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<u>New York Farm Bureau Testimony for Joint Legislative Budget Hearing</u> on the Environment and Agriculture

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Thank you, my name is Jeff Williams, and I am the Director of Public Policy at New York Farm Bureau ("NYFB"). NYFB is the state's largest general agricultural advocacy organization. Our members represent an industry that provides significant revenue streams to our local, state, and national economies. I am pleased to report that a Marist Poll last October found that 83% of New York State adults believe that family-owned farms within the state provide either a great deal (49%) or a good amount (34%) of value to the state's economy as a whole.

These numbers were reflected across the board of survey goers. Regardless of household income, political party, race and ethnicity, or education, the Marist Poll found a strong majority of New Yorkers think family-owned farms provide a great deal or a good amount of value to New York State's economy.

However, as most of you know, New York's farm economy has been struggling. Many of the issues existed long before the pandemic, but COVID-19 has certainly exacerbated the problems. Farmers are facing significant increases in labor costs, input costs, and supply chain shortages. Commodity prices remain low, creating razor-thin margins for farmers. To continue to allow farmers to feed consumers, farmers across our state ask for legislators to create an environment that promotes and invests in the future of agriculture.

NYFB applauds Governor Hochul's Executive Budget proposal for Fiscal Year 24-25. The proposed funding is significant for the agricultural community. However, there is work to be done. To further support our various agricultural commodities within the industry, farmers rely on agricultural research and promotion programs. The promotional or research programs that depend on support from the legislature include for vegetables, apples, berries, grapes, maple, Turfgrass, hops and craft beverages, along with the Farm Viability Institute. These programs are the state's agriculture's economic development investment for farms. We ask for greater support in these commodity industries.

We also strongly support the North Country Agricultural Development program, which provides many resources for farmers on a small budget. We also support further investment in PRO-DAIRY and PRO-Livestock at Cornell's College of Agriculture and Life Science. These programs assist farmers in addressing climate change and to help farmers adapt to new technologies to improve their farms.

As we discuss climate change, we ask the legislature to continue to support and increase funding for environmental protection funds. Many of the programs, such as Farmland Protection, Agricultural Nonpoint, Pollinator BMP's, and Soil and Water Conservation Districts, are vital for providing resources to farmers to best manage and conserve our environment. Farmers are one of the only industries that rely on a good climate to successfully operate their business. Farmers have been, and will continue to be, stewards of the land because their livelihood depends on it.

We are grateful to the Legislature and the Governor for the continued investment in the Nourish-NY program. This has been a help for both farmers and consumers alike; this helps farmers provide an outlet to expand their markets and creates an opportunity for families who continue to struggle from food insecurity to have access to fresh, locally grown food. We ask that you continue to expand your support in the final budget.

I would be remiss if I did not mention the importance of the Cornell Farm Labor Specialist program. These individuals provide data and research to not only farmers, but to lawmakers alike to better understand the costs of doing business on a farm in New York. Additionally, this program allows the specialists to visit farms and suggest ways to improve labor costs and improve farmworker housing. This program is important as it provides one-on-one advice for farmers all over the state that results in real changes on farms. We appreciate the Governor adding funding to this program in her Executive Budget to expand capacity of this critical program.

We thank the Governor and Legislature for their continued support and investment in the future of agriculture—the Future Farmers of America program. This program allows students to learn about the agricultural industry and create future career pathways. Agricultural education is becoming increasingly important as more generations are becoming further removed from agriculture than they ever were before. It is imperative we educate our youth about the importance of food, where it comes from, and how to operate a profitable farm. These skills are all taught in the FFA program.

One area of the Governor's proposed budget that causes concern among the livestock industry is Part U of the Health and Mental Hygiene Budget regarding restrictions on the use of Xylazine.

Xylazine, is a non-narcotic veterinary sedative, used on farms on livestock across New York State. Scheduling this drug as a controlled substance without any exemption for veterinary or onfarm use would create many problems in the agriculture industry. New York Farm Bureau certainly recognizes the dangers of the illicit, powdered version of this drug, however, there must be an exemption for farm and veterinarian use of the legally produced drug which comes in a liquid form.

Cattle in particular are especially sensitive to the drug's effects, resulting in very low doses being used to achieve the correct level of sedation. It is used commonly for sedation for a variety of procedures in both cattle and horses, such as disbudding or dehorning calves, prior to administering euthanasia methods to calm the animal and make it easier for caregivers on farms to perform the procedure, leg or hoof injuries, and handling horses or cattle in times of emergency, such as trailer accidents.

Another advantage to this medication is the ability to reverse its effects with the antidote that is available in animals. There is currently no practical alternative for sedation in cattle and limited and less effective alternatives for horses that are more costly. Limiting veterinary and farm access to this critical drug will jeopardize animal welfare and human safety while engaged in the procedures mentioned. Without sedating the horse or cattle, injuries could occur to the animals and humans.

Finally, xylazine has been safely used in veterinary medicine for over 50 years and there is no evidence of significant diversion from the legitimate veterinary distribution channel of the veterinary approved product, which is an injectable FDA approved solution. The issue is occurring with the illegal importation of the raw active pharmaceutical bulk powder, much as it is occurring with other illicit drug use.

With all of this in mind, I request that you urge legislative leadership to omit Part U of the Health and Mental Hygiene section of the Executive Budget Proposal and instead include A. 8395/S. 7763, which would offer a veterinary exemption to the scheduling of xylazine in your One-Houe Budgets.

New York Farm Bureau definitely supports Part M of the Education, Labor and Family Assistance Budget that would sunset the Covid Sick Time program. Now that the pandemic is over, it makes little sense to continue to offer this mandatory requirement on any business.

Lastly, we are seeing the fruits of our collective success in the first year of the five-year window for farms to receive a refundable investment tax credit on farm investments from tractors and equipment to milking machinery. I can tell you there is an incredible amount of investment and expansion happening on farms as a result of this program, and it is truly a good news story to see farmers investing in modernizing their operation or prepare for the next generation to take over.

There is one major way the program can be improved that would benefit farmers and farm employees – include the construction of new farm housing or the rehabilitation of current farm housing in the program. Workers deserve high quality housing when employed on a farm, but onfarm housing can be very expensive to build. The current renewable investment tax credit must be used for the production of farm crops, thereby excluding housing. I would argue that the most fundamental part of farm production is those that work on our farms and need and deserve a high quality, comfortable house to live in. I ask you to support the inclusion of farm housing in this important program.

We genuinely appreciate the investment in the agricultural industry outlined by the Governor. As this is a promising first step, we continue to face challenges as an industry that we look forward to working with the Legislature and Governor on addressing. Although our farmers are struggling, there is incredible potential and opportunities that lie ahead. It is vital our industry is offered those opportunities.

Thank you all for your support of the agricultural industry. Let us continue to grow New York State together.