



NEW YORK STATE SENATOR

Patrick M. Gallivan

## Senate Passes Package of Bills to Grow NY's Agriculture Industry

JIM RANNEY March 25, 2017

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Senator Patrick M. Gallivan (R-C-I, Elma) announces the Senate has passed a comprehensive package of bills that would strengthen and preserve agriculture as New York's leading industry. The bipartisan measures help support farm workforce retention and expansion; create new tax credits for preserving farmland, transitioning to organic certification, and offering healthy options in communities; promote the use of local produce in schools; and help prepare new farmers for successful careers, among other initiatives.

"Agriculture is one the most important industries in New York and we need to do all we can to ensure its growth and success, especially for young farmers and those just starting out," Gallivan said. "These initiatives will support hardworking farmers, their families and others who rely on a strong and vibrant agriculture industry."

The measures build upon the Senate's ongoing commitment to agriculture, including its role as the undisputed leader in restoring more than \$55 million in proposed state funding cuts since 2011. This funding has helped support investments in cutting-edge agricultural research, education for the next generation of family farmers, environmental stewardship, and protections for plant, animal, and public health. The bill package would help further support the growth of agriculture in New York and create jobs by:

- Doubling the Existing Farm Workforce Retention Credit: S2905, co-sponsored by Senator Gallivan, would help farmers meet consumer demands with a strong and steady workforce. The bill increases the Farm Workforce Retention Credit to \$500 per eligible employee this year, and \$1,200 per employee when fully effective, saving farmers an estimated \$60 million when fully implemented.
- Helping Schools Purchase Local Produce: S1430, would allow school districts offering bids for food services to include language that favors local or regional farm producers. This expands the market for local produce, encourages larger distributors to invest in smaller farms, and could help co-ops or farms without the resources to independently participate in a bidding process access local school procurement programs.
- Establishing a Young Farmer Advisory Board: S4021, co-sponsored by Senator Gallivan, establishes a young farmer agriculture advisory board designed to advise and make recommendations on policies and programs affecting agriculture. Young and beginning farmers play a fundamental role in preventing the threat posed by the gradual aging of famers and in the future success and growth of New York farms.

- Creating a “Future Agriculture Readiness Marketing” Camp: S4660 helps those new to the agriculture industry gain the valuable knowledge and tools needed to promote their businesses. This legislation would establish F.A.R.M. Camp, or Future Agriculture Readiness Marketing Camp. Offered once yearly to a select group of successful farmer-applicants, this camp will expose selectees to several of the best agriculture programs in the state. Each participant will have access to all that SUNY has to offer, allowing them to develop their business and themselves. An exclusive group of graduates from the program will also be granted additional aid in the form of grant funds to help them make their marketing plan a reality.
- Increasing New Farmers’ Access to Land: S4900 directs the State Department of Agriculture and Markets to enhance access to viable agricultural land for new and beginning farmers. The agency would work with the Office of General Services to develop an inventory of state-owned real property that may be viable for farming. This would help younger farmers overcome frequent barriers that prevent them from gaining access to land and contribute to the aging of the farming population, such as the complex process of transferring ownership of farms and prohibitive capital costs.
- Conserving Productive Land: S2479 would create a statewide blueprint for conserving productive land and maintaining the vitality of agricultural production in New York State. The measure would require the state to propose programs that encourage the growth of emerging trends and practices that might benefit small- to mid-sized farms.
- Creating a Farm Savings Account: S3835 establishes a tax-deferred Farm Savings Account that will allow farmers to self-insure part of their risk to counteract strong cyclical downturns in the farm economy. Some of the methods used by farmers to help offset losses due to weather or other market forces include delaying the purchase of equipment and the repayment of loans. A farm savings account will offer farmers another management tool to help offset their costs.

- Providing Tax Credits for Organic Farm Transitions: S4721 creates a tax credit to increase the profit margin for certain agricultural products that meet any one of several industry standards for crop quality during the three-year transitional period to USDA Organic Certification. This will reduce the uncertainty farmers face when attempting to achieve USDA Organic Certification by providing them with an expanded market for their products and greater financial security during the transition period.
- Offering Tax Exemptions for Organic Farm Transitions: S562 creates a real property tax exemption for the lands of a farm operation that are transitioning to organic. In 2011, New York ranked third in the nation in the total amount of organic farms with 597, with the state's certified organic farms selling a total of \$107 million produced commodities. This credit would foster the growth of these farms and is similar to an existing tax exemption for the replanting of vineyards and orchards.
- Lifting Size Restrictions on Wine Ice Cream: S4265 would lift the current minimum packaging requirements (at least one pint) for the sale of wine ice cream to meet consumer demand for smaller containers of wine ice cream for weddings, fundraisers, recreational tours and other events.
- Creating the Healthy Options and Community Outreach Program: S943 would create the Healthy Options and Community Outreach Program to increase public awareness and address the issue of "food deserts" by creating a new tax credit for small grocery and convenience stores that commit to selling healthy food and drinks at their shops. Up to 100 percent of an improvement project's cost could become eligible for a credit if the owner expands, purchases coolers or shelving for the purposes of selling healthier food options.
- Preserving Farmland: S4535 encourages farmers - particularly those located in areas of the state with greater development pressure - to participate in farmland preservation efforts and remain stewards of their land for future generations by changing the maximum

acreage for agricultural assessment of farm woodlands from 50 acres to 100 acres.

- **Helping Timber Harvesters:** S368 authorizes the Department of Environmental Conservation (DEC) to execute contracts for timber or other forest products valued at under \$50,000 without approval from the state comptroller. Currently, any contract to harvest more than \$10,000 of timber on non-protected state lands must be approved by DEC and the State Comptroller's office, which can be time consuming and jeopardize timber-harvesting timeframes.
- **Promoting Farm Cideries:** S1078 would expand products sold by farm cideries and authorizing such cideries to sell cider to other licensees for resale.
- **Reducing Transportation Costs:** S1240, allows the New York State Thruway Authority to provide a discounted toll rate of half the normal toll to farmers transporting agricultural products. This measure would give farmers some relief from high transportation costs for shipping goods to markets throughout the state.
- **Awarding Excellence in Agriculture:** S1333 provides a mechanism for the state develop an agriculture and food awards program that would be provided to farmers, manufacturers and processors that produce exceptional products using locally sourced ingredients, and the businesses that make a special effort to market and promote them. These awards could also be presented to restaurants, food retailers, and schools and colleges that feature and promote New York farm foods.

The bills being acted upon Tuesday – on National Agriculture Day – are among the latest efforts by the Senate to focus on growing New York agriculture from the ground up. Last week, the Senate passed a budget resolution that included extensive measures that invest in the state's farm workforce, support the next generation of farmers, and help farmers connect to new markets, among other initiatives to support farming's growth. Initiatives included:

- \$12 million in restored funding for important agricultural programs cut by the 2017-2018 Executive Budget;
- \$60 million in tax relief for farmers by doubling the existing Farm Workforce Retention Credit, as outlined above in S2905;
- \$10 million to help make additional investments in county fair facilities so that New Yorkers can continue to learn about agriculture and farms in their area.
- Support for \$3 million for drought relief in parts of Central and Western New York when lack of rain in 2016 caused severe crop losses;
- \$1.8 million to expand access for 120,000 seniors to get free, fresh produce at area farmer's markets;
- An additional \$200,000 for Farm-to-Schools, for a total of nearly \$1 million;
- Expand Future Farmers of America (FFA) by supporting and building upon the \$542,000 in the Executive Budget;
- \$500,000 to help farmers with questions about employment laws and regulations by providing access to Cornell-based specialists;
- \$450,000 to help farmers expand to new markets, especially those needing assistance to achieve organic certification;
- \$250,000 for the Future Agriculture Readiness Marketing (FARM) Camps, also outlined above in S4660;
- \$200,000 for a "Seeds of Success" award to promote and recognize school gardens and gardening programs across the state;
- \$100,000 for "Farm to Table Trail" development that directs consumers to local food and beverage options; and
- An expansion of Pathways in Technology (P-TECH) agriculture programs to create opportunities for high school students to achieve credits towards college study in

agriculture.