

EGG MARKETER COMMENT TOOLKIT

Last month the USDA published an [Economic Analysis Report](#) for the Organic Livestock and Poultry Production (OLPP) Rule. **USDA is accepting public comments until May 26, 2020** on the content of the report and its impact on the USDA's decision in 2018 to withdraw the OLPP Rule. USDA published this report in response to a Court order that agreed with the Organic Trade Association's lawsuit against USDA that the OLPP Rule was withdrawn based on a flawed economic analysis. Finding that USDA had voluntarily conceded the Organic Trade Association charges rather than proceed to judgment, the court ordered the matter returned to USDA for a 180-day period for the agency to correct its errors.

Based on our preliminary review of the USDA's Economic Analysis Report, we identify several instances where USDA is manipulating variables in the cost-benefit calculation to favor data points that *maximize costs* and *minimize benefits*.

Productivity: In the OLPP Final Rule, USDA established egg production rates at 24.77 dozen eggs per laying hen per year and the new Report indicates a reduction to 23.04 dozen eggs per laying hen per year.

Mortality: The Report seeks to calculate cost estimates that take into account a 3% increase in mortality rates (from 5% to 8%) as a result of OLPP Rule's new requirement for outdoor access.

Willingness to Pay: The Report carries forward estimated values of consumer willingness to pay that reduced by half the values that were used to establish the OLPP Final Rule.

Background Resources

- [OLPP Withdrawal Rule \(March 2018\)](#)
- [Withdraw Rule Regulatory Impact Analysis \(March 2018\)](#)
- [OLPP Final Rule \(Jan. 2017\)](#)
- [Final Rule Regulatory Impact Analysis \(Jan. 2017\)](#)
- [Background on OLPP rulemaking](#)
- [Organic Trade Association lawsuit background](#)
- [Organic Trade Association Motion for Summary Judgement \(Oct. 2019\)](#)
- [Organic Trade Association Review of Cost-Benefit Analysis by Dr. Vulkina \(Oct. 2019\)](#)

Key Talking Points for Organic Egg Marketers

- ✓ I support the Organic Livestock and Poultry Practices (OLPP) Rule to strengthening the animal welfare standards for organic livestock production.
- ✓ USDA's Economic Analysis Report intentionally and incorrectly underestimates the benefits and overestimates the costs of the OLPP Rule. Based on my organic operation, the benefits of the OLPP Rule far outweigh the costs in economic terms and in invaluable benefits to farm animals, farming operations, and consumers.
- ✓ The USDA's Economic Analysis Report does not account for compliant operations that will increase production at rates well above the historical growth rate to meet demand after non-compliant operations exit following implementation of the OLPP Rule.
- ✓ Reinstating the OLPP Rule is critical to ensure continued trust in the USDA Organic seal and a level playing field for all organic livestock and poultry producers.

Instructions for Calculating Egg Productivity in dozen eggs per hen per year

1. Count the total number of eggs you get from a hen at 78 weeks of total bird age (Example: 340 eggs/hen)
2. Divide by 12 (Example: 28.33 dozen eggs per hen)
3. Divide by 60 weeks of laying (Example: 0.4722 dozen eggs per hen per week)
4. Multiply by 52.143 weeks in a year (Example: 24.62 dozen eggs per hen per year)

Instructions for Submitting Comments (Deadline is May 26, 2020)

- Submit your own unique comment (using our talking points if it helpful) or use our **fill-in-the-blank template** on the next page. [Click here](#) to download the template as a fully editable Word Document.
- All comments must be submitted through the [Federal Register e-Portal \(Docket AMS-NOP-20-0037\)](#) by **May 26, 2020** at 11:59pm ET. Comments may also be sent by mail to: Dr. Jennifer Tucker, National Organic Program, USDA-AMS-NOP, 1400 Independence Ave SW, Room 2642-So., Ag Stop 0268, Washington, DC 20250-0268.

Dr. Jennifer Tucker
National Organic Program
USDA-AMS-NOP
1400 Independence Ave SW
Room 2642-So., Ag Stop 0268
Washington, DC 20250-0268

Docket: AMS-NOP-20-0037

Re: Organic Livestock and Poultry Practices Economic Analysis Report

Dear Dr. Tucker:

I am organic egg producer and I support the Organic Livestock and Poultry Practices (OLPP) Rule to strengthening the animal welfare standards for organic livestock production.

[Insert a few sentences to describe your business.]

The USDA's Economic Analysis Report published on April 23, 2020 intentionally and incorrectly underestimates the benefits and overestimates the costs of the OLPP Rule. Based on my organic operation, the benefits of the OLPP Rule far outweigh the costs in economic terms and in invaluable benefits to farm animals, farming operations, and consumers.

The Economic Analysis Report assumes an expected growth rate of organic egg production at 12.7% (in the 5 years preceding full compliance date with the OLPP Rule) and carries forward this figure in two of the three scenarios used to demonstrate different assumptions regarding industry growth. These scenarios do not account for compliant operations that will increase production at rates well above the historical growth rate to meet demand after non-compliant operations exit following implementation of the OLPP Rule. USDA is incorrect to omit this scenario. Organic egg marketing operations are poised for growth to meet new demand as a result of the OLPP Rule. **[Insert a few sentences to describe your ability to expand your grower pool and ramp up production. If possible, include estimates of future growth rates and volume increases if the OLPP Rule were to become effective.]**

[Optional paragraph: ONLY INCLUDE if you have egg productivity ABOVE 23.04 dozen eggs per hen per year. See instructions for calculating this number on the previous page.] The Economic Analysis Report is attempting to reduce the baseline egg production rate used in the cost-benefit calculation from 24.77 dozen eggs per laying hen per year to 23.04 dozen eggs per laying hen per year. However, productivity on my operation is **[insert productivity rate]** dozen eggs per laying hen per year. Reducing the productivity rate to 23.04 is not in line with the data on my operation.

[Optional paragraph: ONLY INCLUDE if your mortality rate of organic flocks is LESS than 8%] The Economic Analysis Report estimates that mortality rate of birds managed under the OLPP Rule will increase to 8% (from 5%) as a result of new requirement for outdoor access. However, mortality rates for organic flocks at my operation is **[insert mortality % for organic]**. Increasing the mortality rate to 8% is not in line with the data on my operation.

[Optional paragraph: ONLY INCLUDE if you also raise Cage Free flocks that have mortality rates are the SAME OR GREATER than organic] The underlying assumption that mortality increases as a result of outdoor access is incorrect. My operation also raised Cage Free flocks and the mortality rate is **[insert mortality % for Cage Free]**. Increasing the mortality rate based only on outdoor access is not in line with the data from my operation.

The need to implement the OLPP Rule is long overdue. The OLPP Rule is critical to ensure continued trust in the USDA Organic seal and a level playing field for all organic livestock and poultry producers.

Sincerely,

[Name]