

Ashley Oeser Associate Director of Public Policy New York Farm Bureau aoeser@nyfb.org/518.431.5620

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Thank you, my name is Ashley Oeser, and I am an Associate 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. For context of how large the greater agricultural industry is, at a macro scale, the United States has been a net food exporter. However, the United States Department of Agriculture has signaled this may soon change. Although this presents challenges, this allows New York to position our agricultural economy for great opportunities.

New York is a unique agricultural state for several reasons. Geographically, New York is in a region shielded from catastrophic climate events occurring in other regions of our country. For example, the Midwest is facing higher temperatures with warmer and wet conditions causing disease and pest pressure on crops; the West and Great Plains are facing significant droughts and an increase in wildfires; the South is facing an increased amount of extreme rainfall events and flood risks. This leaves the Northeast well poised to competitively produce fresh food for consumers.

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.

¹ USDA. *Agricultural Projections to 2031 Interagency Agricultural Projections Committee*, February 2022; "Agricultural exports are expected to grow at an annual rate averaging 0.8 percent per year from 2021 through 2031. The value of U.S. agricultural imports is projected to increase by an average annual rate of 6 percent over that same period as domestic consumer spending is expected to remain strong over the next decade combined with domestic preferences for an array of agricultural goods that continue to exceed domestic production."

NYFB applauds Governor Hochul's Executive Budget proposal. The proposed funding is significant for the agricultural community. Furthermore, Governor Hochul's refundable investment tax credit is a victory for the agricultural community. This refundable investment tax credit up to 20% allows farmers to invest back in their farms. This will be helpful for farmers to keep their costs low as they implement mechanization to reduce operating costs or implement other projects that continue to make their farms more efficient. We believe that this tax credit, if implemented, should also allow for the inclusion of the construction of farmworker housing.

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 this 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.

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 and research programs for vegetables, apples, berries, grape, maple, honey, Christmas trees, wine, craft beverages, among others provide significant economic development benefits 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 at Cornell's College of Agriculture and Life Science. This program assists farmers in addressing climate change and to help farmers adapt to new ways 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 farm. Farmers have been, and will continue to be, stewards of the land because their livelihood depends on it.

As we discuss the increased costs of labor, 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. In the Governor's Executive Proposal, minimum wage was addressed. NYFB has significant concerns with this proposal as upstate New York still has not reached the \$15/hour yet. It would be valuable to pause on increasing the wages and study the effect of minimum wage increase once upstate reaches the \$15/hour. The Farm Laborers Fair Labor Practices Act passed a few years ago—a package of legislative changes—that resulted in incredibly expensive labor costs.

Farmers and farm employees are still adjusting to these changes. To continue to add minimum wage increases onto the changes that occurred, such as the overtime threshold and costs to employers from collective bargaining, would be a misstep for the agricultural industry.

To address farmers and farm employees, one program in which we ask for greater investment is in the New York Center for Agricultural Medicine and Health ("NYCAMH"). This program is another program that visits farmers and farm employees individually and provides training, resources, and health clinics. This program has not received an increase in funding for over a decade, and thus, many programs may be cut. NYCAMH provides on-farm safety training, projects to make farms a safer place of work, a health clinic from farm-related health problems, and protective gear for equipment and the operators. Agriculture operates with heavy equipment daily, and these programs further protect employees.

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 important to 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.

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.