



February 6, 2022

House Committee on Economic Recovery and Prosperity  
Support for HB4048

Dear Chair Lively and Members of the Committee:

I am writing on behalf of the Oregon Organic Coalition (OOC) in support of HB4048, the emerging sectors legislation that includes an economic assessment of the organic industry. There are tremendous growth opportunities within organic agriculture and trade, but Oregon-centric data is needed. Wisconsin is currently undertaking such an assessment as the state realized that a market analysis could spur future economic growth for both rural and urban communities.

States that invest in organic reap the benefits and attract additional public and private investment. For example, Pennsylvania's PA Preferred Organic Initiative led to an 800 percent increase in organic, from \$78 million in 2012 to \$707 million in 2017, resulting in the average sales per farm increasing from \$131,000 to \$675,000. With this increase, Pennsylvania now ranks third in the U.S. in organic sales.

Last year, the University of California launched the institute for organic research and education with a \$500,000 endowment from Clif Bar and a \$500,000 match from the UC President. And Chico State University's Center for Regenerative and Agriculture and Resilient Systems received a \$6.9 million NRCS award for 'Soil Health Management Systems for Northern California', a five-year project designed to help orchard, vineyard, rangeland, dairy, and row crop producers build food and fiber production resiliency.

According to OSU's 2021 report *Oregon Agriculture, Food and Fiber: An Economic Analysis*, Oregon's organic industry grew substantially between 2008 and 2019 and while the number of farms decreased, the size of farms increased, with overall organic acreage almost doubling. And even though certified organic farms, as measured by NASS, currently only represent 1.2% of agriculture in Oregon, organic captures 6% of all Oregon farmgate sales. Between 2016 and 2019, the total value of Oregon's organic agricultural products sold increased nearly 30% to \$454 million. However, Oregon is falling behind other states and is no longer in the top 10 for organic production, ranking 12th, which is why this legislation is critical to reestablishing Oregon's leadership within organic.

In general, Organic agriculture is a bright spot in the U.S farm economy, growing to over \$55 billion in sales a year in 2020, more than double the growth rate of the overall U.S. food market. Organic farming also creates jobs with greater stability—organic farms hire more people per acre, and those people work for more days of the year. The number of US organic farms grew by 39% in recent years, while the total number of farms in the U.S. shrank by 3%. During that same period, organic farm income nearly doubled while the income of all U.S. farms remained stagnant. Furthermore, the average value of products sold from organic farms is double the average value sold from all U.S. farms. And younger farmers gravitate to organic—the average age of organic farmers is six years younger than that of the national average of all farmers.

And in terms of youth and market trends, market data from the Hartman Group’s *Organic and Beyond 2020* report shows that 82% of consumers use organic food and beverages at least monthly—challenging the notion that organic is only for the wealthy—with much higher adoption rates among Gen X, millennials and Gen Z—the market of the future.

A comprehensive economic assessment of Oregon’s organic sector will help identify opportunities that highlight the state’s competitive advantages and needs for the future, and to help secure additional private investment. Organic agriculture can be used as an effective economic development tool, especially in rural areas.

I urge your support for HB4048.

Most sincerely,

*Amy M Wong*

Amy Wong  
Board Chair  
Oregon Organic Coalition