

Exemption for organically certified operations from paying into conventional check-offs

February 2016

Who qualifies for the exemption?

Commodities covered by the new exemption: beef; cotton; dairy; eggs; fluid milk; Hass avocados; mushrooms; popcorn; pork; potatoes; soybeans; watermelons; blueberries; Christmas trees; honey; lamb; mangos; paper and paper-based products; peanuts; processed raspberries; softwood lumber, and sorghum.

Commodities **not** covered by this regulation: state based check-off programs like corn and wheat.

You are eligible to apply for the exemption if the legal entity you operate under (whether it is as an individual, group of individuals, corporation, association, cooperative, or other business entity) is assessed under the qualified check-off programs and maintains a valid organic certificate. All certified organic commodities covered by this regulation are exempt; this applies to you if you run a split-operation and also sell conventional products.

How to apply for your exemption?

If you are already exempt because you only market 100% certified organic you need to do nothing. You are already in the program and the new regulation is an extension of the existing regulation.

If you are not currently exempt you need to do the following:

1. Apply to your check-off program for the **AMS-15 Form for Organic Exemption Requests**. The form is specific for each commodity board so you **cannot** use a form from another commodity.
2. The form will require:
 - a. Your full name, company name, address, telephone and fax numbers, and email address;
 - b. Details of the certified organic products you sell and possibly the annual volume or weight of the products depending on how the check-off is assessed on the product.
 - c. A copy of your certificate of organic operation issued by a USDA accredited certifying agent under the NOP that lists all certified organic products and the date of validation
 - d. Your signature that that all information provided by you is true; and
 - e. "Such other information as may be required by the Board, with the approval of the Secretary."Until we see all the forms we do not know what else is required.

The completed form has to be submitted to the commodity Board and they have 30 days to either accept and issue a Certificate of Exemption or refuse the exemption. You must give a copy of this Certificate of Exemption to every buyer, each time you sell your qualifying commodity or they must have a current Certificate of Exemption on file if you sell product to them multiple times.

All certified entities must reapply for this exemption every year. For some commodities, renewal is the beginning of the crop year and for others it has to be 'on or before July 1.'

We will post the exemption forms for the various commodities as soon as USDA AMS provides us with the forms. The Exemption for Dairy is attached and these are the contacts for the other commodities:

Research and Promotion Programs

Website: www.ams.usda.gov/rules-regulations/research-promotion Phone: (202) 720-5115

- Specialty Crops: Heather.Pichelma@ams.usda.gov
- Cotton: Shethir.Riva@ams.usda.gov
- Livestock, Poultry and Seed: Kenneth.Payne@ams.usda.gov
- Dairy: Whitney.Rick@ams.usda.gov