



Testimony Regarding Governor Hochul's Executive Budget Proposal for SFY 2025-2026
January 27, 2025

Thank you to Chairs Krueger and Pretlow and to Chairs Hinchey and Lupardo for holding the 2025 Joint Legislative Budget Hearing on Agriculture. For over 30 years, NEDPA has been an organization of dairy producers and industry partners committed to an economically viable, consumer-conscious dairy industry dedicated to the care and well-being of our communities, our environment, our employees and our cows. We serve as the leading voice, resource, and network for dairy farmers in New York.

There are many positive items which the Governor included in the Executive Budget that our testimony will cover. These range from investments in workforce and employee housing to transportation and climate initiatives. We are grateful for these items. However, there is one glaring omission in the Governor's Budget which came as a disappointing surprise to our members. The Governor's Budget did not include a proposal to fix the farm employer overtime tax credit to ensure all farms are eligible to receive this critical tax credit.

Thanks to your leadership, the Legislature unanimously passed a bill last session which would fix an interpretation technicality that has prevented some farms from accessing the tax credit. However, on December 21st, the Governor vetoed this legislation.

In the veto message, she directed the Department of Tax and Finance and Department of Agriculture and Markets to work with the Legislature during this year's budget negotiations to develop an appropriate overtime tax credit structure which would ensure all farmers can access the credit regardless of their business structure.

By not including a new proposal in the Executive Budget, NEDPA is very concerned that the Governor is straying from this important issue that needs to be addressed immediately. We respectfully encourage the Senate and Assembly to advance Legislation in their one-house budgets to provide a retroactive fix for the overtime tax credit in hopes that the Governor will follow through on her promise to address the issue in this year's budget negotiations.

There are other aspects of the Governor's budget which NEDPA appreciates. We support the \$5 million addition to the Farmworker Housing Program. This revolving loan program ensures farmers have support to build adequate housing facilities for their employees. The program is oversubscribed, and we believe the need is even greater than the Governor's proposal. We respectfully encourage the Legislature to add a total of \$15 million to the program which would ensure long-term solutions to challenges facing recruiting and retaining employees on New York

State family farms. Also, increasing the amount that a farmer can borrow from \$200,000 to \$400,000 per project would aid in farmers' ability to make investments in employee housing.

We appreciate the Governor's support of Cornell's Farm Labor Specialist and the New York Center for Agricultural Medicine and Health. Both programs provide farms with trainings that are essential to recruit, retain and train a high-quality workforce.

We appreciate the Governor's support of PRO-DAIRY, including funding for Cornell's Climate Leadership Specialist. Also, the Executive's funding for the Cornell University Ruminant Center (CURC) is a major step forward which would help inform on-farm decision making. Lastly, we respectfully encourage the Legislature to support an increase for PRO-DAIRY which would allow for the program to add two farm business specialists, a dairy nutrition specialist and an animal well-being specialist.

We thank you for taking the time to consider our testimony and would be happy to provide more information upon request.

Sincerely,

Allyson Jones-Brimmer
Vice President of Regulatory and Legislative Affairs
Northeast Dairy Producers Association