



November 26, 2019

National Organic Program – Standards Division  
U.S. Department of Agriculture  
USDA-AMS-NOP  
1400 Independence Avenue, SW, Room 2642-So., Ag Stop 0268  
Washington, D.C. 20250-0268

Re: Docket No. AMS-NOP-11-0009

PCC Community Markets is a community-owned, co-operative food market that began as a food-buying club of 15 Seattle families in 1953. Today, we have nearly 70,000 active member-owners and 13 stores in seven cities, generating \$288 million in annual sales — making PCC the largest consumer-owned and operated grocer in the United States. We are a triple bottom line organization, advocating for consumers and the community in everything we do.

Organic is an integral part of our product offerings and operations, valued for its benefits to consumer and environmental health. Organically produced milk is essential to not only our overall organic offerings, but also our private label milk and yogurts. Ensuring that organic milk is produced with integrity and according to the highest organic standards is what we and our consumers expect.

**I. PCC strongly supports the proposed Origin of Livestock rule without any additional amendments.**

For most organic dairy farmers, there is little confusion about what an organic dairy production requires: a one-time, one-year, herd transition and to be raised organically from the last third of gestation from then forward. This is also what retailers and consumers expect in organic dairy production. While PCC and many organic dairy farmers believe that this was clear within the existing organic rule, we support the proposed strengthening and clarification of the origin of livestock standards to ensure that all organic dairy producers are being held to consistent standards. We do not believe that any amendments should be made to the proposed rule.

**II. Any additional delay in finalizing the proposed organic origin of livestock rule will cause significant economic damage to organic dairy producers.**

Organic dairy farmers have suffered unnecessary economic hardships due to the delay in finalizing the 2015 proposed origin of livestock rule. Organic farmers who have taken advantage of the alleged lack of clarity within existing organic dairy standards and who continuously transition conventional animals into organic systems or cycle dairy animals in and out of organic management have distorted the market with rapid expansion of cow numbers and production. This continuous transitioning lowers costs of production and creates an economic disadvantage for organic farmers who are complying with

the intent of the organic regulations. According to industry resources, organic dairy farmers who raise their calves with adherence to the organic last-third-of-gestation standard spend an average of \$600–\$1,300 more per calf than farmers who raise calves conventionally and transition them to organic in one year.

By entering the organic market at reduced costs, these continuous transition operations have created a cascading economic impact from an oversupply of organic milk. Numerous organic dairy producers are then forced to sell milk at prices that do not match the production costs and the disparity between these production methods. Some organic dairy farmers are even facing the potential loss of their farms.

Any additional delay in the finalization of this rule will continue this economic disparity and its substantial impacts.

### III. The organic origin of livestock rule needs immediate finalization and implementation.

While we appreciate the National Organic Program (NOP) in moving forward with the current proposed origin of livestock rule, it was the unnecessary four-year delay in finalizing the rule that, according to the NOP, required this additional process of commenting on a rule that was overwhelmingly supported in 2015. We do not agree with the NOP's assessment that the 2015 proposed rule required additional comments and delay, however, given the process it has chosen to pursue we would encourage the NOP to make every effort to complete this rulemaking process as efficiently as possible. Organic dairy farmers need and deserve immediate action.

On behalf of our organic dairy producers and consumers, thank you for reviewing our comments and making every effort to move this rule forward without additional modifications or delay.

Sincerely,

**Aimee M. Simpson, J.D.**  
Director of Advocacy & Product Sustainability  
PCC Community Markets