



NEW YORK STATE SENATOR

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## Preserve, Promote, Grow: IDC Unveils Package To Strengthen NY Farms

JEFFREY D. KLEIN June 7, 2011

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The Independent Democratic Conference today unveiled a legislative package designed to preserve, promote and grow farming in New York State.

Agriculture is one of New York's largest industries, producing \$4.7 billion in 2009 and employing tens of thousands of workers. Additionally, New York generates roughly \$4 billion a year in wine making and wine tourism and has become the third largest producer of wine in the country.

However, most farms, which are small, family run businesses, are feeling the squeeze from rising costs, increasingly tight profit margins, lack of access to credit and markets, as well competition from other states and other countries. These factors have led to the loss of 666,000 acres of farm land and the closure of 1,200 farms during the last decade.

The IDC has introduced "Preserve, Produce & Grow" a package of legislation that will help farms across this state face these challenges head-on, strengthen the industry, and improve New York's economy.

"Agriculture is a cornerstone of the New York State economy," Senator David J. Valesky, (D-Oneida), said. "For the industry to grow and thrive, it is important to support our farmers and producers, and the IDC has a strong legislative agenda to do so."

### **Preserve**

To stem the loss of farmland and the closure of family farms in New York, the IDC proposes:

- Preventing utility companies from charging fees and penalties to farmers who install small-scale, on-site power generators on their property (S.652). Currently, farmers who seek to install devices on their land, such as small wind turbines, or bio gas generators, that would offset rising energy costs are often subjected to penalties or extra charges from their existing energy provider.
- Opening up new financing options for farmers, by creating a tax incentive to entice domestic life insurance companies to invest in agriculture (S.4296). These companies, which invest life insurance premiums as part of their business model, would help fill the void of commercial banks that by and large have stopped lending to continue farm operations. In exchange for the incentive, a conservation easement will be placed on the land that ensures its continued use for agriculture.
- Directing the Department of Agriculture and Markets to create an overall blueprint for sustaining agriculture in New York (S.5377).

“It is not only essential that we work to actively promote our family farms, but that we also seek ways to make sure they continue to grow and prosper,” said Senator David Carlucci, (D-Rockland/ Orange), said. “This package of legislation will provide the tools needed to support our farmers, promote locally grown agricultural products and preserve our valuable farm land.”

### **Promote**

Increasing awareness of New York products would help open up new markets across the state and compete with out-of-state produce. The IDC proposes:

- Creating a tax incentive for restaurants who purchase produce from a farm participating in the Pride of New York program (S.4889). The credit would be for \$100 for every \$1,000 of produce purchased. This measure would not only result in more New York State produce being sold, but will also further promote the Pride in New York program.

“If our farms aren't doing well, New York isn't doing well,” said **Senator Diane Savino, (D-Staten Island/ Brooklyn)**.

“By creating a state-level blueprint for protecting farmland and strengthening food production in the state, every community from Staten Island to the Thousand Islands and beyond will be the benefit.”

## **Grow**

To help strengthen agriculture in New York, the IDC is proposing legislation that would:

- Allow the Urban Development Corporation/ Empire State Development Corp. to make low interest loans, or award grants to help farmers upgrade the transportation of their products (S.614B). This is a companion bill to IDC legislation that has already passed the Senate (S.627) that would allow UDC investment in the expansion of regional Farmer's Markets. These bills not only help farmers, but also increase the availability of fresh produce in lower income urban areas. A 2008 study by the New York City Department of Planning showed the number of food and grocery stores declining, leaving many to buy groceries in chain pharmacies and convenience stores that do not have a wide selective of produce.
- Make it easier for small wineries to sell their product to restaurants (S.1909). Currently, wineries who wish to make such sales are required to register as a wine wholesaler and comply with record keeping requirements that small wine makers simply do not have the manpower, nor expertise to handle.

- Allow wineries to be able to rent their space to home wine makers (S.4533). Other major wine producing states, such as California and Washington, already allow this additional revenue stream.
- Create a new farm brewery license (S.5078), which would allow farmers to brew beer on their property as long as they use a certain percentage of New York State grown products. The bill would allow commercial sales on farm property and would cap the number of barrels brewed under this license to 15,000 a year.

“These are simple, commonsense, measures that will help our farms, increase the availability of fresh fruits and vegetables in the communities that need it the most, and strengthen New York's economy,” said **Senator Jeffrey D. Klein, (D-Bronx/ Westchester)**. “By taking these steps now, we can carve a clear course to ensure future growth for our state’s farms and wineries.”

**New York Farm Bureau Director of Public Policy, Julie Suarez, said** "New York's family farmers welcome the interest and commitment of Senators Valesky, Carlucci, Klein and Savino in helping our members grow their farm businesses. Many of these bills provide new opportunities for the state's family farms, either through making the production of on-farm renewable energy more affordable, or providing new added value opportunities for agricultural crops, such as the farm brewery license. Encouraging growth in agriculture just makes sense for everyone who farms, lives, or eats in the state of New York".