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ALBANY OFFICE ROOM 613 LEGISLATIVE OFFICE BUILDING ALBANY, NEW YORK 12247 (518) 455-2945 **HYDE PARK OFFICE** 4254 ALBANY POST ROAD HYDE PARK, NEW YORK 12538 (845) 229-0106 **PUTNAM OFFICE** 117 TOWN PARK LANE PUTNAM VALLEY, NEW YORK 10579 (845) 528-0417

June 1, 2022

Honorable Kathy Hochul Governor of New York State NYS Capitol Building Albany, NY 12224

Richard Ball, Commissioner Department of Agriculture and Markets 10B Airline Drive Albany, NY 12235

Re: Farm Support

Dear Governor Hochul and Commissioner Ball:

Despite the tremendous direct economic impact agricultural industries have in New York State—to the tune of \$43.6 billion in total industry output and more than 160,000 jobs in 2019—New York's farms have been struggling for years, and recent State mandates and rising costs across the board further jeopardize the economic viability of our farms. Small farms in particular are struggling to stay afloat, and unfortunately, many farms that have been passed down from generation to generation have been forced to shut down, and this trend has been especially prevalent in the dairy industry despite New York's status as the fourth largest dairy producer in the nation. In the last year, a significant number of dairy farms in the Northeast have been informed that their distributor intends to end their contract, and each day that passes without decisive action on this issue, we risk losing more farms. In light of this agricultural crisis, I am respectfully asking that the Department of Agriculture and Markets provide assistance to dairy farms who have lost their contracts to enter new milk markets, and to further utilize available funds to provide targeted financial relief to this struggling sector.

Dairy accounts for approximately half of New York's agricultural receipts and comprises the largest portion of the State's agricultural sector. However, the number of dairy farmers in New York dropped by nearly a third over the course of a decade, down from 5,370 in 2010 to 3,658 in 2020. Without significant action, this trend is likely to be exacerbated with news of our Upstate farms losing contracts such as those through Danone, with transportation challenges such as fuel costs and difficulty hiring drivers cited as significant factors.

It is unclear how long New York's resilient farmers can continue competing with larger farms in the West. Our State's small businesses have always faced an uphill battle in light of New York's high taxes and unfriendly business climate in general. These obstacles, combined with runaway inflation and farmers' roles as price-takers, rather than price-makers, leaves them precariously positioned against the economic challenges so many are facing right now. Respectfully, I urge you to assist farmers impacted by the loss of dairy contracts to access alternative markets, and explore other long-term solutions necessary to preserve this vital sector, such as addressing shortages of truck drivers, fuel costs and perhaps more local dairy processing options. Given the State's unprecedented budget surplus, I also urge you to target available funds to provide financial relief for struggling small farms to enable them to modernize their operations so that they can be more economically competitive with larger operations.

Thank you for your time and attention to this urgent request.

Sincerely,

Sue Serino

Senator Sue Serino 41<sup>st</sup> District