

2024 Joint Legislative Hearing

Environmental Conservation Hearing on FY24-25 State Budget

9:30 AM February 7, 2024

TESTIMONY PREPARED AND PRESENTED BY:

MIKAELA PERRY

AMERICAN FARMLAND TRUST

"The policy of the state shall be to conserve and protect its natural resources and scenic beauty and encourage the development and improvement of its agricultural lands for the production of food and other agricultural products."

- Article XIV, Section 4, New York State Constitution

American Farmland Trust 112 Spring Street, Suite 207, Saratoga Springs, NY 12866 518-581-0078 • newyork@farmland.org www.farmland.org/newyork Thank you for holding today's hearing, for giving me the opportunity to testify, and for the New York State Legislature's support for programs that enable a viable farm and food future in the state. These critical public programs keep land in farming, bring a new generation of farmers onto the land, improve access to healthy food for New Yorkers, and help farmers steward and protect the irreplaceable natural resource that is New York's farmland.

I am pleased to present testimony today on behalf of American Farmland Trust (AFT). AFT is the nation's leading conservation organization dedicated to protecting farmland, promoting sound farming practices, and keeping farmers on the land. Since its founding in 1980 by farmers and citizens concerned about the rapid loss of farmland to development, AFT has helped protect nearly 7 million acres of farmland and led the way for the adoption of conservation practices on millions more. Established in 1990, AFT's New York office works to save the land that sustains us across the state.

New York's Farmland is the Foundation of a \$47 Billion Farm and Food Economy

More than 9 million acres¹ of farmland and 58,000 producers² in New York are the foundation of a vibrant food system that feeds tens of millions of people - from rural areas to New York City and beyond.³ New York is among the nation's top 5 producers of various dairy and fruit products, including cottage cheese, sour cream, yogurt, apples, and grapes.⁴ The breadth of food and crops grown on farmland across New York is vast (Figure 1)—with just one acre of farmland providing approximately 1,000 meals per day to New Yorkers and other eaters across the globe.⁵ This farm and food economy generates \$47 billion

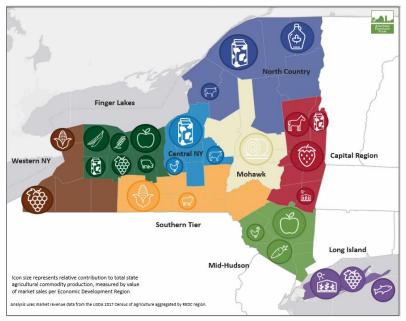


Figure 1 – Products Produced in New York by Regional Economic Development Council Region

¹ Freedgood, Julia, Mitch Hunter, Dempsey, and Ann Sorenson. 2020. "Farms Under Threat: The State of the States." American Farmland Trust.

² <u>USDA/NASS 2019 "State Agriculture Overview for New York." Accessed December 29, 2020.</u> https://www.nass.usda.gov/Quick_Stats/Ag_Overview/stateOverview.php?state=new%20york.

³ Ibid

⁴ Office of Budget and Policy Analysis. 2018. "Agriculture of New York State." Office of the New York State Comptroller. <u>https://www.osc.state.ny.us/files/reports/special-topics/pdf/economy-agriculture-2018.pdf</u>.

⁵ Peters, Christian J., Jennifer L. Wilkins, and Gary W. Fick. 2006. "Testing a Complete-Diet Model for Estimating the Land Resource Requirements of Food Consumption and Agricultural Carrying Capacity: The New York State Example." *Renewable Agriculture and Food Systems* 22 (2): 145–53.

in annual economic activity while supporting 160,000 jobs.⁶

Farms are often considered "anchor businesses"—keeping rural economies strong by retaining economic opportunities. Research has shown that for every 1,000 farm jobs, there are an additional 668 jobs in industries that assist or supply farms.⁷ And agriculture's mutual dependency on upstream and downstream industries such as equipment suppliers, trucking, and the restaurant and beverage industries intimately ties the health and success of this sector with that of New York's broader economy and serves as connective tissue between upstate and downstate, rural and urban communities.

These direct and induced benefits have become even more crucial throughout the ongoing pandemic, which has placed tremendous pressure on New York's economy while also revealing supply chain vulnerabilities. At the same time, the pandemic has presented a pivotal opportunity to examine the challenges and build on the foundational impacts farms have on the state to build a stronger, more resilient, more tenacious farm and food system. This includes ensuring farmers and the land they steward are positioned to be key players with regard to climate change, both in resilience to address its impacts through extreme weather events and in serving an integral role in working towards solutions by the practices they implement.

Public programs that protect farmland, bring a new generation of farmers onto the land, and support schools to purchase products have repeatedly demonstrated significant returns on investment for every taxpayer dollar spent and have successfully directed investment into local communities in ways that support jobs, farm and food business viability, foster the development of more resilient food supply chains, and offer pathways to address climate change. Due to ongoing support from both the state Senate and Assembly, these programs have gained recognition, respect, and buy-in from constituencies statewide—and for these reasons and more, we encourage the legislature to work with Governor Hochul to ensure these programs remain well-funded in the FY24-25 state budget.

Farmland Protection Programs Save Land, Support Farmers, and Protect the Environment

New York is privileged to have sufficient water and productive soils to grow "the full plate" while supporting farm and food businesses that stretch across the supply chain and bridge urban and rural communities. A 2022 report published by American Farmland Trust, *Farms Under Threat 2040: Choosing an Abundant Future*, confirmed that although fifty-four percent of New York's farmland is nationally significant, or possessing the right characteristics to both sustain food and crop production and sequester carbon over time with little environmental impact, it is severely threatened by high land prices and development pressure⁸.

⁶ Farm Credit East. 2020. "Northeast Economic Engine: Agriculture, Forest Products, Commercial Fishing." <u>https://www.farmcrediteast.com/knowledge-exchange/Reports/2020%20Northeast%20Economic%20Engine</u>.

⁷ Schultink, Gerhardus. 2009. "Land Use Planning and Open Space Preservation: Economic Impacts of Low-Density Urbanization and Urban Sprawl." *Journal of Civil, Environmental, and Architectural Engineering* 3 (1).

⁸ Hunter, Mitch et. al. 2022. "Farms Under Threat 2040: Choosing an Abundant Future." https://farmlandinfo.org/wp-content/uploads/sites/2/2022/08/AFT_FUT_Abundant-Future-7_29_22-WEB.pdf

To keep land in farming in New York, the state has invested in the farmland protection program in the Environmental Protection Fund (EPF) since 1996, purchasing agricultural conservation easements from farmers so that land can remain in farming forever. While the state has permanently protected more than 100,000 acres of farmland through this voluntary grant program since its inception,⁹ New York has lost over a quarter of a million acres of farmland - more than three times the amount protected - between 2001 and 2016 alone, as seen in red in Figure 2.¹⁰ Pressure on lands around urban areas threatens local food security and resilience — over 80% of the fruits,

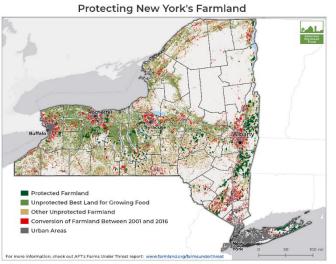


Figure 2 – Farmland Conversion and Protected Farmland in NYS

vegetables, and dairy products produced in New York State are grown on farmland immediately surrounding urban areas.¹¹ As urban flight due to the pandemic and proposed solar projects suggest increased development pressure on this farmland, New York must ramp up its efforts to protect farmland both for food security and to keep the state's economy strong. **If New York does not ensure that farmland is permanently protected, it stands to pave over, fragment, or compromise 452,000** acres by 2040, amounting to a loss of 2,500 farms, 7,200 jobs, and \$288 million in economic output.¹²

Economic Benefits of Farmland Protection for Farmers and Surrounding Communities

Farmland protection programs help support farms and the communities that rely on them by permanently protecting farmland from development while providing farmers with the funds they need to invest in business viability and longevity. Research has shown that farmers use the proceeds from the sale of their development rights to pay down debt, put money towards savings, purchase leased land, expand and diversify operations, upgrade farm equipment, and transfer farms to the next generation.¹³

Investments spurred by farmland protection funding have positive impacts that reverberate throughout the community, including keeping jobs in rural areas and fostering economic development. A study in

https://www.nass.usda.gov/Quick Stats/Ag Overview/stateOverview.php?state=new%20york.

¹¹ Calculations based on 2012 Census of Agriculture and the Economic Research Service's Urban Influence Codes.

¹² Hunter, Mitch et. al. 2022. "Farms Under Threat 2040: Choosing an Abundant Future."

⁹ Office of Governor Andrew M. Cuomo. 2019. "Governor Cuomo Announces More Than 75,000 Acres of Farmland Have Been Protected from Development Since Start of Farmland Protection Program." July 16, 2019. <u>https://www.governor.ny.gov/news/governor-cuomo-announces-more-75000-acres-farmland-have-been-protected-development-start</u>.

¹⁰ Freedgood, Julia, Mitch Hunter, Dempsey, and Ann Sorenson. 2020. "Farms Under Threat: The State of the States." American Farmland Trust. <u>"USDA/NASS 2019 State Agriculture Overview for New York." n.d. Accessed</u> <u>December 29, 2020.</u>

https://farmlandinfo.org/wp-content/uploads/sites/2/2022/08/AFT_FUT_Abundant-Future-7_29_22-WEB.pdf ¹³ Seidl, Andrew, Ryan Swartzentruber, and Rebecca Hill. 2018. "Estimated Economic Impact of Federal Agricultural Conservation Easement Programs (ACEP) on Colorado, 2009-2017." <u>https://s30428.pcdn.co/wpcontent/uploads/sites/2/2020/02/csu307173-RuralLandResearch-bk-www.pdf</u>.

Pennsylvania found that every dollar invested in farmland protection programs re-circulates within the local economy, with an economic multiplier of \$1.62-\$2.00.¹⁴ Protecting farmland also encourages other local farmers and business owners to invest in their own operations because they have greater confidence in the stability and longevity of the local agricultural sector. Protected farmland has also repeatedly shown to increase nearby residential property values between 1.2% and 2.6%, and local property tax revenues far more than "developable" agricultural land.¹⁵ Finally, on average, an acre of farmland in New York costs municipal governments \$0.34 per acre in services, compared to \$1.34 for residential land use.¹⁶

Farmland Protection Facilitates Intergenerational Transition

Over a third of New York farmers, who own or manage nearly 2 million acres of farmland, are at or have surpassed retirement age. Farmland protection funding allows these senior farmers to retire without having to sell their land to a developer by freeing up equity in what is often their most valuable asset—their land. This, in turn enables them to sell the farm at the agricultural value, making land affordable for farmers looking to start new farm operations or invest in their existing operation. Bridging this financial gap is critical to keeping land in farming in New York as the state is beginning to enter a period of significant intergenerational transition of farmland.

Farmland Protection Helps Fight Climate Change while Providing Other Environmental Benefits

Keeping land in farming also retains environmental benefits that combat climate change and protect the health of New Yorkers. According to AFT's 2017 *Greener Fields* report using NYSERDA data, **human activity on an acre of farmland produces 66 times fewer greenhouse gas emissions than human activity on an acre of developed land**, and strategic farmland protection coupled with smart growth planning can have significant GHG emission reduction benefits.¹⁷

Participation in farmland protection programs has also been shown to encourage the adoption of new, improved, and more widespread climate-friendly conservation practices, many of which sequester carbon while improving soil health, water and air quality, and farm viability when adopted long term.¹⁸ The healthier our soils, the greater the capacity of farmland to store carbon and convert the agricultural sector from a carbon source to a carbon sink—critical for meeting our climate goals. In addition to

https://www.agriculture.pa.gov/Plants_Land_Water/farmland/Documents/PA%20Farmland%20Preservation%20E conomic%20Impact.pdf.

¹⁵ King, Jonathan R., and Christopher M. Anderson. 2004. "Marginal Property Tax Effects of Conservation Easements: A Vermont Case Study." American Journal of Agricultural Economics 86 (4): 919–32.

¹⁶ American Farmland Trust. 2016. "Cost of Community Services Studies." Northampton, MA. <u>https://s30428.pcdn.co/wpcontent/uploads/sites/2/2019/09/Cost_of_Community_Services_Studies_AFT_FIC_201</u> <u>609.pdf</u>

¹⁷ Arjomand, Sanaz, and David Haight. 2017. "Greener Fields: Combating Climate Change by Keeping Land in Farming in New York." American Farmland Trust. <u>https://s30428.pcdn.co/wp-content/uploads/sites/2/2019/09/AFT_NY-GrFields-RPT_FNL2lo.pdf</u>.

¹⁸ Esseks, J. Dixon, and Brian J. Schilling. 2013. "Impacts of the Federal Farm and Ranch Lands Protection Program: An Assessment Based on Interviews with Participating Landowners." University of Nebraska-Lincoln: Center for Great Plains Studies. <u>http://farmlandinfo.org/publications/impacts-of-the-federal-farm-and-ranch-landsprotection-program-an-assessment-based-on-interviews-with-participating-landowners/</u>.

¹⁴ Daniels, Tom. 2019. "An Analysis of the Economic Impact of Pennsylvania's Farmland Preservation Program." University of Pennsylvania.

carbon sequestration, farmland also provides a range of reliable yet often-unaccounted-for cost-saving environmental services such as air pollution removal, wildlife habitat, and flood mitigation.

<u>NY is Increasing the Pace of Permanent Protection and Farmers Continue to Show Strong Interest</u> in Permanently Protecting Their Farmland

Farmer interest in permanently protecting their farmland has been historically high, and the governor and legislature have worked together in recent years to ensure that Farmland Protection Implementation Grants (FPIG) have become increasingly accessible. The 2022 Survey of State Purchase of Agricultural Conservation Easements (PACE) Programs by AFT's Farmland Information Center places New York State third in number of acres protected and sixth in the number of easements acquired in 2021, but with only 1% of New York farmland permanently protected, there is opportunity to continue protecting more of this land.

The RFA released in 2021 made \$50 million in grant funds available, the largest award round by \$20 million. It also focused farmland protection grants on specific categories that support food security, climate resilience, water source protection, farm viability and more which allowed for a greater diversity of size and operations to apply for funding.

Interest in farmland protection has continued to grow with this renewed state commitment, and as farmers see their neighbors successfully protect their farms and use the funds to pay down debt, invest in their operations, or transfer their land to the next generation, they have become interested in protecting their land, too. Land trusts across the state who submit FPIG applications on behalf of farmers continue to report significant demand from farm families interested in protecting their land, and as a result they have steadily expanded their staff capacity to meet this demand. **Since May 2023**, **over 260 farmers are working with or have contacted land trusts regarding farmland protection grant funding**. **Based on average farm size in New York, this represents a near-term opportunity to protect over 40,000 acres of farmland**. Currently, NYSDAM is halfway through the current RFA Round 19 for the Farmland Implementation Grant program and already 37 applications have been submitted covering nearly 13,000 acres and requesting over \$35 million dollars.

Regional examples of demand include:19

- <u>Hudson Valley:</u> Farms in the Hudson Valley are at high risk of being lost due to farmers aging, COVID-19 induced urban flight, and development pressure. Orange County Land Trust has been approached by 17 farmers totaling over 2,600 of farmland. Scenic Hudson, Westchester Land Trust, and Dutchess Land Conservancy are working with thirty-two landowners about protecting their farms. The Hudson Valley currently has among the highest rates of local food sales in the state and is key part of the foodshed for multiple downstate urban centers.
- <u>Capital Region</u>: The Agricultural Stewardship Association (ASA), a land trust that conserves farmland in Washington and Rensselaer counties, submitted seven applications in Round 19 and have an additional 25 farms that are interested in this program, with a potential to protect an additional 8,200 acres. They also report frequent calls from farmers who are seeking more information about protecting their farms. Columbia Land Conservancy and Saratoga PLAN are

¹⁹ Data comes from a survey of land trust staff across NYS conducted in November/December 2020.

currently working with over twenty farmers.

<u>North Country:</u>

Tug Hill Tomorrow Land Trust serves Jefferson, Lewis, Oneida, Oswego, Herkimer, and Saint Lawrence Counties. Over forty farmers who meet the requirements for the FPIG program have approached the land trust about applying to the next round of funding.

- <u>Mohawk Valley</u>: The Mohawk Hudson Land Conservancy works in Albany, Montgomery, and Schenectady counties and receives about ten calls annually from farmers interested in conserving their land or finding farmland. They have submitted two applications this round covering over 450 acres.
- <u>Central New York:</u> The New York Agricultural Land Trust (NYALT) consolidates and submits applications from Cayuga, Cortland, Onondaga, Oswego, Seneca, and Madison counties. Between these counties, twenty-five farmers have expressed interest in protecting their farms.
- <u>Finger Lakes:</u> Finger Lakes Land Trust, Genesee Land Trust, and Genesee Valley Conservancy submitted nine applications to the FPIG program in the last year, covering 5,495 acres with over \$14 million requested. There are an additional 25 farms that are interested in participating in the farmland protection program Genesee Land Trust has submitted 3 projects and will be submitting two more for Round 19.
- <u>Western NY:</u> Over the last two years the Western New York (WNY) Land Conservancy has evaluated fifty-four new farmland protection inquiries. Four projects were submitted for FPIG funding in 2023 with another project underway. If all are awarded, this will result in the protection of more than 1,300 acres of farmland. A single farmland protection workshop held in Genesee County was attended by more than 50 local farmers. The WNY Land Conservancy's eight-county service area spans two REDC regions: the entire WNY region and the three westernmost counties of the Finger Lakes region.
- <u>Long Island</u>: Peconic Land Trust is working to protect thirty-eight acres of farmland in Suffolk County, an area with a large population, high land prices, waning farmland acres, and enormous development pressure.

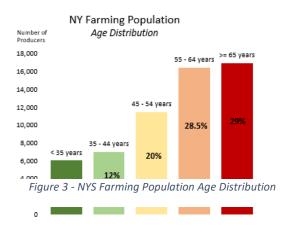
American Farmland Trust and the Alliance for New York's Farmland, a coalition of land trusts, farmers, and agricultural and environmental organizations, encourages the legislature to work to increase funding for farmland protection to \$25 million as part of an EPF of at least \$400 million in the FY24-25 one house budgets. This would ensure that suitable, affordable land is available for new farmers, curtailing further loss of New York's farmland and retaining the environmental benefits, economic

activity, and the necessary food production our farmland provides.

Transitioning Land to a Diverse New Generation of Farmers

Ratio of New York Farmers 65 and older to

New York is at the beginnings of a large-scale intergenerational transition of farmland. According to the 2017 USDA census, 29% of New York's farmers were over 65 with an additional 29% nearing retirement age (Figure 3). These senior farmers own or operate nearly 2 million acres of land vulnerable to being lost forever as it changes hands, and AFT's research shows that more than 90 percent of these senior farmers do not have a



young farmer-operator involved in the ownership or management of the farm ready to take over.²⁰

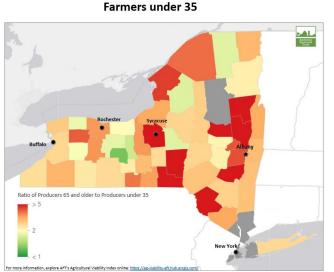


Figure 4 - Farmer Age Ratios in NYS

At the same time, young, new, and beginning farmers face enormous challenges finding land at prices they can afford from which to launch successful farm businesses. This challenge is particularly acute for Black, Indigenous and Farmers of Color (BIPOC) and other historically resilient farmers, who represent a small percentage of farmers in the state,²¹ due in large part to systemic barriers to resources that enable more equitable access to land. Prices for farmland are often driven out of reach for these farmers as they find themselves competing for land with real estate developers, non-farming landowners and established farmers—as well as new high value opportunities such as solar. This growing challenge and disparity is well

characterized by the map in Figure 4, which spatially color-codes each county by the ratio of senior to young farmers working within that county with yellow, orange, and red counties representing those where there are more than two farmers over 65 for every farmer under 35. These ratios are highest in Broome (9:1), Onondaga (6:1), Greene (5.5:1), and Saratoga (4:1) counties, which are all above the

²⁰ USDA/NASS. 2019. "2017 Census of Agriculture - Volume 1, Chapter 1: State Level Data." Accessed January 4, 2021.<u>https://www.nass.usda.gov/Publications/AgCensus/2017/Full_Report/Volume_1, Chapter 1_State_Level/N_ew_York/</u>.

²¹ USDA/NASS. 2019. "State Agriculture Overview for New York." Accessed January 4, 2021. <u>https://www.nass.usda.gov/Quick_Stats/Ag_Overview/stateOverview.php?state=new%20york</u>.

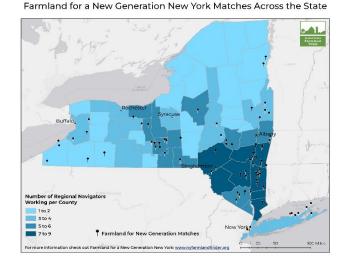
median ratio for the state (3:1). For the future of the state's farm and food system, we must work to ensure that this land makes its way safely into the hands of a diverse new generation of New York farmers.

Farmland Protection Program Keeps Land in Farming and Contributes to Farmland Affordability As stated above, a well-funded farmland protection program plays an integral part in a successful intergenerational transition by helping aging farmers afford retirement without having to sell their land for development. Extinguishing the right to develop the property also lowers the market value of farmland, keeping it affordable for new generation of farmers. There are numerous examples across New York of the farmland protection program enabling the intergenerational transition of land by bridging the gap between what farmers need to sell their land for, and what younger farmers – even within the same family – can afford to pay. Farmland for a New Generation New York works in complement with the farmland protection program to bring a diverse new generation of farmers onto farmland in New York to sustain a thriving agricultural sector to feed New Yorkers in the future.

Farmland for a New Generation New York Brings a New Generation of Farmers onto the Land

Farmland for a New Generation New York (FNG-NY), a state-funded partnership between the New York

State Department of Agriculture and Markets, AFT and organizations statewide, leads the nation in helping farmers gain access to land while supporting retiring farmers in transferring their farms to the next and increasingly diverse generation. State funding for this program supports a free one-stop shop for farmers and landowners which includes a website (www.nyfarmlandfinder.org) featuring farmer and farmland profiles and a farm job listings page, and expert staff at AFT who serve as the first point of contact to offer guidance and advice. A network of Regional Navigator organizations also funded through this program provide one-on-one, on-the-





ground support to farmland owners and seekers in all 62 counties (Figure 5).

Beginning farmers often need active support to clarify their personal and business goals, identify and evaluate farms, evaluate lease or purchase options, or find financing, legal advice, or other resources that can help them access land to start a new farm business. Senior farmers and their families often need support developing succession and retirement plans that enable them to pass their land to the next generation of farmers. FNG-NY's network of 39 Regional Navigators—including CCE offices, land trusts, and farm organizations—provide coaching, training, and one-on-one assistance to help farmers find land, landowners make their land available, and senior farmers transition their land to the next generation across the state.

Regional Navigators also often help connect new farmers with legal assistance and local professionals like accountants and real estate agents, and frequently provide training on how to develop business

plans, evaluate finances, and establish successful farm businesses. Because of this unique structure and hands-on approach, the *Farms Under Threat: The State of the States* report found FNG-NY to be the #1 farmlink program in the United States.²²

FNG-NY launched in October 2018 and is currently celebrating its five-year anniversary! Over the past five years, this partnership has achieved remarkable results:

- 148 matches of farmers to 9,032 acres of land;
- Over **212,000 users** have visited NYFarmlandFinder.org to view listings, farm jobs, resources and events;
- 709 farmland seekers and owners have active profiles;
- 6,075 farmers, landowners, and others received training and support at events;
- 5,029 landowners and land seekers received one-on-one guidance from Regional Navigators;
- 1,392 landowners and land seekers received one-on-one guidance from AFT staff.

With just \$2.5 million in state funding over the past five years, given the average farm sale per acre in New York state, this program has avoided the loss of nearly \$30 million in farm sales to development, ensuring that NY State's farmland continues to bolster the local economy and provide food and fiber to New Yorkers.

Over the past four years, Regional Navigators working across New York regions have received funding to help farmers and landowners, including some of the following:

- Sam Rose began his farming journey as a teacher, first in a high school classroom, followed by a decade of teaching field science in Mexico and co-founding an agricultural nonprofit. Sam's passion for growing food and community led him to the Hudson Valley, and to find the Farmland for a New Generation New York website, where he created a profile to search for farmland. After several conversations, Sam found a parcel to lease that he didn't know was possible: 200 acres of prime farmland just a 15-minute walk from his home and adjacent to his kids' elementary school. In Sam's words, "I had been searching for land for about five years to no avail... I literally never would have met the owners without farmlink (FNG-NY). As the saying goes, it looks like I finally found happiness in my own backyard."
- Fourth-generation farmer Carlos L. Valery Jr. immigrated from Venezuela to live in New York City, but after a few years working in Brooklyn, he decided to move upstate and start his own beef cattle operation. Carlos connected with a landowner through the Farmland for a New Generation New York website who shared his commitment to sustainable cattle grazing practices and already had the right farm infrastructure in place to support his dream of raising pastured beef and now farms on 415 acres in Delaware County.

²² Freedgood, Julia, Mitch Hunter, Dempsey, and Ann Sorenson. 2020. "Farms Under Threat: The State of the States." American Farmland Trust. <u>"USDA/NASS 2019 State Agriculture Overview for New York." n.d. Accessed</u> <u>December 29, 2020.</u>

 Bill and Brycie Goodell were dairy farmers who faced a dilemma known to many farmers in New York – they hoped to retire but they didn't have a successor. Bill and Brycie watched as farms surrounding them were bought up by real estate developers, and they knew they wanted a different outcome. Discovering resources and support from Farmland for a New Generation New York and Regional Navigator, Genesee Land Trust, the couple found a match with a young farmer, Mike Verstraete, and began the process of permanently protecting their 275-acre farm in Ontario County, making it more affordable for the next generation and fulfilling a legacy to keep their land in farming.

Alliance for New York's Farmland Recommends at least \$850,000 for FNG-NY in FY24-25 Budget

Farmland for a New Generation contributes to a resilient local food supply in New York by connecting farmers and landowners to help keep land in production and support the next generation of agricultural entrepreneurs in getting started. In only four years and on a shoestring budget, FNG-NY has already been able to achieve so much. The Alliance for New York's Farmland is grateful for the legislature's championship of this program since its inception. In the executive budget proposal, the Governor did not include funding for these critical services. We respectfully request that the legislature include funding of at least \$850,000 for FNG-NY in the FY24-25 one house Budgets. This small increase in funding would not only uphold the program's track record of excellence but also accelerate opportunities to address barriers met by BIPOC, Spanish-speaking, and other historically resilient farmers. FNG-NY hired a Bilingual Specialist in 2022 to increase work with Spanish-speaking farmers, but with more state funding could ensure that all FNG-NY technical resources and Regional Navigators are better equipped to serve the more than 80,000 farmers and farm-business workers in New York who speak Spanish as their primary language.²³ Without this support, the services offered through FNG-NY to senior and new farmers will not provide a response adequate to meet the growing critical situation of intergenerational transition, when the New York agriculture industry needs it most. Thank you for your past and continued support for this work.

New York State's Farm to School Incentive and Grants Programs are Investments in Farm and Food System Resiliency and Public Health

The COVID-19 pandemic has made all too clear the need to build resilient and secure regional food systems that feed communities, support greater equity, and build economic opportunities. This system relies on an infrastructure that supports the complete supply chain, from the farmers growing and raising food all the way to the end eaters themselves. Public institutions are key places for food interventions. Through its agencies and public facilities, New York State spends more than \$957 million to feed approximately 6.6 million people annually, a majority of which is through the emergency food system and K-12 schools.²⁴ For children across New York, school meals serve as a key source of

²³ Cornell Cooperative Extension. 2021. https://news.cornell.edu/stories/2021/04/cornell-experts-advocate-agdiversity-food-security

²⁴ Libman, Kimberly, Amanda Li, and Christine Grace. "The Public Plate in New York State: Growing Health, Farms and Jobs with Local Food." Saratoga Springs, NY: American Farmland Trust, November 1, 2017. https://finys.org/sites/default/files/uploads/pol_publicplatefinal11_1_17.pdf.

sustenance and nutrition, and these students typically consume half of their daily calories at school, no matter their socioeconomic status.²⁵

With the right support, schools offer a growing and reliable market for farmers to enable agricultural viability and serve as a widespread public health intervention point. AFT's *Growing Resilience* report, examined the potential of farm to school programs, particularly through New York State's increased per meal lunch reimbursement for schools that spend 30% of their lunch food dollars on New York grown food. This New York Farm to School Incentive, funded in the Agriculture Aid to Localities budgets, supports the health of our children and a strong farm economy while building businesses and more resilient local food supply chains. New York's nation-leading farm to school incentive enables K-12 schools to increase spending on foods grown and raised in New York by quadrupling their per-meal reimbursement from the state, from 6 cents to 25 cents, for schools that spend at least 30% of their lunch budget on New York grown food.

This Farm to School incentive program carries with it the potential for enormous economic growth in the future. According to general Farm to School research, each dollar invested in farm to school activities stimulates up to \$2.16 in local economic activity,²⁶ but New York's incentive program carries with it even greater promise than that. AFT's 2020 research revealed that with the right support, like that provided through the state's Farm to School grants program, 75% of schools, including New York City, could reach

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30% spending of their lunch budgets on New York grown food by 2025. Conservative estimates show this would mean over \$250 million spent by K-12 schools on food from New York farms by 2025, generating nearly \$360 million in total statewide economic impact—a return of investment of \$3.50 for every taxpayer dollar spent on farm to school reimbursements, grants, and support. Best of all, achieving this would mean that over 900,000 students, or roughly half of the schoolchildren in New York, would have increased access to high quality, nutritious local foods at lunch in school by 2025.²⁷

²⁵ Centers for Disease Control and Prevention. 2015. "America's schools make positive changes to create healthier school meals." Retrieved from https://www.cdc.gov/media/releases/2015/p0827- school-meals.html

²⁶ National Farm to School Network. 2017. "The Benefits of Farm to School." http://www. farmtoschool.org/Resources/BenefitsFactSheet.pdf

²⁷ Levy, Samantha, and Mikaela Ruiz-Ramon. "Growing Resilience: Unlocking the Potential of Farm to School to Strengthen the Economy, Support New York Farms, and Improve Student Health in the Face of New Challenges." Saratoga Springs: American Farmland Trust, December 9, 2020. https://farmlandinfo.org/publications/growing-resilience-for-farm-to-school-in-new-york/.

Growing Resilience also found that during the 2019-20 school year 87% of schools reported buying New York food products, defined as food grown or raised in New York or processed products that contain at least 50.1% raw ingredients from New York farms. Schools reported growth in their purchases of fresh, healthy local produce by value compared to past years with 87% of schools reporting buying more New York grown fruit and 54% reporting buying more New York grown vegetables to serve to students. **Compared to answers from AFT's 2019 survey, this is a 33% increase in the amount of healthy New York grown vegetables and 20% increase in the amount of healthy New York grown fruit purchased and served to K-12 students within just one year!** In addition, more than half of schools reported buying more New York produced fluid milk and 32% reported buying more of New York's other dairy products like cheese and yogurt, suggesting that the state's dairy farmers would benefit greatly from continued increases in farm to school purchasing.^{28 29}

These economic benefits were not limited to fresh produce, but also included processed food items that are comprised of at least 50.1% raw agricultural ingredients grown or raised on New York farms. **During** the 2019-20 school year, forty-two percent of schools reported buying more of these processed local products, a 1300% increase from the 2018-19 school year when only 3% of schools reported making these purchases.³⁰ This is a reflection not just of increased interest, but also of increased availability of these products in the marketplace—evidence of considerable market growth and economic development spurred by efficient investments in the state's farm to school programs. Examples of these newly available New York food products include apple sauce, grape juice, granola, and cheese sticks some of which are produced by local New York businesses, and others by international food companies like McCains and Motts which are creating new markets for our farmers as a result of this incentive program and the increase in demand for local products from schools. This offers farmers expanded market opportunities and makes it easier for not only other schools, but also hospitals, universities, and other large institutions to increase their purchases of New York grown food. This Farm to School Incentive is clearly driving investment and innovation in our local supply chains, which can help us build greater food system resiliency while also supporting our agricultural industry and the health of our children now and in the future.

Farm to School Grants Works Hand in Hand with the Incentive Program to Help Schools Succeed

The Farm to School Grants Program offers vital support to schools by providing funding to help them overcome their lack of time, knowledge, or capacity to purchase and serve local food. These grants can be used to employ a local or regional farm to school coordinator, train staff on how to procure and prepare locally produced food, or make capital improvements to support the transportation, storage, and preparation of local food. Since Andrew Cuomo launched New York's Farm-to-School Grant Program in 2015, more than \$6.8 million has been invested to support 116 Farm to School projects, benefiting almost 750,000 students in 255 school districts across the State. Since 2018, NYSDAM has received

²⁸ Levy, Samantha, and Kali McPeters. 2020. "Growing Opportunity for Farm to School: How to Revolutionize School Food, Support Local Farms, and Improve the Health of Students in New York." American Farmland Trust. <u>www.farmland.org/growingopportunity</u>

²⁹ Levy, Samantha, and Mikaela Ruiz-Ramón. 2020. "Growing Resilience: Unlocking the Potential of Farm to School to Strengthen the Economy, Support New York Farms, and Improve Student Health in the Face of New Challenges." <u>www.farmland.org/growingresilience</u>. (Hereafter: "Growing Resilience, 2020")

³⁰ Growing Resilience, 2020

double the requests for Farm to School projects than the \$1.5 million funds available to award each year, dollars that would help schools buy more New York grown food.

Many schools use these grants to hire farm to school coordinators who provide food service directors with the expert guidance and additional capacity they need to participate in farm to school purchasing. Farm to school coordinators are consummate professionals that help schools connect with farmers, design menus, procure local foods, and foster kids' curiosity and excitement for eating healthy foods. In interviews conducted by AFT during the summer of 2019, food service directors that intentionally procure New York grown food recognized farm to school coordinators, who provide food service directors with the expert guidance and additional capacity they need to participate in farm to school purchasing. Farm to school coordinators are consummate professionals that help schools connect with farm to school purchasing. Farm to school coordinators are consummate professionals that help schools connect with farm to school purchasing. Farm to school coordinators are consummate professionals that help schools connect with farmers, design menus, procure local foods, and foster kids' curiosity and excitement for eating healthy foods. In interviews conducted by AFT during the summer of 2019, food service directors that intentional school coordinators are consummate professionals that help schools connect with farmers, design menus, procure local foods, and foster kids' curiosity and excitement for eating healthy foods. In interviews conducted by AFT during the summer of 2019, food service directors that intentionally procure New York grown food recognized farm to school coordinators as essential to their success in reaching 30%.³²

The FY22 budget established a statewide regional farm to school coordinator program to help ensure that all schools have access to the capacity and expert knowledge they need to build strong relationships with New York farmers and serve more New York grown food to students at school meals. These regional coordinators have been helping connect schools with producers in their region, preparing and tracking documentation, and designing menus and educational events to highlight local products and get kids excited about eating fresh foods. It is also important to note that past research has shown that each new farm to school job creates up to 2.35 additional jobs in the local community, and so continued investment in these roles is a job creator for the state.³³ Schools surveyed by AFT in both 2019 and 2020 repeatedly identified farm to school coordinators as critical to their ability to successfully increase purchases of New York grown food and qualify for the Farm to School Incentive program.³⁴ Schools celebrated the launch of the new Regional Farm to School Coordinator Program established through a partnership between the Department and Cornell Cooperative Extension. Farm to school coordinators have been hired to provide additional support to schools in the lower and upper Hudson Valley, Long Island, Central New York, New York City, and the North Country.

³¹ Levy, Samantha, and Kali McPeters. 2020. "Growing Opportunity for Farm to School: How to Revolutionize School Food, Support Local Farms, and Improve the Health of Students in New York." American Farmland Trust. www.farmland.org/growingopportunity

³³ National Farm to School Network. "The Benefits of Farm to School," May 2020. https://assets.websitefiles.com/5c469df2395cd53c3d913b2d/611027419232d281ad2f51ff_BenefitsFactSheet.pdf.

³⁴ Levy, Samantha, and Mikaela Ruiz-Ramon. "Growing Resilience: Unlocking the Potential of Farm to School to Strengthen the Economy, Support New York Farms, and Improve Student Health in the Face of New Challenges." Saratoga Springs: American Farmland Trust, December 9, 2020. https://farmlandinfo.org/publications/growing-resilience-for-farm-to-school-in-new-york/.;

Levy, Samantha, and Kali McPeteres. "Growing Opportunity for Farm to School: How to Revolutionize School Food, Support Local Farms, and Improve the Health of Students in New York." Saratoga Springs: American Farmland Trust, January 27, 2020. https://farmlandinfo.org/publications/growing-opportunity-for-farm-to-school-in-new-york/.

Expanding the Incentive Program to Include All School Meals Benefits Students and Farmers

New York's farm to school programs have already positively impacted thousands of students statewide and generated over \$13 million in spending on products from New York farms, but their full potential remains untapped. While the number of successful applicants jumped from seven to 56 between year one and year two of the Farm to School Incentive program, they have remained stagnant at 57 in years three, four, and five.³⁵ In 2023, updated AFT research found that the exclusion of breakfast in the 30% program remains the number one barrier to participating in the Farm to School program, with nearly 70% of School Food Authorities (SFAs) across the state indicating that they have not even attempted to apply because it is such a great burden to separate and track their local purchases between breakfast and lunch³⁶. Lack of time to prepare local items, lack of local items offered by vendors, New York food suppliers not being least cost bidders, and simply not knowing where to start also posed barriers. The pandemic and related supply chain issues have amplified many of these problems, many of which are felt more acutely by larger school districts.³⁷

Schools have repeatedly identified the difficulty of separating out lunch from other meals as a top barrier to participating in the incentive program. The current program design's focus on lunch also has the unintended impact of incentivizing schools to shift New York foods purchased for other meals to lunch, creating a mirage of increase in farm spending while decreasing student access to these foods throughout the school day. Furthermore, some Food Service Directors report purchasing breakfast foods from neighboring states such as Pennsylvania, where items such as dairy products are slightly less expensive, in order to save their budgets to purchase local foods for school lunches. This is not only affecting the potential of our state's economy, but also reducing the amount of fresh, local foods kids are receiving at breakfast. The bottom line? Focusing the incentive program on lunch limits the potential economic and student health impact of program.

According to AFT's *Growing Resilience* report, 95% of schools serve breakfast meals, and 83% of schools report already serving at least one New York food product at breakfast. Incentivizing purchasing of New York grown food at breakfast would increase access to fresh healthy local food throughout the school day and could unlock \$78 million in annual spending if 75% of schools not already spending 30% or more of breakfast costs on New York food products reached that level of spending. Much of this spending would support New York's dairy farmers, who produce the milk, yogurt, and cheese products served to kids at breakfast. A more robust incentive program would also help support supply chain development and the selection of food from the "full plate" grown in New York that schools can incorporate into school meals. Changing the program to include breakfast could result in nearly \$112 million in additional annual total statewide economic impact. If schools were incentivized to increase purchases of New York food products at lunch *and* breakfast, this could generate roughly half a billion dollars in total economic impact.

³⁵ NYSED 30 Percent NYS Initiative Applications, 2018-2021. https://eservices.nysed.gov/sedreports/list?id=2

³⁶ Perry, Mikaela and Aliana Ruxin, "The 30% NY State Initiative," 2023. https://farmlandinfo.org/publications/30-percent-nys-initiative-report/

³⁷ Growing Resilience. 2020

Farm to School Must Work Hand-in-Hand with the State's Expanded Community Eligibility Provision Threshold

The recent changes to the Community Eligibility Provision (CEP) participation threshold in the FY23-24 budget have adversely affected the state's Farm to School program. Currently, the 30% program's language states that schools participating in the 30% reimbursement incentive program will receive a reimbursement **not to exceed 25 cents**. Because of this language, schools participating in CEP will not receive the full reimbursement for participating in the 30% program and will be disincentivized to purchase local foods from NY farmers and producers. Over 70% of the 2023 applicants to the program will be affected by the new CEP changes, and over 90% of SFAs who responded to AFT's 2023 survey agreed or strongly agreed that a financial incentive is important to increase local purchasing in schools.

New York Grown Food for New York Kids Coalition Recommendations for FY24-25 Budget

Governor Hochul proposed maintaining funding for the incentive program for lunch at \$10 million and the Farm to School grants program at \$1.5 million in the FY25 budget. The New York Grown Food for New York Kids coalition, a group of farm to school experts from the school, farm, food, public health, academic, environmental, and anti-hunger sectors, appreciates this proposed continued commitment and encourages the legislature and the Governor to build on these proposals in the enacted FY24-25 state budget by:

- Expanding the incentive program so that schools that spend 30% of their total school meal costs can receive the reimbursement of 25 cents per school lunch;
- Changing the bill language from "not to exceed 25 cents" to "an additional 25 cents" so that schools participating in CEP are additionally incentivized to serve local foods;
- Allocating at least \$1.5 million for the Farm to School Grants program split between agriculture and education, so long as this does not compromise funding for other agricultural programs, to meet current demand for support.

Ensuring NYS Reaches its Climate Goals Through Changing Antiquated Bond Act Language

As New York State mobilizes to take swift and bold action on climate change, farms are a critical part of the solution. Climate change presents an incredible threat to farm viability and productivity, and efforts to mitigate climate change while supporting farm viability and resiliency to extreme weather will be critical in the coming years to ensure a strong future for agriculture. However, farmers and farmland also have the potential to play a critical role in the fight against climate change. Two reports published in 2020 indicate that working lands could play a key role in our state climate strategy if more farms implement practices that increase carbon sequestration and soil health and improve surrounding water quality like cover cropping, crop rotation, reduced tillage, and using biological soil amendments to

enhance soil fertility.^{38 39} In addition, AFT research indicates that in the near-term, increasing the adoption of these practices on a small number of acres can sequester over half a million metric tons of CO2 equivalent annually.⁴⁰ Enhancing natural and working lands so they are a carbon sink is necessary to meeting our climate goals, and with greater adoption of conservation practices, the opportunity for increased carbon sequestration on farmland is much higher.

The passage of the Climate Leadership and Community Protection Act (CLCPA) in 2019 set ambitious goals in statute to mobilize New Yorkers to work together to reduce greenhouse gas emissions. The swift and bold action on climate change proposed by the CLCPA, and the recommendations developed by the Agriculture and Forestry Advisory Panel of the Climate Action Council, on which AFT served, have brought new opportunities to light to promote the management of farmland and the important role farms of all types and sizes can play as part of the solution in addressing the climate crisis.

AFT also applauds Governor Hochul and the legislature for their work in passing the Environmental Bond Act in 2022, including a line item for Farmland Protection funding in the amount of \$150 million. As mentioned above, farmland protection is a critical component in promoting environmentally sound practices and mitigating climate change. However, through a language error within the Bond Act funding, NY State land trusts are unable to access this funding to purchase conservation easements, which are crucial in permanently protecting farmland. **AFT appreciates Governor Hochul's attention to this issue and urges the legislature to support the Governor's proposed amendment in §51, 6-a, ii of PPGG in the FY24-25 enacted budget to ensure that the farmland protection funds in the Bond Act can be used for conservation easements to further protect our state's farmland.**

Conclusion

The pandemic, climate change, systemic racism, economic turbulence, and disparities in health and food access have woven together at this moment in time to reveal some of New York's, and broader society's, biggest and most critical challenges. New Yorkers have shown themselves able to rise and meet them, to learn and look to the future with tenacity and optimism. To support this timely opportunity for change, New York State must continue to invest in programs and adopt policies that will help New York evolve further towards resiliency and equity. Farmland protection, farmland access, farm to school, and agricultural climate programs work to preserve farmland, bring a diverse new generation onto the land, encourage institutional buying from New York's farms, efficiently direct investment, and foster market growth, and help farmers adopt sound farming practices that help them adapt to mitigate climate change.

We hope that you will work to prioritize the above programs as part of a multi-faceted pathway to build a stronger future in New York. Thank you for the opportunity to present this information, for

³⁸ Energy+Environmental Economics. "Pathways to Deep Decarbonization," July 4, 2020. https://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId=%7B9163B892-F852-4074-B3AA-F67D918F7BE0%7D.

³⁹ McDonnell, Todd, Timothy Sullivan, Peter Woodbury, Jenifer Wightman, Grant Domke, C.M. Beier, and C. Trettin. Sources and Sinks of Major Greenhouse Gases Associated with New York State's Natural and Working Lands: Forests, Farms, and Wetlands, 2020.

⁴⁰ Hunter, Mitch, Gabrielle Roesch-McNally, Tom Stein, and Beth Sauerhaft. "Combatting Climate Change on US Cropland." American Farmland Trust, February 5, 2021. https://farmlandinfo.org/publications/combating-climate-change-on-us-cropland/.

considering these recommendations, and for your support for these critical programs. I look forward to working with you in the months to come to help New York emerge more equitable, more resilient, and more abundant for years to come.