assist the Regional Organic Dairy Market
13 Specialist in conducting the research described in
14 paragraph (1)(A).

15 (4) PERIOD OF SUPPORT.—

16 (A) IN GENERAL.—The Secretary shall
17 enter into a commitment to provide support for
18 Regional Organic Dairy Market Specialists, and
19 the research teams established under paragraph
20 (3), for a period of 5 years.

21 (B) RENEWAL OF SUPPORT.—Subject to
22 the availability of appropriations, at the end of
23 a 5-year period of support, the Secretary may
24 renew the support of a Regional Organic Dairy
25 Market Specialist (and the research team of

1 that Regional Organic Dairy Market Specialist)
2 for 1 or more successive 5-year periods, pursu-
3 ant to such commitments as the Secretary de-
4 termines to be appropriate.

5 (c) AUTHORIZATION OF APPROPRIATIONS.—There
6 are authorized to be appropriated to the Secretary for
7 each of fiscal years 2024 through 2028—

8 (1) \$20,000,000 to carry out subsection (a);
9 and

10 (2) \$5,000,000 to carry out subsection (b).

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