



NEW YORK STATE SENATOR

Hugh T. Farley

## Sen. Farley and Republican Colleagues Unveil Plan to Secure the Future of Family Farming

HUGH T. FARLEY March 4, 2014

| ISSUE: **AGRICULTURE**



State Senator Hugh T. Farley (R, C, I – Schenectady) and fellow members of the Senate Republican Conference unveiled their “Young Farmers NY” plan on March 4th to address issues related to the advancing average age of New York farmers and to preserve the future of family farming. The initiative will support and encourage a new generation of farmers and help strengthen the state’s leading industry for decades to come.

“Young Farmers NY” is a series of proposals to smooth the transfer of farmland to the next generation, preserve existing farmland, and help young farmers overcome obstacles to give them a greater opportunity for a successful career in agriculture.

Senator Farley said, “No one works harder than New York’s farmers, but the statistics are trending the wrong way to ensure a farm economy and opportunities for farmers in the future that are as strong as today. This plan gives beginning farmers a leg up and a helpful foundation to start building their own family farm business and begin a successful career in farming.”

“Young Farmers NY” is in response to research that shows the average age of New York farmers is increasing, as fewer young people pursue farming careers. According to new data from the USDA Census of Agriculture, the average age of New York farmers is now 57.1 years. There are two farmers aged 65 and older for each one under age 35. This and other factors lead to farmland being lost forever to development. About 50,000 acres of farmland were lost in New York in each of the last five years, the federal agency reported.

“Young Farmers NY” addresses these problems in two ways, by helping to encourage more young people to consider a farming career, and by reducing financial roadblocks to starting a new agriculture business. The plan calls for a state investment of more than \$30 million.

Highlights of the “Young Farmers NY” program include:

- \* Loans, grants, and tax credits for the sale or lease of land and equipment, as well as for new technological innovations;
- \* Estate tax reforms to encourage farm preservation from generation to generation; and

\* Agricultural education efforts including an apprenticeship program, student loan forgiveness and increased funding for the in-school Future Farmers of America (FFA) program.

## **LAND OWNERSHIP**

The biggest single obstacle to starting a farm business is the high cost of land, equipment and supplies for starting farmers. Long-time farmers face pressure to sell to developers for higher prices than can be gained from keeping land in farming, lenders can be wary of extending credit to untested new farmers, and the state's tax code makes it difficult for farmers to pass on their business to the next generation. "Young Farmers NY" seeks to help prospective farmers overcome these obstacles.

**Young Farmer Farm Preservation Tax Credit:** Provides eligible farmers with up to 10 percent of the sale or rental price for the sale or lease of land or equipment to a new farmer. This preserves farmland, allows retiring farmers a more equitable return on their lifelong investment, and lowers the cost of farmland for beginning farmers. (\$5 million)

**Young Farmer Revolving Loan Fund:** Provides \$5 million for start-up loans for land and equipment purchases by new farmers. (\$5 million)

**Young Farmer Innovation Grants:** Allocates up to \$50,000 for new farmers through a competitive grant program that seeks to encourage new technology or production innovation. (\$1 million)

**Farm Savings Accounts:** Establishes savings accounts similar to college or retirement accounts. Savings intended for the purchase of farmland or equipment would grow tax-free. (\$5 million)

**Estate Tax reform:** Increases the estate tax exemption and lower rates as proposed in the Executive Budget. (\$14 million)

## **AGRICULTURE EDUCATION**

Just as many other successful industries, modern farming relies on technology and cutting-edge information to improve production, cut costs and boost profits. “Young Farmers NY” includes:

**Young Farmer Apprenticeship Program:** Provides funding to BOCES programs to establish partnerships with real working farmers to help young people gain hands-on experience they can bring to their own successful farm operation. (\$500,000)

**Young Farmer Student Loan Forgiveness Program:** Directs the Board of Regents to establish a student loan forgiveness program for up to 10 agriculture degree graduates annually who agree to work full-time in agriculture a minimum of five years. (\$100,000)

**Funding for Agriculture Education:** Increases funding for the in-school FFA program, which encourages careers in agriculture. There are 77 FFA chapters in New York, including in New York City. (\$158,000)

The Senate Republican Conference has been a leader in supporting family farming. Over the past three years, Senate Republicans successfully fought to restore budget funds affecting key agricultural research, education and marketing programs. The Republican Conference also spearheaded the “Grown in New York” plan and other important new laws to help boost farmers’ bottom lines, including a cap on farmland tax assessments and increased funding for tractor rollover prevention efforts, additional agriculture research, marketing and promotion.

“The Young Farmers NY program” will be included in the Senate’s budget resolution.

