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> New York Farm Bureau Testimony for Joint Legislative Budget Hearing on the Environment and Agriculture January 27, 2020

Thank you, my name is Jeff Williams and I am Director of Public Policy at NYFB—the state's largest general agricultural advocacy organization.

As most of you know, the farm economy continues to struggle. Low commodity prices have led our farmers to see a loss of over \$1 billion annually in the value of their production since 2014. The recently enacted farm labor bill doesn't help either, as farmers are extremely challenged with how they are going to deal with some of the highest labor costs in the country for an industry with the slimmest margins.

Agriculture relies heavily on statewide programs related to animal and public health, workforce development, farm safety, food access, agricultural education, migrant child care, farm family assistance.

Last year, the Governor committed the largest allocation (\$5 million) to date by the Executive, for statewide animal and public health, promotion and research funding for agriculture in the Aid to Localities budget. We are pleased that the Governor renewed his commitment to helping to fund critical agricultural programs in his proposed 2020-2021 Executive Budget.

The promotional and research programs for vegetables, apples, berries, grape, maple, honey, Christmas trees, wine, craft beverages, among others, serve as the economic development engine for our industry. These provide the same economic development benefits for farms as programs run by Empire State Development for other types of businesses.

We also strongly support the North Country Agricultural Development program which does great work on a very small budget and the Farm Viability Institute. We also support the Expansion of PRO-DAIRY's agricultural environmental management research and extension capacity is needed to meet dairy farmer ongoing needs to utilize new precision agriculture based technology for nutrient reduction.

A \$380,000 added investment in Pro-Dairy at Cornell's College of Agriculture and Life Science would help farmers address climate change and the increasing the vagaries of weather patterns statewide, along with the incidence of harmful algal blooms in specific watersheds. It's clear that both dairy and field crops farmers need improved technologies and guidance to appropriately manage nutrients and nitrogen fertilizers

We rely heavily on the EPF as the funding stream that bridges the gap between agriculture and the environment. Funding for these programs, such as the Agricultural Nonpoint Source Abatement Programs, Farmland Protection, Integrated Pest Management, Pollinator Protection Plan, DEC's Clean Sweep Program, Climate adaption and soil health, just to name a few, are extremely important.

We are extremely pleased that the Governor included amendments and funding offsets for farm compliance in his proposed Executive Budget.

Included in the proposed budget is the expansion of the definition of family to allow extended family (or the next generation of farm owners) to be exempt from overtime requirements in the farm labor statute. Almost 100 percent of farms are family owned and ownership frequently includes extended family, like aunts and uncles, nieces and nephews and their spouses. By virtue of their family (and ownership status), overtime requirements should not apply to them.

The budget includes a refundable Investment Tax Credit for farmers that will help to offset farm labor cost and incentivize farm investment at a time when dollars are tight. We are pleased that the Governor included \$15 million in the Aid to Localities budget (increased from \$9 million) for the farmworker housing revolving loan fund through the Division of Housing and Community Renewal. This funding increase is pivotal to again help farmers comply with the recently enacted farm labor statute.

However, speaking of the farm labor statute, we will be working with the Senate and Assembly to clarify in the final budget to continue to allow salaried management workers on farms to remain salaried employees as long as they meet the test requirements established by the Department of Labor.

We will continue to advocate for doubling the current Farm Workforce Retention Tax Credit and advocate to make it permanent. Senator Metzger and Assemblywoman Lupardo have introduced such legislation in their respective houses which we support.

Thank you all for your support of agriculture in New York State. At this time, I am happy to take any questions.