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May 24, 2023

Senate Committee on Rules
Attn: Senator Kate Lieber (Chair)
Oregon State Capitol
Salem, OR

RE: Testimony in Support of SB 1058-2

Dear Chair Lieber and Members of the Committee:

I'm writing in support of SB 1058-2, which provides a state match to federal organic certification cost share reimbursements and support for farmers transitioning to organic.

For over 13 years, I've served as Executive Director for Oregon Tilth, a leading nonprofit certifier, educator & advocate for organic agriculture. The organization is accredited by the USDA to offer organic certification services in accordance with the federal National Organic Program. Our certification program currently serves over 2200 clients throughout the U.S. and Latin America. We certify a diverse mix of crops, livestock and processed products across the organic supply chain. Our clients' organic sales represent over \$6 billion of the organic market. We certify over 1100 farm operations, with diverse geography and scales of production. We are the largest organic certifier in Oregon.

In 2022, the Oregon Legislature funded a market analysis of the organic sector as one of five emerging industries. The organic market analysis was conducted by a nonpartisan consulting firm, Highland Economics. The report was recently finalized and its conclusion states: *The organic production and food sectors in Oregon are significant components of the state's economy. There are key opportunities for economic growth in agricultural production, food manufacturing and distribution value chains. Growth in organic production can also benefit Oregonians through enhanced local food security, increased agricultural resiliency to climate change, economic development (jobs and income), and environmental and public health.*

Consumer trends show increased interest in supporting products that reflect their environmental and social values. Over the last decade, U.S. organic food sales grew an average of 9% per year, outpacing the 5% annual growth rate for non-organic food. Oregon is well-positioned to be a national leader in the growing organic industry, which surpassed \$60 billion in 2022. However, to fully actualize the opportunity will require both public and private investments to build domestic organic production and local supply chain capacity. For the past several years, Oregon has lost ground compared to other states that are leading in organic investment and market development.

Last year, the USDA announced a \$300M Organic Transition Initiative to promote and increase the opportunities to farm and food businesses that the organic sector represents. SB 1058-2 is an Organic Farmer Support Bill that will leverage federal investments in covering the costs of organic certification, helping to make organic's price premiums and new markets more accessible and affordable for Oregon farmers. It will also offer financial support to transitioning farmers, who incur additional expenses during the three-year transition period before they begin to see a return on their investments in organic practices upon achieving organic certification and accessing organic markets.

For the health of our people, businesses and planet, it is necessary to realize not only the role organic practices that build healthy soils plays in mitigating the impacts of a changing climate, but also the economic opportunities. I urge you to support the organic industry by making investments that move our state toward agricultural, economic and environmental resiliency. I strongly encourage you to vote in support of SB 1058-2.

Thanks for your consideration.

A handwritten signature in cursive script that reads "Chris Schreiner".

Chris Schreiner
Executive Director
Oregon Tilth