



2024 Fee Change Update

Fee Increase Explanation

Certified producers at the Annual Producer meeting passed a 5% fee increase, a new fee for processors (\$150 each) and an increase in the late fee. Producers voted down a proposed fee for new producers (\$150). These fee increases were recommended after undergoing a robust business planning process in 2023 and will help balance the budget to support current staffing and program cost increases. The proposed fees still maintain VOF's rates as comparable to both MOFGA and NOFA NY. We continue to work towards making certification more accessible and to offer support to maximize success. In addition, we continue to look for funds outside of producer fees to help support and run the program. This year VOF secured \$76,000 in grants to support our work.

New Fee Table

Range of anticipated gross sales/services	Base (Subtract)	Multiplier Rate	Base Fee
Up to \$14,999	- \$0	X 0	+ \$650
\$15,000-\$99,999	- \$15,000	X 0.00489	+ \$650
\$100,000-\$499,999	- \$100,000	X 0.00403	+ \$1064
\$500,000-\$999,999	- \$500,000	X 0.00306	+ \$2677
\$1,000,000-\$2,999,999	- \$1,000,000	X 0.00214	+ \$4210
\$3,000,000-\$15,000,000	- \$3,000,000	X 0.00081	+ \$8,494
\$15,000,000	- \$15,000,000	X 0	+ \$18,320

Impact to Certified Producers: Proposed Fee Increase on 4 examples based on median gross sales

Estimated Gross Sales	Current Fees	Proposed Fee	Fee Comparison	Fee increase	Reimbursement	Fee increase after reimbursement
Median Dairy gross sales=\$290,500	\$1745	\$1,831	NOFA-NY: \$2,050 MOFGA: \$1,925	\$86	\$1373 (3 Scopes)	\$22
Median Field Crop gross sales: \$30,000	\$687	\$723	NOFA-NY: \$775 MOFGA: \$1,175	\$36	\$543 (Any # of Scopes)	\$10
Median Maple or Veg gross sales: \$60,000	\$827	\$870	NOFA-NY: \$1,025 MOFGA: \$1,400	\$43	\$653 (Any # of Scopes)	\$11

Minimum Fee (Less than \$15000 GS)	\$617	\$650	NOFA-NY: \$675-\$750 MOFGA: \$500-\$700	\$33	\$489 (Any # of Scopes)	\$9
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Producers who have maxed out on their reimbursement potential will see the full increase. Producers have reached this threshold if they are paying \$1,000 or more per scope (scopes=crops, livestock, handling, wild crops)



April 2024

2024 Standard Updates

VOF values the voices of our certified producers and we work hard to make sure that our organization is producer-driven. This past year, our Review Committee, made up of five certified organic farmers and processors, created policies based on thoughtful interpretations of the USDA National Organic Program Rule. These interim policies were then discussed and voted on at our Annual Producer Meeting held in Richmond, VT on January 12th. We want to thank those producers who were able to take time from their busy schedules to attend the meeting. It is vitally important that producers send a representative to the meeting to vote on standards interpretations.

If you were not able to attend, please consider sending a spokesperson in the future to represent your business's interests. Annual Meeting minutes are available upon request by calling the VOF office.

Note: Standards changes are in **red**; old language has a ~~line through~~ it, if appropriate and **blue** text shows language that has been moved around but has stayed the same.

Standard Proposals

- 1) Water Requirements for Dairy Farms
Proposal Passed
(19 yes, 0 no, 0 abstentions)

Background:

VOF continues to look for ways to reduce the paperwork burden of our producers. Because dairy farms already have potable water standards required by the Pasteurized Milk Ordinance (PMO) and verified by the Agency of Agriculture, VOF does not feel that we also need to impose additional requirements. Instead we are proposing to verify the water test required by the PMO as a means to determine that the water is potable. The PMO requires water testing at least once every three year period for individual water supplies.

Relevant Standards:

205.272 Commingling and contact with prohibited substance prevention practice standard.

(a) The handler of an organic handling operation must implement measures necessary to prevent the commingling of organic and nonorganic products and protect organic products from contact with prohibited substances.

Section 2111 of the Organic Food Production Act states, "For an operation to be certified, the operation shall not, with respect to any agricultural product covered by this title (organic) use in such product water that does not meet all Safe Drinking Water Act requirements."

Proposal: (new language in red, bold)

V11. PROCESSING AND HANDLING, C. Water, Page 89.

Dairy farms and dairy processors with a state-inspected, approved water supply, do not need to provide additional documentation of water testing as the Pasteurized Milk Ordinance requires water testing as part of the licensure program. During the organic inspection, dairy producers must make the Report of Bacterial Examination of Water available to demonstrate compliance.

2) Grower Groups

Proposal Passed

(19 yes, 0 no, 0 abstentions)

Background:

The new Strengthening Organic Enforcement (SOE) rule identifies new regulations for grower groups and requires certifiers to create procedures and systems for certification. VOF does not currently certify any grower groups and in order to avoid developing procedures, applications and inspection reports, we are proposing to not accept applications from grower groups based on administrative capacity until and if we decide otherwise.

Relevant Standards:

205.2 Terms Defined

Producer group member. An individual engaged in the activity of producing or harvesting agricultural products as a member of a producer group operation.

Producer group operation. A producer, organized as a person, consisting of producer group members and production units in geographic proximity governed by an internal control system under one organic system plan and certification.

Producer group production unit. A defined subgroup of producer group members in geographic proximity within a single producer group operation that use shared practices and resources to produce similar agricultural products.

Proposal: (new language in red, bold)

II. CERTIFICATION ELIGIBILITY A. Admissibility 1) Application Restrictions, Page 13

A. Admissibility

1) Application Restrictions

✓ VOF does not currently have the administrative capacity to accept applications from producer groups. This includes producers organized as a person, consisting of producer group members and production units in geographic proximity governed by an internal control system under one organic system plan and certification.

1) Planting Stock Clarification

Proposal Passed

(17 yes, 0 no, 2 abstentions)

Background:

Based on questions from producers, VOF will clarify language in our guidelines to better reflect NOP Rule Section 205.204. Specifically, that non-organic seed and planting stock may only be used under certain circumstances and must be untreated. In addition, we have added language from NOP Memo 5029 to clarify that seed or planting stock “treatment” is considered to be an application of a prohibited substance *post-harvest*. And lastly, we are proposing to add language to clarify that planting stock that is never harvested (ex. planting stock grown in trays or pots), cannot be considered treated because there is no harvest stage.

Relevant Standards:

205.204 Seeds and planting stock practice standard.

(a) The producer must use organically grown seeds, annual seedlings, and planting stock: Except, That,

(1) Nonorganically produced, untreated seeds and planting stock may be used to produce an organic crop when an equivalent organically produced variety is not commercially available: Except, That, organically produced seed must be used for the production of edible sprouts;

(4) Nonorganically produced planting stock to be used to produce a perennial crop may be sold, labeled, or represented as organically produced only after the planting stock has been maintained under a system of organic management for a period of no less than 1 year;

(5) Seeds, annual seedlings, and planting stock treated with prohibited substances may be used to produce an organic crop when the application of the materials is a requirement of Federal or State phytosanitary regulations.

NOP Memo 5029

4.3 Inputs Used for Treatment of Seeds or Planting Stock

Substances used by a seed or planting stock purveyor prior to the harvest of their non-organic seeds or non-organic planting stock for sale and use in organic production are not considered “treatment”.

Substances that are used by a seed or planting stock purveyor for seed cleaning and preparation (e.g. trisodium phosphate and chlorine solutions) after they harvest their non-organic seeds for sale in organic production are also not considered “treatment”, since they do not remain on the seed when it is planted. These substances do not need to be described in the OSP by the certified operation and do not require review by the certifying agent.

Proposal: (new language in red, bold)

V. CROP MANAGEMENT, B. Seeds & Planting Stock, 3) Seeds, Annual Seedlings & Planting Stock, Page 47

Accepted

- Seeds

- Organic seeds.
- Non-organic untreated seeds when an equivalent organic variety is not “commercially available”.
- Organic seed is always required for edible sprout production (with no commercial availability provision).
- Non-synthetic seed treatments, such as hot water, legume inoculants, pelletization (when not involving prohibited substances).
- Seed treatments are only permitted if all ingredients are documented to comply with the National Organic Standards or unless mandated by State and Federal phytosanitary regulations.
- **Substances used by a seed purveyor prior to the harvest of their non-organic seeds for sale and use in organic production are not considered “treatment”.**
- Planting Stock
 - Organic planting stock.
 - Non-organic, untreated planting stock when an equivalent organic variety is not “commercially available”.
 - Non-organic, **untreated** perennials if grown out for 1 year prior to selling plants as organic.
 - **Harvesting a crop from non-organic, untreated planting stock at any time after planting when an equivalent organic variety is not available. One year organic management is only required before selling the plant as organic *planting stock*.**
 - Non-synthetic planting stock treatments.
 - Planting stock treatments are only permitted if all ingredients are documented to comply with the National Organic Standards or unless mandated by State and Federal phytosanitary regulations.
 - **Substances used by a planting stock purveyor prior to the harvest of their non-organic planting stock for sale and use in organic production are not considered “treatment”.**
 - **Non-organic planting stock grown in trays or pots have no distinct “harvest” stage and therefore are considered to be “untreated” and no additional documentation is required.**
- Annual Seedlings
 - Organic seedlings.

Other items voted on by the membership

1) VOF Review Committee & EC Committee Members

Certified producers approved the members of the Review Committee and Executive Committee.

Important Regulation Update!

Strengthening Organic Enforcement

The National Organic Program (NOP) published a new rule called Strengthening Organic Enforcement (SOE). SOE was implemented on March 19, 2024, which means that all certified operations must now be operating in full compliance of the new regulation

Below, please find a brief overview of the provisions of SOE that may affect your operation.

We recognize that the requirements that come along with SOE are plentiful. Please don't hesitate to reach out with questions as you continue to think about how to develop and/or improve your systems in order to comply.

SOE at a Glance: As the organic industry has grown, fraud, in the form of non-organic products being misrepresented as organic, has increased. In response to this fraudulent activity, the NOP published new regulations that will require certified producers to take more responsibility for the organic products that they bring into their operations. This means that, as a certified producer, you will need to establish systems that will allow you to verify the organic status of your suppliers as well as the organic status of organic products that you source, and your records will have to demonstrate your verification system. You may find [this](#) summary helpful.

Organic Fraud Prevention Plans: Because SOE is primarily focused on preventing fraud, there is a new requirement for all certified producers to implement and maintain an Organic Fraud Prevention Plan. In short, your Organic Fraud Prevention Plan will be the plan that describes *how you verify the organic status of suppliers and organic products in your supply chain, back to the last certified operation*. Having a system set up to do this verification will support early detection, prevention, and mitigation of fraud, and strengthen integrity across organic supply chains.

Your Organic Fraud Prevention Plan will be unique to your operation and should be appropriate for the activities, scope, and complexity of your operation. If your operational activities are simple and your supply chains are short, your Organic Fraud Prevention Plan will be fairly simple too.

You may choose to create your own Organic Fraud Prevention Plan or you can build your fraud prevention plan right within your processing OSP. You'll note that we've added fraud prevention questions to the 2024 OSP to help guide you through developing your plan. You may also find [this](#) resource helpful.

Supply Chain Maps: As part of your Organic Fraud Prevention Plan, you may need to map out your supply chains. This can be done in the form of an illustration or via text description. Mapping your supply chain will allow you to identify the areas where risk of fraud or loss of organic integrity is more likely to occur. Once you identify risky areas in your supply chain you will then be able to implement appropriate Critical Control Points to reduce that risk, thereby reducing fraud.

Using Uncertified Handlers: With SOE, most operations within the supply chain are going to require certification now, even if they were previously exempt. However, there will be some instances where a handler remains exempt from certification. These operations are considered uncertified handlers. If you source organic products from uncertified handlers, make sure that your Organic Fraud Prevention Plan clearly describes how you verify the organic status and organic integrity of those products while in the possession of the uncertified handler.

You must also ensure that you are only using uncertified handlers that are truly exempt from certification. To help you and your supplier(s) determine if they require certification, please use [this](#) flowchart. Sourcing organic products from uncertified operations that require certification is prohibited and if your supplier requires certification you must not source from them until they are certified. Sourcing organic products from uncertified operations that are exempt is still allowed and those operations will need to fill out [this](#) Uncertified Handler Affidavit form.

With SOE, all importers are required to be certified. Therefore, if you source organic products from an importer, make sure that operation is working to become certified before March 19, 2024. If the importer is not certified by then you will not be able to source organic products from them.

Importing: If you directly import organic products into the U.S., you will have a number of new responsibilities. Please review [this](#) resource to ensure that you are prepared to implement these new requirements.

Non-retail labels: If you supply products in bulk, wholesale, etc. there are new requirements for your non-retail labels. Non-retail containers are now required to be marked with a statement identifying the product as organic. They must also include unique information like lot numbers or shipping information, that will link the container to audit trail documentation.

Organic product calculations: SOE clarifies that the percentage of organic ingredients in multi-ingredient products should be calculated by dividing the weight or volume of the organic ingredients *at formulation* (i.e., before processing such as baking or cooking) by the total weight or volume of the product *at formulation*, with water and salt added as ingredients *at formulation* excluded from the calculation. If you have been using weight and/or volume of organic ingredients *after* processing as a way to calculate percentage of organic ingredients, please be prepared to revise your Organic Product Profiles with your 2024 OSP.

Recordkeeping: Recordkeeping has always been an integral component of an Organic System Plan. SOE has clarified that an organic operation must:

- Maintain records of their activities that span the time of purchase or acquisition, through production, to sale or transport
- Maintain records that trace back to the last certified operations in their supply chain
- Maintain audit trail documentation to facilitate supply chain traceability, including identification of agricultural products as organic on audit trail documents
- Describe in their organic system plan the monitoring practices and procedures used to prevent organic fraud and verify suppliers and organic product status.

Important Updates

Real Organic Project Inspection Pilot

We are excited to announce a pilot collaboration with the Real Organic Project for 2024. If you are certified as ROP or interested in certifying with ROP, we will be offering a one stop shop inspection process. Farmers will now be able to get ROP and VOF inspected at the same time. For renewal applicants, this will happen automatically. If you are a new applicant to ROP, you will need to request this option as soon as possible by contacting james@realorganicproject.org.

Organic Livestock & Poultry Standards

The USDA has published a final rule called the Organic Livestock and Poultry Standards (OLPS). These new regulations update the USDA organic regulations to promote animal welfare and encourage consistent livestock production practices. It adds detailed regulations regarding indoor and outdoor space requirements for avian species, animal health care practices, confinement, transportation, euthanasia, and slaughter. All organic operations must comply with the requirements of this rule by January 2, 2025 although some parts of the rule have longer implementation dates. [Learn more here.](#)