

Farm NY

Growth through Innovation

The New NY Agenda Andrew Cuomo

7th in a Series

CUOMO  2010

THE NEW NY AGENDA

The people of New York deserve a government that works, for a change — not a government paralyzed by partisan politics and plagued by ethical scandals.

We love New York and are willing to fight for the fundamental reforms necessary to restore competence and integrity in government and regain the

public's confidence.

We are Democrats, Republicans and Independents. But we are New Yorkers first, foremost and always.

Today, I join with my fellow New Yorkers to actively support Andrew Cuomo's New NY Agenda. I pledge to vote in the upcoming elections, to urge my local elected officials to support this

- 1. Clean Up Albany.** We must restore honor and integrity to government, with tough new ethics standards, expanded disclosure requirements, independent investigators to root out and punish corruption, and an overhaul of campaign finance laws. We must remove legislative redistricting from partisan elected politicians and place it in the hands of an independent commission that works only for the people. And we must hold a constitutional convention – A People's Convention – to rewrite the Constitution and make these changes immediately because we cannot wait any longer for the state legislature to act.
- 2. Get Our Fiscal House in Order.** We must get our State's fiscal house in order by immediately imposing a cap on state spending and freezing salaries of state public employees as part of a one-year emergency financial plan, committing to no increase in personal or corporate income taxes or sales taxes and imposing a local property tax cap. We must also eliminate mandates that make it impossible for school districts and localities to contain costs.
- 3. Rightsizing Government.** Government in New York is too big, ineffective and expensive. We must enlist the best private sector minds to help overhaul our more than 1,000 state agencies, authorities and commissions and reduce their number by 20 percent. We must make it easier to consolidate or share services among our more than 10,000 local governments.
- 4. NY Works.** We must make New York the jobs capital of the nation and get unemployed New Yorkers back to work. We will give businesses a tax credit of up to \$3,000 for each unemployed New Yorker hired for a new job. We must also replace New York's ineffective economic development efforts with a new strategy organized around regional industry clusters; reduce the high costs of doing business in the state; and support small businesses by increasing access to capital and streamlining regulatory barriers.
- 5. NY Leads.** New York has been a national leader in protecting and advancing individual rights and safeguarding the future of its citizens. To remain so, we must protect a woman's right to choose, achieve marriage equality, enact tough anti-discrimination laws, truly regulate Wall Street, attract the best and the brightest to government, leave our children a cleaner and greener world, and continue to oppose the death

Sign the pledge today at www.AndrewCuomo.com

The New NY Agenda

Farm NY

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1

Farm NY *Executive Summary*

Agriculture is a vital component of New York’s economy. It is central to the growth of rural communities and provides economic opportunities and sources of fresh food for all of New York. Not only does it provide direct economic benefits to the State through sales of a diverse array of products, but it also provides numerous indirect benefits, including increased tourism and access to rural recreational activities.¹ Moreover, New York’s farms preserve millions of acres of open space and protect key natural resources. Through new technologies, they are also a source of renewable energy.

The recent economic crisis has hit all New Yorkers, and farmers have confronted particularly difficult conditions—the perfect storm of high costs, low prices, increased competition, reduced export

markets and shrinking profit margins. Coupled with lack of access to capital for improvements, the industry cannot grow or, for some sectors, even survive. Farmers and other agri-businesses are at a pivotal crossroads.

Innovation is the Key to Recovery & Growth

Given the current fiscal crisis, we must be innovative in our approach to creating growth in New York's agriculture industry. Through a comprehensive strategy of growth through innovation, we will preserve and even grow our agriculture economy, which in turn will improve the economic, environmental and social vitality of New York State.

New York must address the challenges facing agriculture in order to guarantee the future success of the sector and ensure that agriculture plays a central role in the economic revitalization of the State. These challenges have persisted over the years—the same solutions have been proposed time and again but never go far enough to address the core issues. We need to think more creatively about how to approach

these problems so that we can address the immediate needs of our agriculture industry while simultaneously encouraging long-term growth and development.

The following agriculture policy goals serve as the guiding principles framing our agriculture policy initiatives. These goals address the unique diversity of New York's agricultural industry, specifically in farm products produced, marketing approaches and farm size, and support policies that will have across-the-board benefits to the State.

Foster a Global Approach by Connecting All Segments of New York's Agricultural Economy

Too often our economic development strategies are fragmented across policy areas. This fragmentation leads to policies where we fail to get the most "bang for our buck," leading to missed opportunities to develop new markets and industries.



New York needs to develop a comprehensive soup-to-nuts strategy where we maximize economic development opportunities through production, but also exploit available opportunities in processing and direct sales to the consumer.

Agriculture is no exception. We must think of the agricultural economy more holistically. Although farm production is the base, agriculture also includes the businesses that supply production inputs and services to farms, including food processing, food retailing and agri-tourism. New York must develop a comprehensive soup-to-nuts strategy where we maximize economic development opportunities in production, but also exploit available opportunities in processing and direct sales to the consumer.

We must strengthen the connection between New York agriculture and local communities by, among other things, expanding farmers markets and fostering relationships between local food and other public and private entities. We need a comprehensive effort aimed at bridging the gap between

communities and local food systems through outreach, public discussion, education and increasing awareness of local agriculture. This will benefit New Yorkers through broader availability of fresh, healthy locally-produced foods and a more vibrant and resilient agricultural industry.

Expand and Create New Markets

New York has been slow to explore new markets and maximize ways for our farmers to sell their products regionally and nationally, and we are falling behind other states that have capitalized on emerging food markets. The growing movement encouraging local food provides an excellent opportunity to develop new markets and channels for farmers to sell products directly to New York consumers. As Governor, Andrew Cuomo will promote promising initiatives including expanding Community Supported Agriculture (“CSA”) throughout the State, building a wholesale “farmers market” at a revitalized Hunts Point, exploring ways to encourage governmental and other institutions to purchase food from local producers and creating

infrastructure that supports the ongoing connection between purchasers of food and our farmers.

As Governor, Andrew Cuomo will create the “Share NY Food” CSA Program to maximize the use of and expand CSAs throughout the State. The program will focus on developing partnerships with non-profits and other governmental entities to assist with expanding CSAs and access to fresh New York farm produce to all communities, including community groups, housing authorities and food pantries. It will provide outreach services to both farmers and residents of all income levels to assist farmers with setting up CSAs and resources, including web resources, to make it easy for consumers to find CSAs to create connections between consumers and food producers. The Share NY Food program will also make fresh food available to all consumers by establishing CSAs in lower income neighborhoods and public housing, providing the necessary financing to ensure that residents can use their existing benefits for payments and pay in installments and ensuring that the infrastructure is put in place so that CSAs can easily accept Special Supplemental Nutrition

Program (“SNAP”) and Special Supplemental Nutrition Program for Women, Infants and Children (“WIC”) benefits. The program will include not only fruit and vegetable farmers, but also dairy and other New York agriculture producers.

The creation of new markets for New York agriculture also provides a valuable opportunity to focus on improving nutrition and promoting healthier eating to combat obesity and other food-related health problems.

Expand Food Processing

Stakeholders and other policymakers have expressed frustration that many New York products, including meat, are processed in other states just to be resold here, or that the lack of processing creates barriers to the sale of locally-grown products because institutions do not have the capacity to process locally-grown food. As Governor, Andrew Cuomo will partner with businesses and academic and research institutions to spur the development of new, smaller-sized food processing facilities as part of our global agriculture strategy. He will also expand efforts to get

more capital flowing to agriculture by dedicating a portion of the State’s Manufacturing Assistance Program (“MAP”) for small and midsize processing plants.² This program assists New York State manufacturers with investing in capital projects that significantly improve production, productivity and competitiveness.

Capitalize on Emerging Technology

Access to, and investment in, technology, such as broadband and new, clean energy, are important policies—allowing farmers to improve their marketing options and diversify their income, as well as improve farm and rural community residents’ quality of life.

Technological advances lead to increased yields, improved labor efficiency and lowered overhead and other costs. However, without the latest technology, farms face even greater challenges. New York’s farms and processors need capital to invest in the latest technology for their operations. For example, only a few dairy farms in the State have

robotic milkers. This technology, though very capital-intensive, allows cows to be milked with less labor more frequently, which stimulates cows to produce more milk. It is also a technology that can benefit both large and small herds. The State can help facilitate the adoption of these types of advanced technologies for the growing number of producers who could benefit from them.

According to agricultural and renewable energy experts, the waste stream from New York's over 600,000 dairy cows³ has the potential to generate significant amounts of renewable energy. Using anaerobic digestion technology, food and food processing waste can also be added to the dairy manure waste stream to produce biogas.

By helping to integrate advanced technologies in rural communities, the State can help farmers capitalize on shared community enterprise clusters, including farm and community digester biogas generation, local food processing, aquaculture and greenhouse fruit, vegetable and nursery stock production. As discussed in the *NY Works Agenda*, regional economic development councils ("Regional

Councils”) will be established to coordinate economic development efforts in each region in partnership with business, local public and private development organizations, institutions of higher education and other stakeholders. The Regional Councils will be used to maximize available resources in assisting farmers.

Keep Our Farmers Competitive

Farmers face dwindling profit margins, while taxes and business costs continue to rise. More than 80 percent of our farms generate less than \$100,000 annually.⁴ We must improve the business climate for agriculture so that



We must improve the business climate for agriculture so that our farmers can compete in an increasingly globalized and competitive industry.

our farmers can compete in an increasingly globalized and competitive industry. To keep land in agricultural production, we must support farmland protection programs and help farmers by reducing high business

costs, creating access to capital and getting our State's fiscal house in order.

Reduce Tax Burdens

Small profit margins, high business costs, high taxes and other challenges have made it enormously difficult for our agriculture sectors to survive and thrive. New York's State and local tax burden on individual taxpayers is the third highest in the nation, behind only Alaska and Wyoming (where much tax revenue is tied to natural resources).⁵ New York State's highest corporate income tax rate of 7.1 percent is by itself among the top half of states in the nation, and on top of that many New York State businesses pay additional local corporate income taxes or taxes based on payroll. For many businesses outside of New York City, their largest tax expense (other than Federal income taxes) is property tax.⁶ Counties with the highest concentration of farms often have the highest property taxes in the *nation* when measured as a percentage of home value.

The State's high business costs are slowing economic revitalization—our agriculture industry is

no exception in this regard. We must be cognizant of these financial challenges and find innovative ways to support farmers who are struggling to make a decent living and keep their land in agricultural production.

We know that businesses will not create jobs in New York if they do not believe that State government will rein in spending and hold the line on taxes. That is why Andrew Cuomo's commitment to control State spending, veto tax increases in personal or corporate income tax and sales tax, and cap local property taxes is a critical part of his economic development plan.

Reduce Regulatory Burdens

As discussed in the *NY Works Agenda*, New York State must also address the unduly burdensome regulations that make it difficult and expensive to build or grow a business in New York. In some cases, this involves the substance of the regulation, but in many others cases the biggest problem is the inflexible manner in which regulations are enforced and the extended delays in getting answers to

questions and permits issued. The Regional Councils will bring together representatives of all State agencies that have an impact on economic development to produce a more responsive and coordinated approach to the implementation and enforcement of regulations affecting business.

In addition, to reduce some of the burdens on farms and the agriculture sectors of the State, Andrew Cuomo will direct a panel of agriculture experts to comprehensively review, and make changes where necessary, to the current regulatory construct—from environmental regulations (e.g. review time of certain permits by the Department of Environmental Conservation) to energy regulations. By doing this, we can implement measures to relieve unnecessary financial and administrative burdens on our farmers, while helping to foster growth in our agriculture industry.

Promote Sustainable Agriculture

Sustainable agriculture encompasses a broad variety of practices where farms seek to not only satisfy human food, feed and fiber needs, but also to

reduce energy use, maintain economic viability, enhance environmental quality, lighten their carbon footprint and mitigate climate change.



New York must promote farm sustainability and environmental quality through incentives that support the production of safe and healthy food, growth in organic farming operations, enhanced land stewardship and the use of renewable energy sources from agricultural waste streams and our vast wind and solar resources.

Proponents of sustainable agriculture view the long-term viability of our current food production system as a negative product of the industrialization of agriculture that has occurred over the past decades in many parts of the U.S. and other countries. They point to ecological, economic and social injustices, impacts on human health, and a need for better alignment with a region's natural resources to advocate for new ways to promote the viability of agriculture going forward.

New York must promote farm sustainability and environmental quality through incentives that support the production of safe and healthy food, growth in organic farming operations, enhanced land stewardship and the use of renewable energy sources from agricultural waste streams and our vast wind and solar resources. Done correctly, these incentives will promote more viable farming operations that generate wealth for our rural communities while promoting environmental responsibility and increasing our renewable energy generating capacity.

Bring New Farmers into the Industry

Our agriculture community is facing an aging population. Approximately forty percent of the farmers in the U.S. are 55 years old or older.⁷ As our farmers get older, our rural communities get older too. New York needs to help new farmers get the resources they need to succeed in a very challenging field. By supporting programs that bring new farmers into the industry, we are bringing new ideas and new families into agriculture.

Farming is a difficult business to break into—requiring specialized knowledge and considerable capital investment. New farmers lack access to capital, land, information and markets.⁸ The New York State Environmental Facilities Corporation offers a Beginning Farmer Loan Program to help new farmers acquire agricultural land. However, the State needs to do more to support farmers who are just starting in developing and implementing smart, progressive business plans.



Women and minority-owned farms in particular offer the opportunity to diversify our farms and bring innovative ideas to farming.

Women and minority-owned farms in particular offer the opportunity to diversify our farms and bring innovative ideas to farming. Apprenticeship programs are another important strategy to educate new farmers and showcase opportunities in New York agriculture and food

production industries for young people and food entrepreneurs.

The agriculture industry in New York State is at a pivotal crossroads. However, we should not settle for rhetoric without action or policies that do not go far enough to provide the level of support the industry needs. We have an opportunity to push our existing programs further and develop new strategies to revive our agriculture industry through entrepreneurial programs and initiatives.

As Governor, Andrew Cuomo will support the State's agricultural industries to strengthen their vital position in our economy. Our farmers currently face high costs and low prices and are struggling to keep their land in agricultural production. We must strengthen existing programs and provide the tools farmers need to grow their businesses through new and inventive strategies.

The *Farm NY* agenda describes and details the policies based on the principles discussed above. The agenda includes the following recommendations:

(1) create innovative ways to access capital for

improved production technology and market development; (2) expand small and midsize food processing capacity in the State; (3) improve infrastructure that supports the sale of locally grown food, particularly in underserved and unserved communities; (4) capitalize on emerging technology, such as renewable energy and broadband deployment; and (5) keep New York agriculture competitive nationally and globally by reducing the high cost of doing business.

2

Farm NY *Background: The New York Agricultural Economy*

New York's agricultural industry connects many important and interrelated priorities, including the strength of New York's economy, the protection of its natural resources and the health of its people. By fostering the success of our agriculture industry, we can enhance New York's and New Yorkers' economic, environmental and physical well-being and move towards a more vibrant and sustainable farm-food system.

Agricultural activity takes place in virtually every region of New York State.

Approximately 23 percent of all New York State land, or



Approximately 23 percent of all New York State land, or about 7.1 million acres, is farmland.

about 7.1 million acres, is farmland.⁹ In 2009, New York had about 36,000 farms,¹⁰ the vast majority of which are family-owned. Most farms in New York State are smaller, family businesses, with an average farm operating on fewer than 200 acres—half the national average.¹¹ Many of these families have been farming for generations.¹²

New York’s agriculture economy, or the “farm-food system,” is comprised of farms, businesses that support farms (“agri-services”) and food processing businesses. These businesses generate money that remains local and supports local economic activity. The businesses associated with these sectors encourage employment and other business activity in upstate cities and rural communities.



The New York farm economy generates almost \$4.5 billion annually, along with billions in indirect economic benefits.

In 2008, the New York farm economy generated almost \$4.5 billion, along with billions in indirect economic benefits.¹³ Altogether, farm production and the agri-service and food processing

sectors generate \$22 billion annually for New York's economy.¹⁴ New York's food processing base—comprised of nearly 4,300 food and beverage enterprises employing over 57,000 people—generates sales of nearly \$19 billion annually.¹⁵ The wholesale goods trade, retail food trade and food service industry generate an additional \$120 billion each year. Overall, New York State's farm-food system comprises over 10 percent of the State's total gross output of \$1.3 trillion.¹⁶

Agriculture is also a major source of jobs in the State. New York farms annually employ 40,000-80,000 migrant, seasonal and year-round workers.¹⁷



In total, the New York farm-food system generates over 10 percent of the State's economic activity.

USDA's Agricultural Census states that in 2007 56,865 people served as key farm operators for farming and ranching in New

York and a total of 59,683 people were hired as farm labor.¹⁸ The agriculture industry is also responsible for many jobs in sectors outside of farm production that are important to New York State—there are

three off-farm jobs for every farmer/farm worker.¹⁹
 Farming and food production serve as a critical source of employment for Upstate communities.

New York’s Leading Crops and Products

As of 2007, New York ranked 26th in the nation in total agricultural sales.²⁰ However, New York is highly ranked nationally in the production of a variety of individual items.

Table 1. Top 5 Counties in Agricultural Sales (2007)

	Percent of State total receipts	Thousands \$
1. Suffolk County	5.5	242,933
2. Wyoming County	5.2	229,943
3. Cayuga County	4.9	214,403
4. Genesee County	4.0	177,810
5. Wayne County	3.8	168,963

Source: USDA “Economic Research Service”²¹

The Dairy Industry

There are about 6,000 dairy farms in New York.²² These farms are located throughout the State, vary in size and production practices, and are

situated within several hours of consumers.²³ This close proximity to consumers allows for 40-45 percent of the total milk produced in New York State to be sold as fluid milk. Fluid milk—which must be consumed soon after production and therefore cannot be stored—commands the Class 1 price,²⁴ a higher price than that paid for milk intended for uses other than beverages, like cheese, ice cream or yogurt.



If farm receipts, distribution and processing are added together, the dairy industry generates \$10 billion for New York State and over \$50 billion regionally each year.

New York is the third largest dairy producer in the country²⁵ and with farm receipts, distribution and processing combined, the dairy industry generates \$10 billion annually for New York State and over \$50 billion regionally each year.²⁶ Over 50 million consumers in the region get their milk and other dairy products from Northeast dairy farms.²⁷

The dairy industry has faced recent challenges. In 2009, the number of dairy farms in the U.S. fell by 3

percent to 65,000 farms.²⁸ Moreover, the value of milk has dropped dramatically.²⁹ In 2009, the value of milk sales in the State fell by 3 percent, to \$1.7 billion.³⁰ Over the last 20 years, there has been a 50 percent drop in the number of dairy farms in the State, and experts expect this number to halve again within the next 15-20 years.³¹ In addition, rising transportation and fuel costs continue to add significant strains to the industry.³²

Despite these financial challenges, our dairy producers and processors remain competitive and are at the forefront of management and technology.

The Wine and Grape Industry

The wine and grape industry is New York's fastest growing industry in both the agriculture and tourism sectors.³³ It is a vital part of New York's economy, generating \$3.76 billion in economic benefits in 2008 alone.³⁴

New York State generates over \$420 million in wine sales annually, and there are 3,000 workers employed by New York's wineries. In 2007, New

York was second behind California in wine production.³⁵ In 2009, New York was third in the nation behind California and Washington for wine and grape juice production.³⁶



In 2007, New York was the second largest wine producer in the country, providing two hundred million bottles of wine.

90 percent of New York's 208 wineries in 2008 were located in the Finger Lakes and neighboring areas, Long Island and the Hudson Valley,³⁷ while western New York produced the greatest amount of grapes—over 100,000 tons.³⁸ Vineyards and wineries have recently been established in the North Country and Lake Champlain regions.

The Apple Industry

New York is second in the nation in apple production, producing an average of 29.5 million bushels of apples annually.³⁹ In 2007, New York apple sales totaled \$249 million. There are 1,350 apple farms in New York State and the industry

provides over 10,000 direct and thousands of indirect jobs.⁴⁰ The Lake Ontario Plain and the Hudson and Lake Champlain Valleys are major apple producing regions of our State.

Nursery, Floriculture and Landscape Industry

In 2007, New York ranked 12th nationally in the production of greenhouse, nursery and floriculture plants.⁴¹ The combined nursery, floriculture and landscape industry is known as the “green industry.” In addition to its economic benefits and beautiful landscapes, benefits from the green industry include reducing energy needs, helping carbon sequestration and improving water quality and storm water management.

The recent economic crisis has been difficult for New York’s nurseries. The decline in commercial and housing construction has meant decreased investments in landscaping. Highway landscaping projects have also been limited. This has led to a drop in demand for high-value nursery products like trees, turf and flowering plants.

Green industry stakeholders have expressed frustration with difficulties exporting their products because of delays in virus indexing, or certification of certain rootstocks as virus-tested.⁴²

Forestry

New York's forests cover nearly 18.6 million acres, which is more than sixty-two percent of the State's total area.⁴³ Accounting for more than half of New York's land mass, forestry, and the forest products industry in particular, a key segment of the State's agricultural economy. One of the State's leading manufacturers, the forest products industry is responsible for more than 7 percent of New York's manufacturing jobs.⁴⁴

The Horse Breeding Industry

Horses are the second largest “commodity” produced in New York State. Breeders and horse owners protect land, preserve the value of properties, and positively impact the State and local economies. Over 43,000 acres are used by over 400 thoroughbred breeding farms. Their continued

investment in breeding keeps money in the State, generates additional jobs, and bolsters both the horseracing and tourism industries.

Organic Agriculture

Organic production⁴⁵ is one of the fastest growing sectors of the agriculture industry today. U.S. sales of organic food and beverages grew from \$1 billion in 1990 to \$24.8 billion in 2009.⁴⁶ Although the demand for organic food has increased across many sectors of the market, organic fruits and vegetables have experienced the highest growth in sales. Sales of organic fruits and vegetables during 2009 comprised more than 11 percent of all fruit and vegetable sales across the nation.⁴⁷ As a result of this increased demand, organic food is no longer just being sold in stores that specialize in natural products and food cooperatives, but also in mainstream traditional supermarkets and other retail outlets.

Despite the rapid growth in the organic agriculture market and an increase in the number of organic farms, supply of organic products has fallen short of demand. According to a recent New York

State Department of Agriculture and Markets survey, 40 percent of surveyed farmers expressed some interest in becoming involved in organic farming production.⁴⁸



Organic production is one of the fastest growing sectors of the agriculture industry today and U.S. sales of organic food and beverages grew from \$1 billion in 1990 to \$24.8 billion in 2009.

However, there are significant time, cost and production barriers that existing farmers face when transitioning to organic production.⁴⁹ Despite the clear demand for organic products, these barriers prevent many farmers from transitioning to organic farming.

Other Agricultural Products

Many crops play a significant role in New York State's agriculture industry. In 2009, snap beans, intended primarily for processing and grown in the Western and Central regions of the State, generated \$38 million in farm revenue.⁵⁰ And in 2007, pumpkin

sales generated more than \$22 million, making New York the fourth largest producer of pumpkins in the nation.⁵¹ In 2009, sweet corn generated more than \$58 million and onions more than \$67.5 million. Major sweet corn growing regions are the Genesee and Lower Hudson River Valleys. Significant onion acreage is in Wayne, Oswego, Orange, Madison and Orleans counties.⁵² Cabbage, which is predominantly grown in Niagara, Orleans, Ontario, Genesee and Monroe counties, is one of the State's most valuable vegetable crops, generating more than \$54 million.⁵³

In 2009, New York ranked 3rd in its production of milk, Italian cheese, grapes, corn for silage, cabbage and cauliflower, as well as livestock production for milk production.⁵⁴ Also in 2009, New York ranked 4th in the nation in its production of cheese⁵⁵, tart cherries⁵⁶, pears⁵⁷, onions⁵⁸, and snap beans, 5th in pumpkins, squash, sweet corn, and Christmas trees, 6th in yogurt, 7th in floriculture and oats, 8th in sweet cherries and cucumbers, and 9th in the nation in its production of strawberries.⁵⁹ We also ranked 5th in the nation in fresh market production.⁶⁰

Maple syrup is another important crop in New York—generating more than \$17 million a year. A product of the native forests of the Northeast, its market as a high-value specialty product has enormous potential. Nationally New York ranks second only to Vermont in maple syrup production.⁶¹ Much of what our farmers produce provides fresh, wholesome and safe food for many New Yorkers.

3

Create Innovative Ways to Access Capital for Agriculture *Farmers & and Other Agriculture Industries Need Access to Capital to Survive and Thrive*

Like many industries, one of the central issues in the agriculture sector is the lack of access to capital for adopting new technologies and developing markets. Without capital, many farm businesses will not survive, much less grow. Given the current fiscal crisis, this is likely to remain a problem unless we develop innovative new ways to get farmers and others within the agriculture industry access to desperately needed dollars.

Create the “Share NY Food” CSA Program to Provide Critical Access to Capital

As mentioned above, we need to find innovative ways get capital to those farms and other agri-businesses that need it most.

Community Supported Agriculture (“CSA”) is an exciting way to get capital to farms and healthy, local food to consumers. CSAs are partnerships between farms and customers, who purchase a season’s worth of farm fresh products in advance.⁶²

This is a critical business model for farms because it reduces the farmer’s need to borrow money at the beginning of the season in order to purchase equipment, seeds, fertilizer and other necessary inputs for production.⁶³ Given the limited access to capital for many small businesses, including farms, CSAs are an innovative way for farmers to get much-needed up front funding for the growing season.⁶⁴



Given the limited access to capital for many small businesses, including farms, CSAs are an innovative way for farmers to get much-needed up front funding for the growing season.

According to the 2007 Census of Agriculture, more than 12,500 U.S. farms⁶⁵ and 364 New York farms marketed their products through a CSA.⁶⁶ CSAs

provide up front capital to farms, but they also address issues like healthy eating, local food and protecting our farmland. By dramatically expanding the reach of CSAs throughout the State, we can start to address certain problems currently facing the residents of New York.⁶⁷

As Governor, Andrew Cuomo will create the “Share NY Food” CSA Program to maximize the use of and expand CSAs throughout the State, including developing partnerships with non-profits and other governmental entities to assist with expanding CSAs and access to fresh NY farm produce to all communities.⁶⁸ The Share NY Food program will have a three-pronged approach. It will:

1. Focus on developing partnerships with non-profits and other governmental entities to assist with expanding CSAs and access to fresh New York farm produce to all communities, including community groups, housing authorities and food pantries.

2. Provide outreach services to both farmers and residents of all income levels to assist farmers with setting up CSAs and resources, including web resources, to make it easy for consumers to find CSAs to create connections between consumers and food producers.

3. Make fresh food available to all consumers by establishing CSAs in lower income neighborhoods and public housing, providing the necessary financing to ensure that residents can use their existing benefits for payments and pay in installments and ensuring that the infrastructure is put in place so that CSAs can easily accept Special Supplemental Nutrition Program (“SNAP”) and Special Supplemental Nutrition Program for Women, Infants and Children (“WIC”) benefits.

The Share NY Food program will provide outreach services to both farmers and residents of all income levels and create connections between consumers and food producers. It will organize and

support new CSAs and provide the additional resources needed to help existing CSAs reach more New Yorkers.

For example, through the Fresh Food for All program,⁶⁹ which is supported by a grant from the Hunger Prevention and Nutrition Assistance Program (“HPNAP”) of the New York State Department of Health, food pantries in New York City receive local foods from farms in the State. In 2009, 38 emergency food programs participated in the Fresh Food for All program, which connects soup kitchens and food pantries in New York City with many New York farms.⁷⁰ Through the Share NY Food CSA Program, this program will be expanded to soup kitchens and food pantries throughout the State.

The upfront cost to consumers for CSA sponsorships is often prohibitive for lower-income communities. The Share NY Food CSA Program will seek to establish CSAs in lower income neighborhoods and public housing, which are traditionally underserved by grocery stores, and provide the necessary financing to ensure that residents can use their existing benefits for payments

as well as pay in installments. The program will also ensure that the infrastructure is put in place so that CSAs can easily accept Special Supplemental Nutrition Program (“SNAP”) and Special Supplemental Nutrition Program for Women, Infants and Children (“WIC”) benefits. For example, existing policies require that certain consumers in New York City pay for CSA shares every two weeks, but since food stamps are distributed monthly, people are forced to ration food stamps in order to have enough for the next payment. We will work to address and eliminate these problems that make it harder for some families to participate in CSAs.

The Share NY Food CSA Program will also promote the creation of CSAs in schools and encourage the distribution of local farm foods to schools, hospitals, nursing homes, prisons and other institutions. The program will include not only fruit and vegetable farmers, but also dairy and other New York agriculture producers. In addition, it will explore programs with health insurance companies and other business groups like the cash rebate program offered in Wisconsin by certain health

insurance providers for membership in a Madison Area Community Supported Agriculture Coalition (“MACSAC”) vegetable CSA.⁷¹

CSAs are an innovative way to support farmers, local food and healthy eating in the State. Through the Share NY Food CSA Program, we can make an investment in the long-term health of our farms and our citizens, ensure connections are developed between urban and rural residents of New York and address important health and food issues.

Expand the Linked Deposit Program for Agriculture

As Governor, Andrew Cuomo will also expand an innovative, but underutilized, program known as the Linked Deposit Program (“LDP”), through which New York State assists small businesses with low-rate loans to modernize facilities and operations, access new markets, develop new products and improve overall competitiveness.⁷² Under the LDP, an eligible small business obtains a loan from a participating lending institution at a rate that is either 2 percent or 3 percent below the prevailing market rate. As

consideration for the lending institution's agreement to offer the reduced interest rate, the State deposits funds with the institution in an amount equal to the loan principal at less than the prevailing interest rate for the deposit.⁷³

This program is particularly important to rural and agricultural industries. As Governor, Andrew Cuomo will expand this innovative but underutilized program and increase eligibility and access for agriculture industries.⁷⁴ Among other things, Andrew Cuomo will seek to lift the lifetime cap for farm families that are expanding their businesses, as well as lengthen the number of years farms could receive the interest rate buy-down.⁷⁵

Fight for More Federal Dollars

Moreover, as experts have suggested, New York hasn't, but must, prioritize federal matching grant programs, such as the Federal Small Business Innovation Research ("SBIR") and Small Business Technology Transfer ("STTR") grants, which are explicitly geared toward technological development.

Such grants provide opportunities across all federal funding streams including those relevant to agriculture-based research and business development.⁷⁶

New York has been out-performed by other states in pursuing these grants. In 2008, New York won 278 SBIR grants at a value of \$84 million and 30 STTR grants at a value of \$9.6 million. In comparison, our neighboring state of Massachusetts' won awards that same year for 703 SBIR grants (\$227 million) and 83 STTR grants (\$27 million).⁷⁷ As Governor, Andrew Cuomo will push for increased federal funding in order to get our agriculture industry much-needed capital.

4

Expand Food Processing *Expand Small and Midsize Food Processing to Create Jobs & Allow New York Foods to be Processed Here*

Increasing the number of small and mid-size food processors in the State, along with greater access to shared use kitchens, will provide great opportunities for farmers to capture a greater share of consumers' food dollars and increase jobs and economic activity in the State. New York has significant food processing capacity today, but greater processing capacity—from smaller facilities, including meat processing plants, to basic processing equipment for schools and other public institutions—would result in greater demand for the State's agricultural products.

Stakeholders and other policymakers have expressed frustration that many New York products, including meat, are processed in other states just to

be resold here, or that the lack of processing creates barriers to the sale of locally-grown products because institutions do not have the capacity to process locally-grown food.

New York is home to several large food processors and has several thousand home-based and farm-based processors and other microenterprise food manufacturers with 20 or fewer employees.⁷⁸ Given certain favorable factors in New York, including the presence of prominent agribusiness firms like Constellation Brands and Kraft Foods and premier academic and research institutions, Upstate's proximity to consumers in the United States and Canada and opportunities in dairy manufacturing, food processing and production could grow considerably in New York.

New York should partner with its businesses and academic and research institutions working in the food processing field. For example, Cornell University's New York State Food Venture Center is an extension program providing technical assistance to organizations involved in food manufacturing. Over the past ten years, it has responded to more than

2,000 requests and has supported over 450 emerging manufacturing businesses. New York State can build the additional capacity it needs by partnering with organizations looking to expand New York's processing capabilities and support our rural communities.

Despite these advantages, between 1997 and 2007, New York food and beverage manufacturers only experienced 17.5 percent sales growth, while national sales growth was 38.3 percent.⁷⁹ There are significant obstacles that must be overcome in order to grow the processing industry, particularly lack of access to capital.⁸⁰

Expand Food Processing by Dedicating a Portion of the State's Manufacturing Assistance Program Funding

The State's Manufacturing Assistance Program ("MAP") assists New York State manufacturers with investing in capital projects that significantly improve production, productivity and competitiveness.⁸¹

Currently, in order to qualify for the funding, manufacturers must employ between 50 to 1,000 workers and export at least 30 percent of their production beyond the immediate region, or supply at least 30 percent of their production to a prime manufacturer that exports beyond the region. However, small and mid-size processing plants fall just under the requirements.⁸²

MAP funds are primarily available for capital investments in machinery and equipment, and, although funding is capped at \$1 million, these funds would provide a significant boost in the availability of capital for small and medium-sized processing facilities.⁸³ As Governor, Andrew Cuomo will expand efforts to get more capital flowing to agriculture by dedicating a portion of the State's Manufacturing Assistance Program ("MAP") for small and midsize processing plants.

5

Sell Locally Grown Food Locally *Expanding Agriculture Markets into Underserved and Unserved Communities is a “Win-Win” Resulting in Economic Growth and Healthier Communities*

New York must enhance the farmer-consumer connection so that our farmers remain competitive in urban and global markets. To do this, we need to expand existing markets for New York’s agriculture products and develop new ones. Our State’s policies must promote the expansion of its farm-food system.

The growing trend in favor of locally grown food presents a great opportunity for New York farmers to find new markets. New York currently has about 450 farmers markets and 1,000 community gardens in the State⁸⁴—but this success can be expanded and other innovative markets developed. Expanding markets will generate additional revenue

and have the added benefit of providing New York communities with healthier foods. These new markets include better access for farms to supermarkets in the State, but also finding new ways for farmers to aggregate, minimally process and distribute their products.

The promotion of New York's high quality, fresh food is a branding opportunity to be capitalized upon. We must highlight the provenance of our food in the State and market it proudly.

We must also expand opportunities for local farmers to market and sell their produce directly to consumers. This includes pursuing innovative ideas like encouraging our colleges and universities as well as other institutions like hospitals and nursing homes to purchase more of their food from local producers.

Expanding markets for locally-grown foods has many benefits, including generating economic activity in-state and providing access to affordable and healthy food in many communities that lack such accessibility. Encouraging New Yorkers to eat healthier can also help prevent illness and chronic disease. A comprehensive focus on local foods will

enhance nutrition, combat health issues like obesity and diabetes, encourage community development and support local farmers and local economies.

Expand Agriculture Markets to New York's Urban Centers—Hunts Point Market Revitalization

It is critical that we create new markets for New York's agriculture by expanding farmers markets. There has been a rise in New York in the popularity of local crops. Those driving this expansion are local New York farmers, urban consumers, chefs, city and regional planners and community leaders who recognize the potential for reviving New York communities by enhancing connections between farmers and consumers. The success of farmers markets in New York State has led to the spread of this model throughout the country.

There are currently about 450 farmers markets in New York State, 130 of which are located in New York City.⁸⁵ These markets successfully bring New York's agriculture products to consumers. For example, the Greenmarket Program in New York City

founded in 1976 has grown from 12 participating farmers to more than 200 family farms and fishermen, with over 30,000 acres of farmland supporting the Greenmarket Program.⁸⁶ Over the last few years, the number of these markets in urban areas as well as direct sales from farm stands has grown. Key to any expansion of our economic development strategies in agriculture is a continued dedication to expanding markets in our urban centers.

Hunts Point revitalization—a two-pronged approach involving updating the existing market’s infrastructure and creating a major wholesale “farmers market”—is a critical piece of the puzzle.⁸⁷ Hunts Point Terminal Produce Market located in the Bronx supplies a large portion of the produce for New York City’s and the region’s food consumption. It serves more than 22 million residents living within 50 miles of Hunts Point.⁸⁸ It is the country’s largest wholesale fruit and vegetable market and provides 8,500 jobs.⁸⁹

Not only will the Hunts Point revitalization bolster the retail food sector as a whole but coupled

with support for other markets it will provide an avenue for local farmers to market their produce directly to the New York City metropolitan region. This project will further enhance the Upstate economy by completing the cycle of production to consumption all within a few hundred miles.

Furthermore, a revitalized Hunts Point farmers market would allow State farmers, producers and marketing associations to set up warehouse operations. Here, producers of all sizes could participate in a market that attracts an array of buyers from supermarkets to restaurants, boutique food shops, Green Carts, street vendors and many others. Moreover, the revitalization would also allow for on-site processing and would establish an office for New York food promotional programs. The market would therefore serve a diverse group of producers, growers, and processors.



A modern wholesale farmers market at Hunts Point would generate an estimated \$866 million annually.

A modern wholesale farmers market at Hunts Point would generate an estimated \$866 million annually.⁹⁰ This market would help spur economic development in Upstate agriculture and food processing. As Governor, Andrew Cuomo will work to ensure that the Hunts Point market revitalization is realized.

Expand Access in Underserved or Unserved Communities in Innovative Ways

More than three million New Yorkers live in “food deserts,” or neighborhoods, both urban and rural, lacking adequate access to supermarkets and grocery stores.⁹¹ Typically lower-income, individuals who reside in food deserts have difficulty providing nutritious, healthy food options for their families.

They also tend to pay higher prices for food than those in higher income neighborhoods, because they are forced to shop at smaller, more expensive food stores.⁹²



More than three million New Yorkers live in “food deserts,” or neighborhoods, both urban and rural, lacking adequate access to supermarkets and grocery stores.

As discussed above, significant expansion of CSAs are one way to address this lack of access to affordable, healthy food. For example, an innovative new CSA was started this year in Schoharie County to provide food for residents of the South Bronx. It allows residents to determine which products will be provided and will offer shares in the farm to members once the farmer’s investors and loan are repaid.⁹³ While this model is not suitable everywhere, it is an example of the potential for the success of CSAs in New York.

We must also find ways, however, to expand

“mobile markets” and other market facilities within lower-income, lower-access neighborhoods to increase the availability of healthy food options to the individuals who live there.⁹⁴

The State should also explore new and innovative ways, such as so-called “prescription produce” programs, to encourage more residents to eat healthy, fresh local foods. For example, doctors in Massachusetts have organized a prescription produce program based out of three community health centers.⁹⁵ Participants receive coupons for each family member to be used at local farmers markets.⁹⁶

In addition, we must make it easier for urban and rural New York residents to shop at mobile markets and farmers markets, including ensuring acceptance of SNAP and WIC benefits for payment. Access to local foods for traditionally underserved and unserved communities not only offers health benefits to these communities but also increases revenues for farmers.

6

Capitalize on Emerging Technology *Renewable Energy and Broadband Deployment Will Result in Economic Growth, Jobs, and a Cleaner, Greener Environment*

New York's farmers must be able to share in the benefits of emerging technologies. Alternative energy sources—ranging from wind to biomass—can create new economic opportunities for farmers and others in the agriculture industry. Affordable access to broadband will help connect farmers and other rural residents to the world economy.

We must also continue to encourage and expand research and development initiatives by supporting New York's leading research and agricultural outreach and services institutions. There is a \$3 return to the agriculture industry for every state dollar that goes into agricultural research.⁹⁷ These efforts generate new and innovative ideas and technology that have an immediate positive impact

on the current economy and contribute to future economic growth and agricultural sustainability.



There is a \$3 return to the agriculture industry for every state dollar that goes into agricultural research.

There are many important organizations in New York that provide agricultural expertise and services, and it is critical that their efforts be expanded so they can keep New York at the forefront of agricultural development⁹⁸ We should also continue to support both public and private collaborative efforts that provide assistance to our farmers.⁹⁹

The New York Farm Viability Institute (“NYFVI”), a non-profit corporation established in 2003, provides key funding for research and outreach education projects across the State.¹⁰⁰ Although the State provides the majority of the funding for NYFVI, it also receives additional funding from federal and private resources. Since 2005, NYFVI has awarded grants to 194 projects, 75 of which were completed

by the end of 2009.¹⁰¹ For example, in 2008, the NYFVI awarded \$3.7 million in grants to fund 27 projects conducted by the Cornell College of Agriculture and Life Sciences and the Cornell Cooperative Extension.¹⁰²

Another helpful resource, NY FarmNet, is a non-profit financed primarily by the Department of Agriculture and Markets. NY FarmNet offers free, at-the-kitchen-table consulting to farmers and provides advice on an array of issues including financial, business and personal matters. NY FarmNet provided 201 such consultations in the first quarter of 2008.¹⁰³

Energy Programs Can Reduce Costs and Protect the Environment

Given rising energy costs, businesses throughout the State are looking for opportunities to improve efficiency and conserve energy. However, the current economic crisis has further exacerbated existing challenges for New York State agriculture. Production of agricultural goods and services relies on both direct energy inputs, like electricity, gasoline

and oil, and indirect energy inputs, like fertilizer and pesticides, and is therefore particularly sensitive to energy price increases, which raise the overall cost of production.

In our efforts to improve energy efficiency, diversify our energy supply and protect our farmland, there are many issues to address. Our State's agricultural sector cannot meet the required cost share for energy programs offered by New York State Energy Research and Development Authority ("NYSERDA") and federal grant programs for energy efficiency and renewable energy. Existing loan and grant programs are insufficient for most agricultural producers. There are also technical problems connecting new renewable distributed electricity generation to the existing energy grid.

Opportunities exist to implement meaningful changes to energy related programs for the State's agricultural sector. Farmers could see dramatic cost savings from energy efficiency programs. The State's millions of acres of farmland hold tremendous potential for expansion of renewable energy generation and for improving economic,

environmental, climate change and energy agricultural policies. New York agriculture also has the geographic location and resources needed to develop distributed renewable generation and community-based renewable energy technologies.

Create the “Farm NY Renewable Energy Program” to Foster Increased Energy Efficiency on Farms

In the State’s larger goal of dramatic improvements in energy efficiency, the agricultural sector has not received the attention it deserves. As discussed in Andrew Cuomo’s *Power NY Agenda*, improving energy efficiency is a “win-win-win” energy policy in that it achieves the three related goals of reducing cost (or at least limiting increases in cost), improving the environment, and creating jobs and economic growth. As Governor, Andrew Cuomo will work to make energy efficiency improvements available and accessible to agriculture throughout the State through expanded efficiency programs, access to innovative financing mechanisms and greater outreach to the sector.

The State's Public Service Commission ("PSC") approved the creation of the Agriculture Energy Efficiency Program in June of this year, which will provide up to \$3 million a year for energy efficiency measures and cover up to 75 percent of the cost to install projects for the State's agricultural sector,¹⁰⁴ but the program does not go far enough to make energy efficiency programs accessible to New York's farms. The New York Farm Bureau believes that the Agricultural Energy Efficiency Program underestimates the demand for assistance with energy efficiency by farms in the State.¹⁰⁵ The program will need to be expanded to meet the demand for energy efficiency retrofits.

Moreover, financing must be made available to energy consumers throughout the State. New York farms do not have the upfront capital to fund energy efficiency improvements, despite the enormous cost savings opportunities that are available from such improvements. Where appropriate, Property Assessed Clean Energy ("PACE") and "on-bill recovery" financing, both of which provide up-front financing to pay for the cost of the energy efficiency

improvement, which is then paid back with a portion of the energy savings, should be made available to farms. Because the annual payments to repay the financing are lower than the annual energy cost savings from the efficiency improvement, the party repaying the financing receives immediate savings from the energy efficiency improvement. Through programs like PACE and on-bill financing, we can make efficiency improvements available to the agricultural sector, while lowering costs and decreasing energy use and demand throughout the State.

In addition, NYSERDA's agriculture programs must be expanded, publicized and made accessible to the agriculture sector. While NYSERDA does have programs that provide energy audits and even fund improvements for farms, these programs are underutilized and on an insufficient scale to bring important changes to the sector. Stronger outreach programs, centralized and easily accessible materials and applications and simplified qualification requirements are needed to encourage greater

participation by those who could benefit most from these programs.

Implement a Comprehensive Plan to Encourage Sensible Biomass and Biofuel Production

With our bounty of agricultural resources, New York should be a competitive player in the biomass and biofuel markets. New York's agricultural and forest land allows us to generate significant amounts of heat, electricity and biofuels like ethanol from biomass resources inside the State. Wood and other biomass can be harvested and burned in place of both fossil fuels and natural gas for heat and electricity. As mentioned earlier, waste streams from our dairy farm, food and food processing industries are also significant biomass sources.

To date, the federal government has provided the majority of available financial incentives and regulatory programs for biofuel production. This limited state involvement has hampered investments in biomass feedstock, even for biofuel production occurring within the State. Approximately 40 percent of New York's total biomass consumption is used to

produce ethanol, largely produced from out-of-state biomass.¹⁰⁶

To stimulate biomass production, the State must reward both agricultural property owners for sustainable harvesting of their timber and other biomass plants as well as producers of biofuels. A comprehensive plan requires several components to eliminate barriers and provide such rewards consistently over a long period.

Extend the Biofuel Production Tax Credit to Cellulosic Ethanol

While the State has provided a 15-cent-per-gallon refundable tax credit for the production of each gallon over 40,000 gallons of corn ethanol or biodiesel fuel for a period of four years, two barriers have impeded the impact of this incentive.¹⁰⁷ First, the in-State fuel pumps for ethanol have not yet materialized to jumpstart widespread consumption by drivers.¹⁰⁸ Second, the tax credit does not apply to cellulosic ethanol, which experts consider the most suitable and cleanest form of ethanol for New York.

The State must extend the biofuels production tax credit to provide long-term planning horizons for current and potential producers and add cellulosic ethanol to the eligible fuels to encourage its production. To increase demand for ethanol, we should explore using the State's existing public fleet of vehicles to promote the use of biofuels where appropriate.

Increase Investment in R&D

New York must also invest in research and development in biofuels and biomass. For example, algae is one of the most promising sources of biofuels, but substantial research is needed before it will be an economically feasible fuel source. In addition, cellulosic ethanol is generally not yet considered a cost efficient fuel source; additional research is needed to decrease its costs.

Furthermore, rural landowners in New York face significant tax assessment increases if they develop robust standing timber forests on their land. Currently, the prospect of such increases encourages

over-harvesting, liquidation cuttings, or conversion of the land for development. If a property owner manages the forestland sustainably to produce feedstocks for cellulosic ethanol or other biofuels, at least a portion of that standing timber should be exempted from real property taxation or other relief provided to the property owner. The Cuomo Administration will work with local officials, State agencies and land use experts to determine the best approach to this problem that will support both biomass production and sound forest management while avoiding the loss of critical tax revenues needed by local jurisdictions.

Finally, the State can play an important role in promoting high-efficiency biofuel heating systems that not only reduce emissions but also provide a significant alternative to the use of fossil fuels, particularly heating oil. Conventional heating technologies for biomass combustion, like wood stoves and boilers, are often inefficient. However, New York has four manufacturers of high-efficiency wood boiler systems Upstate, and expansion of this industry is anticipated. New York also has a

significant wood pellet manufacturing industry. As part of the State's efforts to promote biomass production and the growth of New York's green energy economy and to create jobs, New York should develop a program to incentivize consumers to replace low-efficiency stoves and heating systems with high-efficiency biomass heating technologies. The State's workforce training programs must also provide training for installers of such high-efficiency systems.

Expand Distributed Generation in Agriculture Areas

As discussed in the *Power NY Agenda*, Distributed Generation ("DG") is a form of "smart distribution" of energy. It involves use of small electrical power generation equipment (typically less than 30 megawatts) located near consumers and centers of electricity demand and is an important way to add renewable energy capacity to the system.¹⁰⁹

Net metering permits customers with solar-PV, wind, or anaerobic digester systems to get credit for energy they send to the electric grid from their DG

systems. Currently, farm-based wind and anaerobic digestion systems are limited to 500kW.¹¹⁰ Improvements in policy towards DG resources are necessary so that it can be properly utilized in the State, especially since smaller producers have experienced technical, cost, and regulatory difficulties with the existing system. For example, many non-residential DGs do not have demand meters, which has led to disagreements with the utilities about the level of their peak demand (which determines the size of the system to be metered). In addition, there have been some difficulties connecting certain customers to the electricity grid.¹¹¹

The experience in other states like New Jersey, which was one of the first states to streamline its interconnection rules to ensure that customers with on-site renewable energy systems could easily connect to the grid and receive compensation for their extra power, demonstrates the importance of establishing simple, clear rules for DG system owners to follow. The State must analyze its interconnection rules and look for opportunities to streamline and resolve any potential barriers to DG.

By deploying DG sensibly in agricultural areas, we can both reduce farmers' energy costs and even improve our environment. DG systems allow their owners not only to meet their own electrical power needs fully or in part without drawing electricity from the grid, but in certain cases to obtain compensation for the extra power their systems feed into the grid for others' use.

Incentivize the Use of Anaerobic Digesters

New York needs to facilitate programs that make anaerobic digesters available to farmers in the State. Anaerobic digesters can be a valuable tool to increase self-sufficiency for farmers and improve our environment. Anaerobic digesters biologically treat manure and other organic waste to produce biogas, which can be used to generate heat and power through a generator. Although capital costs are high, digesters enable farmers to extract more benefits from their farms, produce clean energy and dispose of waste, particularly on dairy farms.

Anaerobic digesters can have important impacts on the environment. The digesters capture naturally occurring methane gas from stored manure and convert it into electricity. Anaerobic digesters reduce greenhouse gas emissions both by reducing the amount of methane released into the air and by providing a clean alternative energy source to fossil fuels.¹¹²

New York State has 5,700 dairy farms with over 600,000 dairy cows.¹¹³ However, our use of anaerobic digesters is extremely limited—as of 2009, only 10,000 cows were utilized in energy production through the use of only 12 methane digesters.¹¹⁴ These digesters produce 1.3 megawatts of energy in New York.¹¹⁵ Dairy manure is particularly suitable for adding food and food processing waste to it in anaerobic digesters, which allows other pieces of the State agricultural economy to participate in energy generation. By making financing available for anaerobic digesters throughout the State, we can increase our energy generation capacity, reduce energy costs and, critically, reduce the methane produced by the dairy industry and others.

It is also critical that federal and State policies encouraging renewable energy generation be harmonized to ensure farmers can take advantage of all available existing programs. Due to high capital costs, anaerobic digesters and other renewable generation generally require a combination of federal and State grants and loan guarantees to make a project economically viable. Coordinating State and federal funds, however, can be nearly impossible, due to factors including conflicting funding cycles and programs that may be focused on only one renewable energy technology. The State should assist with the necessary resources to enable our farmers to take advantage of all existing incentives and other assistance.

First, NYSERDA provides both capacity buy-down payments to offset some of the costs for the purchase and installation of anaerobic digester-fueled electric power generation equipment at farms and performance-based incentives to encourage onsite electricity production.¹¹⁶ NYSERDA has contracted with Cornell University to distribute information on this program,¹¹⁷ but further outreach is needed.

Second, under the Regional Greenhouse Gas Initiative (“RGGI”, the initiative to reduce greenhouse gas emissions through a cap and trade program) “offset” credits are available to utility companies. In essence, offset credits are emission reductions that take place outside the RGGI regulated power plant in order to provide flexibility from other non-regulated sources, like farms. Such flexibility allows the utility to comply with the CO₂ cap established by RGGI.¹¹⁸

As Governor, Andrew Cuomo will encourage partnerships to incentivize carbon offset sellers to finance anaerobic digesters. By creating a centralized clearinghouse of loans made by carbon offset sellers, much of the up-front cost of the anaerobic digester may be covered because it would provide a pool of money to be used for the purchase of the systems.

Third, we will explore how financial funding under RGGI for Sustainable Agriculture and Bioenergy can be increased in order to provide incentives for the construction of anaerobic digesters.¹¹⁹

Fourth, as Governor, Andrew Cuomo will continue to look for ways that improvements to “net

metering”, i.e. where a home or business, like a farm, has its own renewable energy generator and excess electricity produced by the home or business will turn their electricity meter backwards, effectively banking the electricity until it is needed by the customer. Recently, a bill was signed into law increasing the allowable amount of electricity produced through anaerobic digestion, including by on-farm methane digesters, to be sold back to the grid.¹²⁰

Fifth, because a critical mass of livestock, is required to make anaerobic digesters economically feasible, community or third-party organized and funded digesters, which negotiate to sell the power generated to the utilities under a power purchase agreement, should be facilitated. Cooperatives of farmers could provide the necessary waste streams and share the profits from the electricity generated.

Wind and Solar Power Generation

With the large amount of available land on New York State farms, combining agriculture with

renewable energy generation can have important benefits to our agricultural sector. Recognizing that there are valid concerns about installing wind and solar generation capacity on farmland, small-scale renewable energy generation is another important way for farmers to diversify their businesses while preserving farmland.

Payments from the lease of land for wind turbines can be a valuable source of income for farmers. Solar PV systems are generally not utilized by farms in New York, but since energy supply by solar-PV and solar thermal systems generally match the peak demand times, they could be a useful resource. Solar hot water systems could be particularly beneficial for farmers, and can be financed through the energy efficiency programs discussed previously. Solar hot water systems are already cost-effective for both commercial and residential uses and can substantially decrease fossil fuel use.

In connection with increased wind and solar power generation on the State's farms, there must be a collaborative discussion between farmers and

energy companies about siting and transmission. The New York Farm Bureau has expressed concern about the impact of transmission lines on farms and farmland.¹²¹ Only through collaboration among land preservation groups, farmers and energy companies can we support the agricultural sector while encouraging clean energy generation in the State.

Create the “Connect NY” Broadband Program to Expand High Speed Internet Access to Rural Unserved Areas of New York

Areas of rural New York that are presently unserved, including our agricultural industry, must be able to share in the benefits of emerging technologies. Alternative energy sources—ranging from wind to biomass—can create new economic opportunities for farmers. Providing affordable access to broadband infrastructure in unserved areas will help connect farmers and other rural residents to the world economy. Broadband can continue to bolster community supported agriculture and create new markets for New York’s products.

Broadband (or high speed internet service) for businesses is critical in the modern age. Broadband allows businesses to tap markets normally unavailable to them, reduces business costs and increases productivity.

Most New Yorkers have access to broadband or other internet provider services.¹²² However, because of the high cost of building the network to sparsely populated regions, rural New York and other hard-to-reach communities continue to lag behind.¹²³

There has been significant effort at the federal level to expand broadband use through stimulus money and other sources. Under the American Recovery and Reinvestment Act more than \$7 billion dollars was made available for broadband deployment.¹²⁴ Although New York has received millions for broadband deployment, certain areas remain unserved—as Governor, Andrew Cuomo will fight for more federal funding to make sure broadband is deployed to all rural New Yorkers.¹²⁵ These initiatives will lead to short-term job growth, draw more business to Northern New York and help existing businesses in the region.¹²⁶

Under the “Connect NY” program Andrew Cuomo will foster cooperative¹²⁷ private/public partnerships to provide access to broadband infrastructure and technology. New York will work with all the providers to bring broadband to the most people. Although the State has begun the process, there needs to be a more coordinated effort among government agencies, municipalities and private industry.¹²⁸

The Connect NY program will help those unserved rural agricultural areas that do not have access to high speed internet service. Deployment of broadband also means new jobs and business opportunities related to putting in place the new broadband infrastructure.

Strengthen Partnerships with Colleges and Universities

New York’s public and private colleges and universities continue to pioneer agricultural research and other agricultural development initiatives. Our colleges and universities prepare the next generation of farmers to participate and thrive in the agricultural

economy. For example, the State University of New York (“SUNY”) provides services like farm-related business assistance and encourages relationships between farmers and culinary students and the purchase and use of locally grown crops. It also conducts wide-ranging agri-related research. Not including the New York State College of Agriculture and Life Sciences and the College of Veterinary Medicine at Cornell, 13 SUNY campuses are conducting over \$4.1 million worth of agriculture-related research. \$1 billion in research and development expenditures support over 10,000 research projects at SUNY each year.¹²⁹

Cornell’s expansive agricultural-related programs range from basic scientific research to on-farm demonstrations of new technology and techniques and public outreach. The Cornell Cooperative Extension, a partnership between counties, State and federal governments, runs programs from Farm Businesses Risk Management to the Recycling Ag Plastic Project to teaching families how to eat better on limited budgets.¹³⁰ The New York State Agricultural Experiment Station in Geneva

is a global leader in horticulture research and extension.¹³¹ In total, Cornell's College of Agriculture and Life Sciences spent \$110 million in fiscal year 2007—about 35 percent of its budget—on research.¹³² The Cuomo Administration will be committed to the teaching, research and extension resources of our universities to keep our agricultural industry strong.

7

Keep New York Agriculture Competitive Nationally and Globally *Protecting the Agriculture Industry Means Jobs and Revenue for the State*

We must keep our agriculture industry competitive by ensuring it continues to generate income and grow. However, small profit margins, high business costs, high taxes and other challenges have made it enormously difficult for our agriculture sectors to survive and thrive. We must lower business costs and reorganize our agriculture bureaucracy to keep our agricultural industry competitive and strong.

Like most New Yorkers, farmers face the mounting burden of property taxes.¹³³ Counties with the highest concentration of farms often have the highest property taxes in the *nation* when measured as a percentage of home value.

As with other small businesses, the State's high business costs are slowing economic revitalization—our agriculture industry is no exception. Businesses in New York face the second highest tax burden in the nation,¹³⁴ the second highest “cost of doing business index,”¹³⁵ the second most negative business climate,¹³⁶ among the highest health insurance costs and the second highest energy rates in the nation.¹³⁷ We must be cognizant of these financial challenges and find innovative ways to support farmers who are struggling to make a decent living and keep their land in agricultural production.

Free New York Farms: Address the High Costs of Doing Business

One of the central issues raised by farmers and others in the agriculture industry is New York's high cost of doing business. With the declining profit margins facing most farms, the high costs of doing business are particularly stinging. One factor that contributes to high costs in the agriculture industry is the current regulatory regime governing the industry.

We must help reduce some of the pressure farmers face due to these regulatory hurdles.¹³⁸

Review the Current Regulatory Process and Other Business Costs for the Agriculture Industry

To reduce some of the burdens on farms and the agriculture sectors of the State, Andrew Cuomo will direct a panel of agriculture experts to comprehensively review, and make changes where necessary, to the current regulatory construct—from environmental regulations (e.g. review time of certain permits by the Department of Environmental Conservation) to energy regulations. By doing this, we can implement measures to relieve unnecessary financial and administrative burdens on our farmers, while helping to foster growth in our agriculture industry.

Mandate Relief

New York's current business climate is less supportive than it could otherwise be, especially for small businesses like farms. We must ensure that the agriculture industry is able to remain competitive and take advantage of greater market share in business sectors. To do this, burdensome rules and regulations must be eliminated.

A Cuomo Administration will undertake a comprehensive review of mandates and State laws that otherwise limit the ability of school districts and localities to contain costs. We will immediately move to eliminate all unnecessary mandates and propose a "sunset" bill requiring that all unnecessary unfunded mandates be re-evaluated within a two-year period, where they will be automatically eliminated unless they have been affirmatively renewed.

Furthermore, Andrew Cuomo will veto legislative or regulatory mandates unless they contain a complete accounting of the fiscal impact on school districts or local governments, including full documentation, local government input and proposed

revenue sources to fund such new mandates. Moreover, any new unfunded mandates should contain a “sunset” provision to ensure that the mandate expires when its usefulness has passed. We will also insist on mandate accountability through an annual report from the State Comptroller that includes the cumulative cost to localities of complying with all new regulatory and legislative mandates.

Create the New York Business Express

We must also use the web to ease the burden of doing business the State. In *The New NY Agenda* Andrew Cuomo called for the creation of the New York Business Express to reduce regulatory burdens for small and medium sized businesses. Based on New York City’s Business Express¹³⁹ project—an online, one-stop shop for required permits and documentation for all state agencies—the New York Business Express will help reduces some of the stress that New York’s agriculture sectors have experienced due to the myriad layers of government rules, websites and agencies.

The site will streamline the application process for farm and ag-business licenses, permits, and certificates, help business owners obtain customized lists of typical State requirements for any business and use an “Incentives Estimator” to provide a customized list of incentives for which that business might be eligible. The program will allow farmers and other ag-businesses to more easily find and access the various existing State and federal financial incentives. It will also offer a job creation hotline (by telephone, email and express website) through which small business owners can get answers about how to navigate the state bureaucracy and gain access to all available federal and State incentives.

Reorganize Our Agriculture Government Bureaucracy

Various government agencies, authorities and commissions play some part in the oversight, supervision and support for our agricultural sector. Like with other sectors, the role of the State government in stimulating agricultural economic

development has been criticized by many experts and practitioners as fragmented and inefficient.¹⁴⁰ For instance, the USDA recently sponsored a “Rural New York Economic Development Forum,” attended by more than 60 business, government, education and economic development leaders. One of the key concerns raised was the inherent chaos in the federal and state bureaucracies, which has hindered economic development efforts of individuals and businesses.¹⁴¹

Part of the problem is that economic development in agriculture has long been pursued as a local or municipal effort, rather than as a comprehensive regional matter. Therefore, to move forward, we must concentrate on pooling our resources and better coordinating our economic development activities across local, State and federal levels.¹⁴²

Expand Agriculture by making it a Key Element of the Regional Industry “Cluster” Approach

In his *New NY Agenda*, Andrew Cuomo laid out a vision to kick-start New York’s economic development engine. Part of that strategy was to foster the growth of regional industries or “clusters.” Businesses with similar interests that operate in clusters can have many benefits, such as providing goods and services to each other, sharing a workforce, facing comparable market pressures and collaborating on projects. These regional business clusters tend to grow up around common themes, such as a universities, research institutions, natural resources or particular environmental conditions. Businesses grow exponentially faster when they form in clusters, because they share common resources and compete in common markets.

New York already has many strong and burgeoning agriculture clusters from wine to dairy. As part of our emphasis on local foods, we must enable these agricultural clusters to grow. As

discussed in the *NY Works Agenda*, regional economic development councils (“Regional Councils”) will be established to coordinate economic development efforts in each region in partnership with business, local public and private development organizations, institutions of higher education and other stakeholders. The Regional Councils will be used to maximize available resources in assisting farmers. In addition, we must ensure that our key agricultural sectors are integral parts of the cluster approach as leading voices on the Regional Councils.

***Increase Cooperation and Coordination
among Agriculture Government Agencies***

Farmers, experts and other stakeholders have called for better coordination among agriculture-related agencies such as the Department of Agriculture and Markets, Department of Environmental Conservation, Department of Labor, Department of Transportation and the New York State Liquor Authority. Various agencies issue inconsistent recommendations that make it difficult

for the industry to move forward with certainty. As Governor, Andrew Cuomo will task the Spending and Government Efficiency Commission (“SAGE Commission”) to conduct a comprehensive review of the current agricultural bureaucracy and make recommendations for reorganization and better coordination.

Increase Cooperation with Local Governments to Help Preserve Farmland

Moreover, there needs to be better cooperation between farmers and local governments to help coordinate farmland protection efforts because most of the land use policy in New York State is driven by local government entities. For example, counties and municipalities are required to develop farmland protection plans that must be approved in order to qualify for state funding to implement these plans. Between 2008 and 2010, \$1.475 million for Farmland Protection Planning grants was awarded to approximately 58 towns across New York State.¹⁴³ By encouraging further cooperation with these urban,

suburban and rural localities, we can help maximize the amount of land we preserve.

Protect Food Safety

New Yorkers need to know that their food is safe. Various governmental agencies oversee food safety, including Department of Agriculture and Market's Food Safety Division Food Safety¹⁴⁴ and the Department of Health at the State level, and the USDA and Food and Drug Administration ("FDA") at the federal level. Given recent recalls due to tainted foods,¹⁴⁵ we must take a hard look at how we protect our supplies.¹⁴⁶ We need to strengthen coordination among State and federal agencies, and an Andrew Cuomo Administration will work to utilize technology to enhance data sharing across agencies to ensure better, more comprehensive data and better sampling and detection.

Examine Current Agriculture Funding

We must also begin to examine the degree to which government funds are being used to purchase local foods. Over the past 30 years, New York has tried to address this by promoting programs that favor New York farm products in government food purchases.¹⁴⁷ We will explore whether there are opportunities for changes to these laws that will help promote NY food.¹⁴⁸

Improve Rural Transportation Infrastructure

As described in *The New NY Agenda*, New York's physical infrastructure is obsolete and should be updated to allow for easier access between Upstate and downstate to make it easier for our agriculture industry to deliver their products for sale. Our languishing State infrastructure has increased the cost of doing business, especially for our agribusinesses. As Governor, Andrew Cuomo will continue to work with federal lawmakers and policymakers to increase federal funding for

infrastructure projects and, as discussed in the *NY Works Agenda*, will create a State infrastructure bank to address the significant infrastructure challenges facing the State.

Improve Rural Water Quality

Our state is blessed with a steady abundance of water. Maintaining its high quality is critical to the growth of rural New York, especially the agriculture economy. Recently, federal stimulus money has provided much needed funding to improve water quality Upstate.¹⁴⁹ As Governor, Andrew Cuomo will continue to work with the federal government to fight for funding for continued protection of clean water for all New York communities.

Address Key Dairy Issues

Many agricultural products are facing uncertainty, but there are acute hardships faced by producers of New York's largest agricultural product, milk. As Governor, Andrew Cuomo will be fully

engaged in the dairy policy discussions as the 2012 Farm Bill is developed. We will work to protect the industry from the price volatility of the past decade, including strengthening the Milk Income Loss Contract (“MILC”) program, that provides an important safety net for New York dairy farmers, and pushing for tighter restrictions on imported milk protein concentrates for use in dairy products, which unfairly compete with New York’s dairy products.

Preserving our Land Ensures our Agriculture Industry Remains Strong

Protecting New York’s agricultural economy must include protecting agricultural land. However, between 1997 and 2007, New York lost 613,500 acres of farmland, a 7.9 percent decline.¹⁵⁰ In 2009, there were approximately 36,000 farms covering 7.2 million acres, down from 48,000 farms covering 9.5 million acres in the early 1980s.¹⁵¹ And yet, total output increased from around \$2.9 to \$4.5 billion during this time.¹⁵²

Land is the lifeblood of the agriculture industry and the preservation of our land ensures that our

agriculture industry remains strong. The protection of New York State’s long-term food supply, the environment and the health of the public are directly tied to the preservation of this land. To further this goal, the State should collaborate with preservation organizations such as the American Farmland Trust, Open Space Institute and Scenic Hudson, which work with farmers to obtain conservation easements and other farmland protections and encourage forward-thinking practices that contribute to the long-term economic sustainability of our farms.

Moreover, we must address the existing \$70 million farmland protection program backlog of uncompleted projects.¹⁵³ While there are no easy solutions because of the State’s fiscal constraints,¹⁵⁴ as Governor, Andrew Cuomo will work to address this backlog.

Enhance the Agricultural Districts Program

Aggregate farmland properties with a minimum of 500 acres can by law be designated as “agricultural districts.” New York’s Agricultural

Districts Law is comprised of two major initiatives.¹⁵⁵ The first initiative involves “right to farm” protections, including defense from private nuisance lawsuits and restrictive local ordinances. The second involves property tax relief for eligible farmers by having farmland assessed for its agricultural productive potential rather than full market value. Farmers are eligible for an agricultural assessment even without being part of an agricultural district.¹⁵⁶ There were 21,500 farmers and 8.6 million acres in 341 established agriculture districts statewide as of 2002—representing about 30 percent of the total land area of New York State.¹⁵⁷

The State must explore ways in which we can strengthen these policies to further protect our farms. We should look at enhancing protections against eminent domain and instituting stronger farmland protection requirements, including changing current agricultural assessment rules so that rental landowners, like farmers, can enroll up to 50 acres of woodland in the program.¹⁵⁸

Expand Sustainable Production Strategies

Proponents of sustainable agriculture would argue that to ensure the long-term viability of our current food production system, farms need to not only satisfy human food, feed and fiber needs, but also to reduce energy use, maintain economic viability, enhance environmental quality, lighten their carbon footprint and mitigate climate change. As discussed above, New York must promote farm sustainability and environmental quality through incentives that support the production of safe and healthy food, growth in organic farming operations, enhanced land stewardship and the use of renewable energy sources from agricultural waste streams and our vast wind and solar resources.

To foster and support sustainable agriculture, the State must be more aggressive in identifying and seeking federal USDA grant funding targeting sustainable agriculture. This federal funding is available under the current Farm Bill and should be made available to New York State's sustainable producers.

Support Apprenticeship Programs

Another helpful strategy for educating farmers, especially beginning farmers, is through farm apprenticeship programs. Many farms in New York State already have apprenticeship programs, particularly, sustainable and organic producers.¹⁵⁹ College students have had a growing interest in summer farming internship programs largely as a result of the burgeoning interest in locally raised food and concerns over food safety, which has led to increased applications for these apprenticeships.¹⁶⁰

The apprenticeship programs are generally thought of as a good thing for both the host farm and the apprentice who gains unique and valuable knowledge through the experience. The State should capitalize on this burgeoning agricultural interest by examining existing programs and determining whether incentives should be offered to farmers who offer free internship and training programs, as well as

looking at whether uniform rules and requirements
may benefit these programs.

The Farm NY Agenda

Summary of Proposals

Chapter 3: Create Innovative Ways to Access Capital for Agriculture *Farmers & Other Agriculture Industries Need Access to Capital to Survive and Thrive*

- **Create the “Share NY Food” Community Supported Agriculture Program to Provide Critical Access to Capital**

Create the “Share NY Food” CSA Program to maximize and expand Community Supported Agriculture (“CSA”) throughout the State. CSAs are partnerships between farms and customers who purchase a season’s worth of farm products up front, thereby providing up front funding for the growing season. Share NY Food will provide outreach services to farmers and residents, organize and support new CSAs and provide the additional resources needed to help existing CSAs reach more New Yorkers. The program will seek to establish CSAs in lower-income neighborhoods and public housing and ensure that CSAs can accept SNAP and WIC benefits. It will promote the creation of CSAs in schools and will encourage the distribution of local food to schools, hospitals, nursing homes and prisons. In addition, it will explore partnerships with health insurance companies and other business groups. By working to promote CSAs

throughout the State, we can make an investment in the long-term health of agriculture in the State, stimulate more direct farm-to-consumer marketing, ensure farmers a greater portion of purchased food dollars, develop and strengthen connections between urban and rural residents of New York and address important health and food issues.

- **Expand the Linked Deposit Program for Agriculture**

Expand the State's existing Linked Deposit Program to assist small businesses with low-rate loans to modernize facilities and operations, access new markets, develop new products and improve overall competitiveness. Among other things, Andrew Cuomo will seek to lift the lifetime cap for farm families that are expanding their businesses, as well as lengthen the number of years farms could receive the interest rate buy-down.

- **Fight for More Federal Dollars**

Prioritize federal matching grant programs for technological development relevant to agriculture-based research and business development, in order to increase access to capital for our agriculture industry.

Chapter 4: Expand Food Processing
*Expand Small and Midsize Food Processing to
Create Jobs & Allow New York Foods to be
Processed Here*

- **Expand Food Processing by Dedicating a Portion of the State’s Manufacturing Assistance Program Funding**

Dedicate a portion of the State’s Manufacturing Assistance Program (“MAP”) for small and midsize processing plants. MAP funds are available for capital investments in machinery and equipment and this program helps New York State manufacturers invest in capital projects that significantly improve production, productivity and competitiveness.

Chapter 5: Sell Locally Grown Food Locally
*Expanding Agriculture Markets into Underserved
and Unserved Communities is a “Win-Win”
Resulting in Economic Growth and Healthier
Communities*

- **Expand Agriculture Markets to New York’s Urban Centers—Hunts Point Market Revitalization**

Create new markets for New York’s agriculture by expanding farmers markets in urban centers. In particular, the revitalization of the Hunts Point Terminal Produce Market will help bolster the retail food sector and will provide

an avenue for local farmers to market and sell their produce directly to wholesale buyers in the New York City metropolitan region, allow for on-site processing and establish an office for promotional programs.

- **Expand Access in Underserved or Unserved Communities in Innovative Ways**

Expand CSAs, “mobile markets” and other potential markets in lower-income, lower-access neighborhoods to increase the availability of healthy, local food options for residents. Explore the implementation of a “prescription produce” program. Develop programs to make it easier for New York residents to shop at mobile and farmers markets, including by expanding acceptance of SNAP and WIC benefits for payment.

Chapter 6: Capitalize on Emerging Technology *Renewable Energy and Broadband Deployment Will Result in Economic Growth, Jobs and a Cleaner, Greener Environment*

- **Create the “Farm NY Renewable Energy Program” to Foster Increased Energy Efficiency on Farms**

Expand the existing Agriculture Energy Efficiency program and improve the agriculture sector’s access to energy efficiency improvement programs and innovative

financing mechanisms such as on-bill financing and PACE in order to improve energy efficiency, reduce costs, improve the environment and generate jobs and economic growth. Strengthen outreach programs and make materials and applications centralized and accessible to encourage greater participation.

- **Implement a Comprehensive Plan to Encourage Sensible Biomass and Biofuel Production**

Stimulate biomass production by rewarding agricultural property owners for the sustainable harvesting of their biomass plants and producers of biofuels.

- ***Extend the Biofuel Production Tax Credit***

Extend the biofuels production tax credit for current and long-term planning of producers and add cellulosic ethanol to eligible fuels to encourage its production. Explore using the existing public fleet of vehicles to increase demand for biofuels where appropriate.

- ***Increase Investment in R&D***

Work with local officials and State agencies to develop smart strategies to

promote biomass production and sound forest management while avoiding the loss of critical tax revenues. Promote the development and use of high-efficiency biofuel heating systems that reduce emissions, provide sensible alternatives to fossil fuels and create jobs.

- **Expand Distributed Generation in Agriculture Areas**

Sensibly expand Distributed Generation (“DG”) in agriculture areas by improving policies toward DG resources, including eliminating or lessening technical, cost and regulatory difficulties. Analyze the State’s interconnection rules for opportunities to streamline and resolve potential barriers to DG in agricultural areas.

- ***Incentivize the Use of Anaerobic Digesters***

Facilitate installation programs and make financing available to increase the availability of anaerobic digesters in order to increase the self-sufficiency of farmers and improve the environment. Expand outreach and the distribution of information for existing incentive and financing programs. Explore revisions to the RGGI law to provide credits for producers of energy from anaerobic

digesters as well as increase the funding under RGGI for digesters. Encourage carbon offset sellers to provide financing for anaerobic digesters. Promote community organized and funded digesters.

- ***Wind and Solar Power Generation***

Encourage diversification of farms' business through small-scale renewable energy generation and the promotion of land leasing arrangements on farmland, including wind, solar and solar thermal generation, while recognizing valid concerns. Foster a collaborative discussion between farmers and energy companies about siting and transmission to support the agricultural sector while encouraging clean energy generation in the State.

- **Create the “Connect NY” Broadband Program to Expand High Speed Internet Access to Rural Unserved Areas of New York**

Create the “Connect NY” program to foster cooperative public-private partnerships to build broadband infrastructure and technology in rural agricultural areas to provide access to high speed internet service, while creating new jobs and business opportunities.

- **Strengthen Partnerships with Colleges and Universities**

Utilize the State's colleges and universities to foster and expand agriculture-related research, demonstration and adoption of new technologies and facilitate the purchase of locally grown products.

Chapter 7: Keep New York Agriculture Competitive Nationally and Globally
Protecting the Agriculture Industry Means Jobs and Revenue for the State

- **Free New York Farms: Address the High Costs of Doing Business**

- ***Review the Current Regulatory Process and Other Business Costs for the Agriculture Industry***

Direct a panel of agriculture experts to review, and make changes where necessary, the current regulatory system in order to implement measures to relieve regulatory burdens on farmers while helping to foster growth in our agriculture industry.

- ***Mandate Relief***

Undertake a comprehensive review of and eliminate or veto unnecessary legislative or regulatory mandates and State laws that limit the ability of school districts and localities to contain costs. Move to eliminate unnecessary mandates and propose a “sunset” bill requiring all unnecessary unfunded mandates be re-evaluated. Ensure that any new unfunded mandates contain a “sunset” provision to ensure that mandates do not continue to apply when they are no longer useful. Insist on mandate accountability through an annual report from the State Comptroller that will include the cumulative cost to localities of complying with any new regulatory and legislative mandate.

- ***Create the New York Business Express***

Create an online, one-stop shop for required permits and documentation for all State agencies to help farmers and ag-businesses more easily apply for licenses, permits and certificates and obtain lists of State business requirements and applicable financial incentives.

- **Reorganize Our Agriculture Government Bureaucracy**

- ***Expand Agriculture by Making it a Key Element of the Regional Industry “Cluster” Approach***

Create Regional Councils to analyze existing significant business clusters and spur the creation of new regional business clusters including our key State agricultural sectors. Regional Councils will coordinate economic development efforts in each region in partnership with business, local public and private development organizations, institutions of higher education and other stakeholders and be used to maximize available resources in assisting farmers.

- ***Increase Cooperation and Coordination Among Agriculture Government Agencies***

Use the SAGE Commission to conduct a comprehensive review of the current agricultural bureaucracy and make recommendations for reorganization and better coordination.

- ***Increase Cooperation with Local Governments to Help Preserve Farmland***

Facilitate cooperation between the State and local governments to help develop, implement and maximize farmland protection plans.

- ***Protect Food Safety***

Improve coordination across State and federal agencies to ensure that food is safe. Use technology to work towards enhancing data sharing across agencies to ensure better, more comprehensive data and better sampling and detection.

- ***Examine Current Agriculture Funding***

Examine the degree to which government funds are used to purchase local foods. Explore whether existing laws should be changed to promote the purchase of local New York food.

- **Improve Rural Transportation Infrastructure**

Work with federal lawmakers and policymakers to increase federal funding and create a State infrastructure bank to update New York's physical infrastructure.

- **Improve Rural Water Quality**

Work with the federal government to fight for increased funding to provide clean water to Upstate rural communities.

- **Address Key Dairy Issues**

Be fully engaged in dairy policy discussions to develop the 2012 Farm Bill. Work to protect our State's largest agricultural industry from the price volatility of the past decade, including strengthening the MILC program and pushing for tighter restrictions on imported milk protein concentrate.

- **Preserving our Land Ensures our Agriculture Industry Remains Strong**

Collaborate with preservation organizations to help preserve farmland and encourage forward-thinking practices that contribute to farms' long-term economic sustainability. Address the backlog in distribution of funds under the Farmland Protection Program.

- **Enhance the Agricultural Districts Program**

Explore ways to strengthen and enhance farmland protection protections to protect farmland from eminent domain and other threats.

- **Expand Sustainable Production Strategies**

Be more aggressive about identifying and seeking federal USDA grant funding targeting sustainable agriculture.

- **Support Apprenticeship Programs**

Examine existing agriculture apprenticeship programs and determine whether incentives should be offered to farmers who offer free internship and training programs, and look at whether uniform rules and requirements may benefit these programs.

Appendix
A History of Agriculture in New York

1626—Dutch first successfully harvest and send wheat grown in New York back to Holland.

1768—First commercial nursery opened in New York by Thomas Young at Oyster Bay, Long Island—providing the State with fruit trees.

1791-1792— The Society for the Promotion of Agriculture, Arts, and Manufactures is formed. It is the first agricultural society in the State to take the form, objects, and method of procedure of the agricultural societies in vogue in the Union.

Early 19th Century—The dairy industry in New York began in Dutchess, Herkimer, Oneida, and Orange counties.

1819—In Montville, New York John Jethro Wood makes and patents a cast-iron plow. Although he is not the first, his is the best of those invented to this date and is the first to achieve commercial success.

1832—New York State Agricultural Society is founded in Albany with the mission to give agriculture a voice in guiding government policy.

1840—More than half the rye produced in the United States came from New York.

1841—New York State Agricultural Society holds the first New York State Fair.

1842—Joseph Dart invents the Grain Elevator in Buffalo, NY as a way to store the grain that was spoiling on the shore while waiting for shipment on the Erie Canal.

1843—The building of canals makes possible the expansion of cheese making, which New York led production of in the U.S.

1852—William A. Kirby and E. B. Forbush of Buffalo take out patents in improving grain and grass harvesters.

1856—Cyrenus Wheeler of Poplar Ridge, New York patents a mowing machine that, for the first time, was quite distinct from the reaper.

1911—New York Farm Bureau is founded. ¹⁶¹

1913—New York State Legislature passes first act supporting Extension work.

1922—The Capper-Volstead Act gives agricultural cooperatives across the country legal standing. ¹⁶²

1928—The Daniel Parrish Witter Museum is built on the State Fairgrounds in Syracuse, New York to honor and share the heritage of the State's agricultural development. It is dedicated to Mr. Parrish who was a State legislator for 19 terms, a farmer from Tioga County and an agriculture enthusiast who also served as President of the New York State Agricultural Society.¹⁶³

1937—The Century Farms initiative is started with the purpose of honoring New York families who have owned and operated the same farm for at least 100 years.¹⁶⁴

1956—The Distinguished Service Citation is created by the New York State Agricultural Society to recognize people for “outstanding service to agriculture in the state.”¹⁶⁵

1985— “LEAD New York”, the Empire State Food and Agriculture Leadership Institute, is founded by the NYS Agricultural Society, the NYS College of Agriculture and Life Sciences and the Cornell Cooperative Extension with the purpose of encouraging, inspiring and teaching leadership skills to New York’s professionals in the food and agriculture industry.¹⁶⁶

2001—The Business of the Year Award is created by the NYS Agricultural Society to recognize agribusinesses in the State that demonstrate “quality, leadership, and innovation.”¹⁶⁷

2007—Bicentennial Farm Awards, which honor New York Farms that have been owned and operated by the same family for at least 200 years, are presented to 11 family farms, the oldest one of which is located in Rockland County and dates back to 1711.¹⁶⁸

2009—The New York State Department of Agriculture & Markets announces the formation of a Maple Task Force charged with assessing the needs of

the State's maple industry and formulating suggestions for legislative and regulatory measures necessary to facilitate the industry's growth. ¹⁶⁹

2010— The Cornell Institute of Food and Sciences receives the Grocery Manufacturers Association Food Safety Award, honoring a longstanding dedication to the improvement of food safety. ¹⁷⁰

NOTES

¹ For example, according to “The Economic Impact of Tourism in New York State,” a report commissioned by Tourism Economics (April 2010) at 11, agri-business generates more than \$190 million, annually in tourism alone. There is a wide array of agri-tourism attractions in the state including working farms, farmers markets, county and state fairs, wineries, culinary institutions and many others. Each region of New York is involved in agriculture and therefore offers agri-tourism opportunities. This ranges from the farms, orchards and wineries in the Hudson Valley, the pick-your-own farms, orchards and artisanal cheesemakers in the Capitol Region, and the ciders, brews, maple syrup and other products of the Central-Mohawk Valley Region to the small farms in the Adirondacks, the famous wineries of the Finger Lakes, and the farmers markets, festivals and other attractions in Western New York.

² See Empire State Development Corporation, *Manufacturing Assistance Program*, available at <http://www.empire.state.ny.us/BusinessPrograms/MAP.html>.

³ See National Agriculture Statistics Service, *New York Field Office Annual Bulletin 2008-2009*, available at http://www.nass.usda.gov/Statistics_by_State/New_York/Publications/Annual_Statistical_Bulletin/2009/Bulletin2009.pdf.

⁴ See The Office of the State Comptroller, *The Role of Agriculture in the New York State Economy* (February 2010), at 1, available at <http://www.osc.state.ny.us/reports/other/agriculture21-2010.pdf>.

⁵ See <http://www.ppinys.org/reports/jtf/2007/StateLocalTaxBurdens2007.html>.

⁶ See USDA, National Agriculture Statistics Service, *Farmland: Farms and Land in Farms by County, New York, 2008-2009*, available at [http://www.nass.usda.gov/Statistics by State/New York/Publications/County Estimates/2010/2010%20page78%20-%20Farm%20Land.pdf](http://www.nass.usda.gov/Statistics%20by%20State/New%20York/Publications/County%20Estimates/2010/2010%20page78%20-%20Farm%20Land.pdf). Many farms are located in Erie and Chautauqua, for instance. When measured as a percentage of home value, Chautauqua County has the 9th highest property taxes in the nation and Erie the 12th highest property taxes in the nation.

⁷ See United States Environmental Protection Agency, *Ag 101: Demographics* (2009), available at <http://www.epa.gov/agriculture/ag101/demographics.html>.

⁸ Ruhf, Kathryn Z., *Northeast New Farmers: Opportunities for Policy Development*, New England Small Farm Institute (June 2001), at 4, available at [www.smallfarm.org/uploads/uploads/Files/Policy Background Paper.pdf](http://www.smallfarm.org/uploads/uploads/Files/Policy_Background_Paper.pdf).

⁹ See USDA, National Agriculture Statistics Service, *New York Annual Statistics Bulletin 2010* (2010), at 2, report available at http://www.nass.usda.gov/Statistics_by_State/New_York/Publications/Annual_Statistical_Bulletin/2010/bulletin2010.pdf.

¹⁰ See USDA, National Agriculture Statistics Service, *New York Annual Statistics Bulletin 2010* (2010), at 2, report available at http://www.nass.usda.gov/Statistics_by_State/New_York/Publications/Annual_Statistical_Bulletin/2010/bulletin2010.pdf.

¹¹ See The Office of the State Comptroller, *The Role of Agriculture in the New York State Economy*, (February 2010) at 2, available at <http://www.osc.state.ny.us/reports/other/agriculture21-2010.pdf>.

¹² See The Office of the State Comptroller, *The Role of Agriculture in the New York State Economy* (February 2010), at 2, available at <http://www.osc.state.ny.us/reports/other/agriculture21-2010.pdf>.

¹³ See New York Farm Bureau, *About the New York Farm Bureau: Agriculture in New York*, available at http://www.nyfb.org/about_nyfb/index.cfm.

¹⁴ Schmitt, T.M and Bills, N.L. 2007. *Agribusiness Contributions and Inter-Industry*

Linkages in the New York State Economy. Cornell University.

¹⁵ See *Task Force on Diversifying the New York State Economy through Industry-Higher Education Partnerships*, Final Report (December 14, 2009) at 60, citing data from County Business Patterns, the Annual Survey of Manufacturers, and Non-Employer Statistics, all from the U.S. Census Bureau.

¹⁶ Schmitt, T.M and Bills, N.L. 2007. *Agribusiness Contributions and Inter-Industry Linkages in the New York State Economy*. Cornell University.

¹⁷ See Cornell University Cooperative Extension, *Workforce Development* (2010), available at <http://cce.cornell.edu/Ag/AgEconomicsPolicy/Pages/WorkforceDevelopment.aspx>.

¹⁸ See USDA National Agriculture Statistics Service, *2007 Census of Agriculture – State Data*, “Table 49: Selected Operator Characteristics: 2007,” See also “Table 7: Hired Farm Labor- Workers and Payroll: 2007,” available at <http://www.agcensus.usda.gov/Publications/2007/FullReport/Volume1,Chapter2USStateLevel/st992007007.pdf>.

¹⁹ See Testimony of Dr. James Holt, Hearing before the Committee on Agriculture, House of Representatives, One Hundred Tenth Congress, First

Session (October 4, 2007), available at <http://agriculture.house.gov/testimony/110/110-30.pdf>.

²⁰ See USDA National Agriculture Statistics Service, *2007 Census of Agriculture – State Data, New York*, available at http://www.agcensus.usda.gov/Publications/2007/Online_Highlights/County_Profiles/New_York/cp99036.pdf

²¹ See USDA, Economic Research Service, *State Fact Sheets: New York*, available at <http://www.ers.usda.gov/statefacts/ny.htm>.

²² See Testimony of New York State Department of Agriculture and Markets at Hearing before the New York State Senate Agriculture Committee (August 27, 2009).

²³ See Testimony of New York State Department of Agriculture and Markets at Hearing before the New York State Senate Agriculture Committee (August 27, 2009).

²⁴ See Rasmussen, Erik F., Federal Milk Market Administrator, *Annual Statistical Bulletin: Northeast Milk Marketing Area, Federal Order No. 1* (2009) at 4, available at http://www.fmmone.com/Northeast_Order/MA_Bulletin/annual2009.pdf.

²⁵ See The Office of the State Comptroller, *The Role of Agriculture in the New York State Economy*, (February 2010), available at <http://www.osc.state.ny.us/reports/other/agriculture21-2010.pdf>.

²⁶ See Testimony of New York State Department of Agriculture and Markets at Hearing before the New York State Senate Agriculture Committee (August 27, 2009).

²⁷ See Testimony of New York State Department of Agriculture and Markets at Hearing before the New York State Senate Agriculture Committee (August 27, 2009).

²⁸ See Shields, Dennis A., *Consolidation and Concentration in the U.S. Dairy Industry*, Congressional Research Service (April 27, 2010).

²⁹ See Testimony of New York State Department of Agriculture and Markets at Hearing before the New York State Senate Agriculture Committee (August 27, 2009). In New York, dairy farmers lost \$4 per hundredweight of milk, or \$100 per cow per month. Dairy farmers' total receipts are thought to be down 30 percent or \$700 million. To make up for operating losses, farmers have resorted to digging into their equity or borrowing. According to Farm Credit, "dairy loan balances are up over \$170 million (over 20 percent)." This further limits cash flow due to low milk prices. Without additional support, dairy farmers may not be able to recover.

A significant drop in milk prices led to enhanced federal aid, including over \$1 billion in federal support.

³⁰ See USDA, National Agriculture Statistics Service, *New York Annual Statistics Bulletin 2010* (2010), at 2, report available at [http://www.nass.usda.gov/Statistics by State/New York/Publications/Annual Statistical Bulletin/2010/bulletin2010.pdf](http://www.nass.usda.gov/Statistics%20by%20State/New%20York/Publications/Annual%20Statistical%20Bulletin/2010/bulletin2010.pdf).

³¹ Unlike many other states, most of New York's dairy farmers survived the 2008-2009 downturn, although with higher debt. See *2009 Northeast Dairy Farm Summary*, A Joint Project of Northeast Farm Credit Associations, (May 2010). The report, based on a survey of 544 farms in the Northeast, found that debt per cow increased from \$2,930 per cow in 2008 to \$3,337 per cow in 2009.

³² See Testimony of New York State Department of Agriculture and Markets at Hearing before the New York State Senate Agriculture Committee (August 27, 2009). For example, Microfiltration technology that produces milk protein concentrates can be used to fortify a vast array of products. However, while opportunities may exist for the New York dairy industry to capitalize on microfiltration, it also presents certain challenges. Microfiltration technology threatens the ability of New York dairy to receive the higher Class 1 milk price. The current USDA Identity Standard for fluid milk does not allow microfiltrated milk to be

reconstituted for sale as fluid milk. If this standard was changed, New York milk production could face competition from milk concentrate from other parts of the country like the Midwest and even from abroad.

³³ See Associated New York State Food Processers, *Policy Statement*, available at <http://www.nyfoodprocessors.org/policy.htm>.

³⁴ See Report from Napa Valley Wine Economics Research Firm, *\$3.76 Billion Generated for New York's Economy by the New York Grape, Grape Juice and Wine Industries* (January 8, 2010), available at <http://uncorkny.com/News/IndustryNews.ashx?title=Information+Station>.

³⁵ See The Office of the State Comptroller, *The Role of Agriculture in the New York State Economy* (February 2010) at <http://www.osc.state.ny.us/reports/other/agriculture21-2010.pdf>.

³⁶ See USDA, National Agriculture Statistics Service, *New York Annual Statistics Bulletin 2010* (2010), at 2, report available at [http://www.nass.usda.gov/Statistics by State/New York/Publications/Annual Statistical Bulletin/2010/bulletin2010.pdf](http://www.nass.usda.gov/Statistics_by_State/New_York/Publications/Annual_Statistical_Bulletin/2010/bulletin2010.pdf).

³⁷ Specifically, there were 96 wineries in the Finger Lakes (and neighboring areas), 50 on Long Island, and 37 in the Hudson Valley.

³⁸ See The Office of the State Comptroller, *The Role of Agriculture in the New York State Economy* (February 2010) at <http://www.osc.state.ny.us/reports/other/agriculture21-2010.pdf>.

³⁹ See New York Apple Association, *New York Apple Fast Facts*, available at <http://www.nyapplecountry.com/fastfacts.htm>.

⁴⁰ See The Office of the State Comptroller, *The Role of Agriculture in the New York State Economy*, (February 2010), available at <http://www.osc.state.ny.us/reports/other/agriculture21-2010.pdf>.

⁴¹ See The Office of the State Comptroller, *The Role of Agriculture in the New York State Economy*, (February 2010), available at <http://www.osc.state.ny.us/reports/other/agriculture21-2010.pdf>.

⁴² Other states including Oregon and Washington have set up virus certification programs to test for viruses of quarantine significance for certain plants, including fruit trees. However, New York is participating in the National Clean Plant Network, under which certified virus-tested plant material will be available and standards for virus

certification will be established, and there is hope virus indexing will progress significantly in the next few years. See An Online Guide to Plant Disease Control, Oregon State University Extension, Virus Certification Program for Fruit and Ornamental Trees, available at http://plant-disease.ippc.orst.edu/articles.cfm?article_id=23.

⁴³ See North East State Foresters Association, *Economic Impact of New York's Forests* (March 2001), at 2, available at <http://www.esfpa.org/resources/pdf/nefaimpactreport.pdf>. Between 1.2 and 1.4 million acres of forest are certified as private forests, and 770,000 acres are classified as New York State Reforestation and Multiple Use areas. There are three sustainable forest management Certification Systems recognized in New York State: The Sustainable Forestry Initiative (“SFI”), The American Tree Farm System (“ATFS,” a program of the American Forest Foundation), and Forest Stewardship Council (“FSC”). See Empire State Forest Products Association, available at <http://www.esfpa.org/default.aspx>.

St. Lawrence County has more than 1,274 total acres of forest—the most of any county in the State. Following close behind are Hamilton County, which is home to about 1,079 acres of forest, and Essex County with 1,033.8 acres of forest. See Empire State Forest Products Association, *New York State Forestry Facts*, available at <http://www.esfpa.org/forestryfacts.aspx>.

⁴⁴ More than 61,000 New Yorkers are employed annually in forest products manufacturing

jobs. According to analysis from 2001 an estimated 3,000 more work in forestry and logging jobs with an annual payroll of about \$2 billion. See North East State Foresters Association, *Economic Impact of New York's Forests* (March 2001), available at <http://www.esfpa.org/resources/pdf/nefaimpactreport.pdf>.

⁴⁵ See USDA, *Organic Production/Organic Food: Information Access Tools*, "What is Organic Production" (June 2007), available at <http://www.nal.usda.gov/afsic/pubs/ofp/ofp.shtml>. The "organic" label refers to the production and handling of foods as defined by standards set under the National Organic program ("NOP"), established pursuant to the Organic Foods Production Act ("OFPA") under Title 21 of the 1990 Farm Bill.

⁴⁶ See Organic Trade Association, *Industry Statistics and Projected Growth* (June 2010), available at <http://www.ota.com/organic/mt/business.html>.

⁴⁷ See New York State Department of Agriculture and Markets, *Commissioner Announces Organic Transition Survey Results* (August 6, 2010), available at <http://www.agmkt.state.ny.us/AD/release.asp?ReleaseID=1910>.

⁴⁸ See New York State Department of Agriculture and Markets Press Release, *Commissioner Announces Organic Transition Survey Results* (August 6, 2010), available at

<http://www.agmkt.state.ny.us/AD/release.asp?ReleaseID=1910>.

⁴⁹ For instance, a conventional farm must undergo a three-year transition period before it can be certified as organic. Dairy farms must undergo a one-year transition period before being certified as organic. During these transition periods, farmers face significant financial hardships, because they must bear the burden of the costs of organic production even though they cannot sell their products at organic prices.

⁵⁰ See USDA, National Agriculture Statistics Service, *New York Annual Statistics Bulletin 2010* (2010), at 3, report available at [http://www.nass.usda.gov/Statistics by State/New York/Publications/Annual Statistical Bulletin/2010/bulletin2010.pdf](http://www.nass.usda.gov/Statistics%20by%20State/New%20York/Publications/Annual%20Statistical%20Bulletin/2010/bulletin2010.pdf).

⁵¹ See The Office of the State Comptroller, *The Role of Agriculture in the New York State Economy*, (February 2010), available at <http://www.osc.state.ny.us/reports/other/agriculture21-2010.pdf>.

⁵² See USDA, National Agriculture Statistics Service, *New York Annual Statistics Bulletin 2010* (2010), at 3, report available at [http://www.nass.usda.gov/Statistics by State/New York/Publications/Annual Statistical Bulletin/2010/bulletin2010.pdf](http://www.nass.usda.gov/Statistics%20by%20State/New%20York/Publications/Annual%20Statistical%20Bulletin/2010/bulletin2010.pdf).

⁵³ See USDA, National Agriculture Statistics Service, *New York Annual Statistics Bulletin 2010* (2010), at 3, report available at http://www.nass.usda.gov/Statistics_by_State/New_York/Publications/Annual_Statistical_Bulletin/2010/bulletin2010.pdf.

⁵⁴ See USDA, National Agriculture Statistics Service, *New York Annual Statistics Bulletin 2010* (2010), at 2, report available at http://www.nass.usda.gov/Statistics_by_State/New_York/Publications/Annual_Statistical_Bulletin/2010/bulletin2010.pdf.

⁵⁵ Excluding cottage cheese.

⁵⁶ In 2009, the State produced more than 11 million pounds of tart cherries with a total value of nearly \$2.5 million. See USDA, National Agriculture Statistics Service, *New York Annual Statistics Bulletin 2010* (2010), at 2, report available at http://www.nass.usda.gov/Statistics_by_State/New_York/Publications/Annual_Statistical_Bulletin/2010/bulletin2010.pdf.

⁵⁷ 11,200 tons of pears were produced, amounting to a value of \$4.85 million. See USDA, National Agriculture Statistics Service, *New York Annual Statistics Bulletin 2010* (2010), at 2, report available at http://www.nass.usda.gov/Statistics_by_State/New_York/Publications/Annual_Statistical_Bulletin/2010/bulletin2010.pdf.

⁵⁸ Summer storage onions.

⁵⁹ In the same year, New York also harvested \$4.40 million pounds of strawberries—the State’s third most valuable fruit—which were valued at more than \$9 million. *See* USDA, National Agriculture Statistics Service, *New York Annual Statistics Bulletin 2010* (2010), at 2, report available at [http://www.nass.usda.gov/Statistics by State/New York/Publications/Annual Statistical Bulletin/2010/bulletin2010.pdf](http://www.nass.usda.gov/Statistics_by_State/New_York/Publications/Annual_Statistical_Bulletin/2010/bulletin2010.pdf).

⁶⁰ *See* USDA, National Agriculture Statistics Service, *New York Annual Statistics Bulletin 2010* (2010), at 3, report available at [http://www.nass.usda.gov/Statistics by State/New York/Publications/Annual Statistical Bulletin/2010/bulletin2010.pdf](http://www.nass.usda.gov/Statistics by State/New_York/Publications/Annual_Statistical_Bulletin/2010/bulletin2010.pdf).

⁶¹ *See* USDA, National Agriculture Statistics Service, *New York Annual Statistics Bulletin 2010* (2010), at 3-13, report available at [http://www.nass.usda.gov/Statistics by State/New York/Publications/Annual Statistical Bulletin/2010/bulletin2010.pdf](http://www.nass.usda.gov/Statistics by State/New_York/Publications/Annual_Statistical_Bulletin/2010/bulletin2010.pdf).

⁶² According to organizations, such as Just Foods, the typical cost is \$400-\$600 dollars. *See* “What is a CSA” at <http://www.justfood.org/csa>. *See also* Kim Severson, “For a Healthier Bronx, a Farm of Their Own,” *New York Times* (June 22, 2010).

⁶³ See New York State Department of Agriculture and Markets, *New York State Farmers' Markets*, available at <http://www.agmkt.state.ny.us/AP/CommunityFarmersMarkets.asp>; See also New York State Council on Food Policy, *Making Connections: Developing a Food System for a Healthier New York State* (December 2009), available at http://www.nyscfp.org/docs/NYS_CFP_Final_Report_2009.pdf.

⁶⁴ See New York State Department of Agriculture and Markets, *Community Supported Agriculture and Organic Farming*, available at <http://www.agmkt.state.ny.us/AP/organic/CommunitySupported.html>.

⁶⁵ See USDA National Agriculture Statistics Service, *2007 Census of Agriculture – State Data*, available at http://www.agcensus.usda.gov/Publications/2007/Full_Report/Volume_1,_Chapter_2_US_State_Level/st99_2_044_044.pdf. There are many important CSAs and organizations supporting CSAs in New York including Farm Share, Genesee Valley Organic Community Supported Agriculture, Just Food and Roxbury Farm.

⁶⁶ See USDA National Agriculture Statistics Service, *2007 Census of Agriculture – State Data*, available at http://www.agcensus.usda.gov/Publications/2007/Full_Report/Volume_1,_Chapter_2_US_State_Level/st99_2_044_044.pdf.

[9 2 044 044.pdf](#). According to Just Foods, 18,000 New Yorkers participated in CSAs. See Kim Severson, "For a Healthier Bronx, a Farm of Their Own," *New York Times* (June 22, 2010).

⁶⁷ CSAs also provide important benefits to consumers who are able to develop a personal relationship with the farmer who grows their food and learn more about how food is grown while having access to local high quality, healthy food. Many farmers participating in CSAs also use organic farm practices.

⁶⁸ For example, several farms have begun working with non-profits to allow lower-income communities to participate in CSAs. Such programs allow these customers to pay \$3.75-\$20 per week instead of \$500+ upfront. See Kim Severson, "For a Healthier Bronx, a Farm of Their Own," *New York Times* (June 22, 2010).

⁶⁹ The Fresh Food For All program is a partnership between parties including Just Food, the United Way and the Hunger Prevention and Nutrition Assistance Program ("HPNAP") of the New York State Department of Health. See <http://www.justfood.org/fresh-food-all>.

⁷⁰ See <http://www.justfood.org/fresh-food-all/fresh-food-all-statistics>.

⁷¹ See Madison Area Community Supported Agriculture Coalition, available at <http://www.macsac.org/rebates.html>.

⁷² See Empire State Development Corporation, *Linked Deposit Program*, available at <http://www.empire.state.ny.us/BusinessPrograms/LinkedDeposit.html>.

⁷³ According to the Office of the State Comptroller the program has “linked” \$298 million in State bank deposits to 1,056 loans statewide. See Office of the State Comptroller, *The Role of Small Business in New York State’s Economy* (March 2010) at <http://www.osc.state.ny.us/reports/other/smallbusinessreport030410.pdf>.

⁷⁴ Stakeholders for called for the expansion of the program. See New York State Small Business Task Force, *Report and Recommendations* (December 2009) at http://205.232.252.104/pdf/Final_report.pdf.

Moreover, there have been legislative efforts to raise the cap to farms. See N.Y. Assm. Bill 5953-A/Sen. Bill 5514 of 2009. This bill would extend the lifetime cap to \$2 million for farm families expanding their businesses. This bill would also lengthen the number of years farms could receive the interest rate buy-down, allowing farms to participate in the program for about half the financing period used on many farm projects.

Under the current program limits, the Linked Deposit loan program has a total lifetime limit of \$1 million. According to the Farm Bureau, “Since farms go through several growth cycles, particularly to bring the next generation into the business, many farms have reached the \$1 million cap.” See the New York State Farm Bureau’s Memorandum in Support of N.Y. Assm. Bill 5953-A/Sen. Bill 5514 (June 16, 2009) at http://www.nyfb.org/img/bill_memos/billmemo_go6dqj0ens.pdf.

⁷⁵ See the New York State Farm Bureau’s Memorandum in Support of N.Y. Assm. Bill 5953-A/Sen. Bill 5514 (June 16, 2009) at http://www.nyfb.org/img/bill_memos/billmemo_go6dqj0ens.pdf.

⁷⁶ See Task Force on Diversifying the New York State Economy through Industry-Higher Education Partnership, *Final Report* (December 2009) at http://www.ny.gov/governor/reports/pdf/IHETF_Report_FINAL.pdf.

⁷⁷ See Task Force on Diversifying the New York State Economy through Industry-Higher Education Partnership, *Final Report* (December 2009) at http://www.ny.gov/governor/reports/pdf/IHETF_Report_FINAL.pdf.

⁷⁸ See Gillespie, Gilbert & Hilcher, Duncan, “Small-Scale Food Processing Project: Adding Value for Sustainability,” available at

http://devsoc.cals.cornell.edu/cals/devsoc/outreach/cardi/publications/resources/upload/ggillespie-food_processing.pdf. There were 1,884 total food manufacturing establishments alone in New York State as of 2006. They generated \$13,985,000,000 in output, \$2,997,000,000 in value added. There are 115 agricultural processing facilities in Upstate New York, 56 of which are in dairy processing. The Finger Lakes, and Central and Western New York all have higher employment in food processing than the national average. These communities depend on the success of food processing.

⁷⁹ Comparison of the 2007 Economic Census, U.S. Census Bureau, available at <http://www.census.gov/econ/census07/> with the 1997 Economic Census, U.S. Census Bureau, available at <http://www.census.gov/epcd/www/ec97stat.htm>

⁸⁰ Other issues include labor and training programs. The barriers for smaller producers include increased establishment inspections licensing fees. The increase in fees has deterred some smaller producers from renewing their licenses, which has thus hindered their processing. Other obstacles include high inspection fees and business taxes. Buyers demand third-party safety certification in addition to state certification and 3-4 certificates might be required for one company with each certifier having its own specific fees and procedures.

⁸¹ See Empire State Development Corporation, *Manufacturing Assistance Program*, available at

<http://www.empire.state.ny.us/BusinessPrograms/MAP.html>.

⁸² See Empire State Development Corporation, *Manufacturing Assistance Program*, available at <http://www.empire.state.ny.us/BusinessPrograms/MAP.html>.

⁸³ See Empire State Development Corporation, *Manufacturing Assistance Program*, available at <http://www.empire.state.ny.us/BusinessPrograms/MAP.html>. There are other requirements under MAP. Businesses must show \$1 million capital investment machinery, equipment and related costs directly tied to production; quantified improvements over baseline operation of 20 percent or more and retention of at least 85 percent of workforce for five years.

⁸⁴ See New York State Department of Agriculture and *Markets, New York State Farmers' Markets*, available at <http://www.agmkt.state.ny.us/AP/CommunityFarmersMarkets.asp>.

⁸⁵ See New York State Department of Agriculture and *Markets, New York State Farmers' Markets*, available at <http://www.agmkt.state.ny.us/AP/CommunityFarmersMarkets.asp>.

⁸⁶ See Greenmarket at <http://www.cenyc.org/greenmarket>.

⁸⁷ Problems with the current facility include insufficient capacity, transportation circulation problems, lack of food quality protections, and deficient site infrastructure.” These have led to serious problems including the use of supplemental storage, traffic congestion, spoilage, waste, and train derailment.

⁸⁸ See The Office of the State Comptroller, *An Economic Snapshot of the Hunts Point Food Distribution Center*, (December 2008), available at <http://osc.state.ny.us/reports/economic/huntspoint08.pdf>.

⁸⁹ See The Office of the State Comptroller, *An Economic Snapshot of the Hunts Point Food Distribution Center*, (December 2008), available at <http://osc.state.ny.us/reports/economic/huntspoint08.pdf>.

⁹⁰ See Department of Agriculture and Markets Press Release, *Survey Says Wholesale Market Good for Farmers, Consumers: New Facility Could Help Meet \$866M in Demand for Fresh Produce in NYC* (February 9, 2005), available at <http://www.agmkt.state.ny.us/AD/release.asp?ReleaseID=1403>.

⁹¹ See Senator Kirsten Gillibrand Press Release, “Gillibrand, Velázquez, Quinn Join White House Push To Bring Fresh Food To New York’s Underserved Communities,” (April 12, 2010), available at

<http://gillibrand.senate.gov/newsroom/press/release/?id=aff32735-b088-4fce-bcea-00c3a7b5261b>.

⁹² The State recently announced \$10 million in funding to help finance the construction of supermarkets in underserved neighborhoods. The state is partnering with the Low Income Investment Fund and The Reinvestment Fund to oversee the program and raise additional funds. The Reinvestment Fund also administers the highly successful Pennsylvania Fresh Food Financing Initiative, which has raised \$120 million for similar supermarket construction efforts.

⁹³ Severson, Kim, "For a Healthier Bronx, A Farm of Their Own," *The New York Times* (June 22, 2010), available at <http://www.nytimes.com/2010/06/23/dining/23bronx.html>.

⁹⁴ See New York State Council on Food Policy, *Making Connections: Developing a Food System for a Healthier New York State: Recommended State Food Policies* (2009), available at http://www.nyscfp.org/docs/NYS_CFP_Final_Report_2009.pdf.

⁹⁵ See Lee, Patrick G., "Farmers' market coupons used to push healthy eating", *The Boston Globe* (August 13, 2010), available at http://www.boston.com/news/local/massachusetts/articles/2010/08/13/farmers_market_coupons_used_to_push_healthy_eating/.

⁹⁶ See Singer, Natasha, "Eat an Apple (Doctor's Orders)", *The New York Times* (August 12, 2010), available at <http://www.nytimes.com/2010/08/13/business/13veggies.html? r=1>.

⁹⁷ See The State University of New York, *Agriculture Research and Education at the State University of New York* (2009), available at <http://www.suny.edu/GovtRelations/federal/pdf/Agriculture%20Brochure%2009.pdf>.

⁹⁸ Soil & Water Conservation Districts also provide valuable support to the agricultural community.

⁹⁹ Cooperatives can provide valuable services to their members. For example, Eden Valley Growers is a vegetable cooperative that provides storage, marketing and distribution functions for its members. It has generated over \$3.5 million in average sales during the past three years. See <http://www.edenvalleygrowers.com/>.

¹⁰⁰ See New York Farm Viability Institute, *About Us*, available at <http://www.nyfvi.org/default.aspx?PageID=2250>.

¹⁰¹ See New York Farm Viability Institute, *About Us*, available at <http://www.nyfvi.org/default.aspx?PageID=2250>.

¹⁰² See “Cornell researchers win \$3.7 million in grants to help create vibrant New York agricultural future” *Chronicle Online* (March 6, 2008) at <http://www.news.cornell.edu/stories/March08/Farm.viability.lc.html>.

¹⁰³ See NY Farm Net, *Statistics*, available at http://nyfarmnet.org/index.php?option=com_content&task=category§ionid=7&id=27&Itemid=51.

¹⁰⁴ See Groom, Debra J., “Agriculture Energy Efficiency Program Created,” *Syracuse.com*, (June 29, 2010), available at http://blog.syracuse.com/farms/2010/06/agriculture_energy_efficiency.html.

¹⁰⁵ See New York Farm Bureau Letter to the New York State Public Service Commission (April 19, 2010), available at http://www.nyfb.org/img/document_files/Comments%204.19.10%20Ag%20Energy%20Efficiency%20Pr g.pdf.

¹⁰⁶ Ethanol for use in vehicles can be made from corn or from wood, shrubs, or grass (known as cellulosic ethanol). When combusted, cellulosic ethanol emits even lower levels of greenhouse gases than traditional corn ethanol and thus holds great promise.

¹⁰⁷ See The U.S. Department of Energy’s New “York Incentives and Laws for Biodiesel” at

http://www.afdc.energy.gov/afdc/progs/ind_state_laws.php/NY/BIOD.

¹⁰⁸ While States like Minnesota have fostered the installation of over 369 E85 ethanol fuel pumps at gas stations across that state, only 48 of such pumps exist in New York and only a handful are located in or near New York City. As a result, while drivers in other states in the Midwest are increasing ethanol consumption dramatically, here it remains virtually unused. Through a U.S. Department of Energy grant, NYSEDA has recently initiated a program to reimburse station owners for up to 50 percent of the cost of installing biofuels dispensing equipment, storage tanks, and associated piping equipment. New York must explore ways of getting ethanol pumps into communities for use.

¹⁰⁹ See New York State State Energy Plan 2009, Vol. I, *Objectives and Strategies*, at 52, available at http://www.nysenergyplan.com/final/New_York_State_Energy_Plan_VolumeI.pdf.

¹¹⁰ See New York State State Energy Plan 2009, Vol. I, *Objectives and Strategies*, at 47, available at http://www.nysenergyplan.com/final/New_York_State_Energy_Plan_VolumeI.pdf.

¹¹¹ See New York State State Energy Plan 2009, Vol. I, *Objectives and Strategies*, at 52, available at http://www.nysenergyplan.com/final/New_York_State_Energy_Plan_VolumeI.pdf.

¹¹² Methane (“CH₄”) is 23 times more potent a greenhouse gas than carbon dioxide (“CO₂”). Producing methane contributes to climate change; destroying methane reduces the impact on the climate. *See* Bob Amand, “Carbon-Trading Opportunities for Anaerobic Digesters: Estimating Methane Emissions and Offsets” (V-2) at <http://www.climateandfarming.org/pdfs/CaseStudies/V.6Trading.pdf>.

¹¹³ *See* National Agriculture Statistics Service, *New York Field Office Annual Bulletin 2008-2009*, available at [http://www.nass.usda.gov/Statistics by State/New York/Publications/Annual Statistical Bulletin/2009/Bulletin2009.pdf](http://www.nass.usda.gov/Statistics%20by%20State/New%20York/Publications/Annual%20Statistical%20Bulletin/2009/Bulletin2009.pdf).

¹¹⁴ *See* New York State Department of Agriculture and Markets Press Release, *Dairy Power Project Coming to New York State: Pilot Program will Create Clean Energy from Dairy Farms and Cut Greenhouse Gases*, (July 21, 2009), available at <http://www.agmkt.state.ny.us/AD/release.asp?ReleaseID=1835>.

¹¹⁵ *See Farm and Dairy*, “N.Y. wants new dairy methane digesters,” (July 28, 2009), available at <http://www.farmanddairy.com/news/ny-wants-new-dairy-methane-digesters/12681.html>

¹¹⁶ Enahoro, Dolapo K., Gloy, Brent A., *Economic Analysis of Anaerobic Digestion Systems and the*

Financial Incentives provided by the New York State Renewable Portfolio Standard (RPS) Customer-Sited Tier (CST) Anaerobic Digester Gas (ADG)-to-Electricity Program, Agricultural Finance and Management at Cornell (April 2008), available at http://aem.cornell.edu/outreach/extensionpdf/2008/Cornell_AEM_eb0804.pdf.

¹¹⁷ See NYSERDA, *Innovations in Agriculture* (2009), available at <http://www.nyserda.org/InnovationsInAgriculture/innovations%20in%20ag%20-%202009.pdf>.

¹¹⁸ However, New York's net metering law provides that "attributes" related to the generation of electricity follow the flow of electricity. When net metering is used, the electricity generated flows to the power company, and utilities have argued that the credits are theirs. The State should explore the most efficient allocation of these credits. See U.S. Environmental Protection Agency, *Anaerobic Digestion of Manure in New York State*, available at http://www.epa.gov/region2/agriculture/anaerobic_digestion_manure_nystate.pdf.

¹¹⁹ Currently, sustainable agriculture and bioenergy projects get approximately \$4.5 million under RGGI while other sectors, like transportation, get more than \$20 million. See NYSERD, "New York's RGGI-Funded Programs: Status Report Quarter Ending June 30, 2010 (2-4) at http://www.nyserda.org/publications/rggi%20nd_qtr_rept_2010.pdf.

¹²⁰See Chapter 336 of the NYS Laws of 2010 raising the amount of allowable amount of electricity produced through anaerobic digestion, including by on-farm methane digesters, to be sold back to the grid from 500 kilowatts to 1,000 kilowatts. The law was authored by Senator David Valesky.

¹²¹ See New York Farm Bureau Letter to the NYS Public Service Commission (November 23, 2009), available at [http://209.23.127.116/www-nyfb-org/img/document_files/Renewable%20Energy%20Comments%20\(11-23-09\)%20NYFB.pdf](http://209.23.127.116/www-nyfb-org/img/document_files/Renewable%20Energy%20Comments%20(11-23-09)%20NYFB.pdf).

¹²² See New York State Office for Technology, *New York State Universal Broadband Strategic Roadmap* (June 2009), at 7, available at [http://www.cio.ny.gov/assets/documents/Final Broadband Strategy June2009.pdf](http://www.cio.ny.gov/assets/documents/Final_Broadband_Strategy_June2009.pdf). As of June 2009, while 78 percent of New York households had some kind of Internet, one percent below the 79 percent national average, 48 percent of households were not subscribed to high-speed broadband.

New York is implementing a broadband strategy financed by state grants and potentially federal funding. The new Broadband Development and Deployment Council will oversee this initiative.

¹²³ See the New York State Broadband Stimulus Website at <http://www.nysbroadband.ny.gov/maps/counties.htm>. The website included county-by-county mapping

of unserved and underserved areas. Underserved areas is defined as “any part of a municipality without readily and generally available retail consumer access to at least two or more nonaffiliated facilities-based wired or fixed wireless broadband telecommunications service providers.” See Executive Order No. 22, “Establishing a Broadband Development and Deployment Council” at <http://www.cio.ny.gov/assets/documents/executive%20order.pdf>.

¹²⁴ See New York State, *Federal Stimulus Website* at <http://www.nysbroadband.ny.gov/index.htm>. There is \$7.2 billion available under the American Recovery & Reinvestment Act (“ARRA”) for investing in broadband, which is allocated between two programs. The larger program is entitled the “Broadband Technology Opportunities Program” and contains \$4.7 billion for competitive broadband grants and the U.S. Department of Commerce, National Telecommunications and Information Administration to build broadband infrastructure and accelerate deployment in these unserved and underserved communities to promote economic development and job creation. There is also a “Broadband Loans and Grants for Rural Areas Program” that includes \$2.5 billion in funding for projects located in rural areas.

¹²⁵ See According to the New York State Broadband Development and Deployment Council, New York was awarded \$78 million in total ARRA

funding. *See also* U.S. Department of Commerce, *The Portal to apply for broadband funding under the American Recovery and Reinvestment Act of 2009*, available at <http://www.broadbandusa.gov/>.

The USDA recently awarded investments of over \$27 million in economic stimulus funds to improve the broadband network in St. Lawrence. \$20 million will be in the form of a grant and \$7 million in a loan. This will provide 4,415 homes, 112 business, and 30 community institutions with high-speed voice and broadband television service. In the proposed service area, only 17 percent of all households currently have high-speed Internet service access.

¹²⁶ *See* Heller, Marc. "\$27m will boost broadband," *Watertown Daily Times*, (August 5, 2010), available at <http://www.watertowndailytimes.com/article/20100805/NEWS02/308059958>.

¹²⁷ Cooperation is the key to success. For example, in the Connect Kentucky program, some telephone and cable companies objected to the leverage incumbent telephone and cable companies had in the award of broadband contracts. This has slowed deployment.

¹²⁸ The Executive created the "Broadband Development and Deployment Council" to better help coordinate broadband deployment activities, especially in light to the federal stimulus money. *See* Executive Order No. 22, "Establishing a Broadband Development and Deployment Council" at

<http://www.cio.ny.gov/assets/documents/executive%20order.pdf>.

¹²⁹ See The State University of New York, *Agriculture Research and Education at the State University of New York* (2009), available at <http://www.suny.edu/GovtRelations/federal/pdf/Agriculture%20Brochure%2009.pdf>.

¹³⁰ See The State University of New York, *Agriculture Research and Education at the State University of New York* (2009), available at <http://www.suny.edu/GovtRelations/federal/pdf/Agriculture%20Brochure%2009.pdf>.

¹³¹ See Cornell University, *New York State Agriculture Experiment Station*, available at <http://www.nysaes.cornell.edu/>.

¹³² See Cornell College of Agriculture & Life Sciences, available at the *Office of Sponsored Research*.

¹³³ See USDA, National Agriculture Statistics Service, *Farmland: Farms and Land in Farms by County, New York, 2008-2009*, available at [http://www.nass.usda.gov/Statistics by State/New York/Publications/County Estimates/2010/2010%20page78%20-%20Farm%20Land.pdf](http://www.nass.usda.gov/Statistics%20by%20State/New%20York/Publications/County%20Estimates/2010/2010%20page78%20-%20Farm%20Land.pdf). Many farms are located in Erie and Chautauqua, for instance. When measured as a percentage of home value, Chautauqua County has the 9th highest property taxes in the nation and Erie the 12th highest property taxes in the nation.

¹³⁴ See The Public Policy Institute of New York State, *Transcending the Hamster Cage, Unfettering New York's Static Innovation Economy*, (January 2010) available at <http://www.ppinys.org/reports/2010/TranscendingtheHamsterCage.pdf> at IV-3. This tax burden includes income taxes, sales and use taxes, real estate transfer taxes, property taxes, commercial rent taxes, utility taxes, other energy taxes, insurance and workers' compensation fees, and various assessments and rates.

¹³⁵ See The Public Policy Institute of New York State, *Milken institute 2007 cost-of-doing-business index*, available at <http://www.ppinys.org/reports/jtf/costbusiness.html>.

¹³⁶ See The Public Policy Institute of New York State, *State Business Tax Climate Index, 2009* (based on a Tax Foundation Study), available at <http://www.ppinys.org/reports/jtf/2009/businessstaxclimate2009.htm>.

¹³⁷ See Public Policy Institute of New York State, *Transcending the Hamster Cage, Unfettering New York's Static Innovation Economy*, at IV-3, available at <http://www.ppinys.org/reports/2010/TranscendingtheHamsterCage.pdf>.

¹³⁸ The New York Farm Bureau has argued for the following: amend LLC filing fee to set fee based on net income; establish a refundable Investment Tax Credit; eliminate MTA payroll tax for farms; remove MTA registration fee from farm vehicles; reduce stormwater fees for agriculture; return Agriculture Plate registration fees to prior levels; reduce SPDES permit fees to \$50 for farm wineries; eliminate wholesaler reporting requirements for wineries; and, eliminate 18-A Utility Assessment. See New York Farm Bureau, *Priority Issues for 2010*, available at http://www.nyfb.org/legislative_affairs/subpage.cfm?ID=57.

¹³⁹ See New York City Business Express, available at <http://www.nyc.gov/portal/site/businessexpress>.

¹⁴⁰ For instance, the Department of Agriculture and Markets, Department of Environmental Conservation, Economic State Development, State Liquor Authority and Department of Transportation are among the agencies and authorities with oversight over agriculture.

¹⁴¹ See USDA, *Rural New York Economic Development Forum Report* (February 2010), available at <http://www.rurdev.usda.gov/ny/>.

¹⁴² One idea to better coordinate our agriculture economic development activities has been to create an Ombudsman for Empire State Development and the Department of Agriculture and

Markets as a way to prioritize agri-business and agriculture and an economic development engine in New York State.

¹⁴³ Available from the New York State Department of Agriculture and Markets.

¹⁴⁴ There were more than 40,000 inspections and reinspections were conducted in 2008 of the approximately 30,000 regulated food manufacturers, distributors and retail food establishments. In 2008, 3,453 consumer complaints were investigated, 2,408 food seizures were executed and 335,185 pounds of adulterated or otherwise unfit foods were destroyed. See Department of Agriculture and Markets, *Food Product Safety, A Year in Review*, available at http://www.agmkt.state.ny.us/FL/documents/Ag_and_Mkts_Food_safety-a_year_in_review-Final.pdf.

¹⁴⁵ See Martin, Andrew, "Egg Recall Exposes Flaws in Nation's Food Safety System" *New York Times*, (August 24, 2010), available at <http://www.nytimes.com/2010/08/25/business/25eggs.html>.

¹⁴⁶ See Martin, Andrew, "Egg Recall Exposes Flaws in Nation's Food Safety System" *New York Times*, (August 24, 2010), available at <http://www.nytimes.com/2010/08/25/business/25eggs.html>. Consumer advocates have argued that the recent egg recall highlights a broader problem at the of a highly complicated and often dysfunctional food safety system.

¹⁴⁷ Ten years ago, State Finance Law and General Municipal Law were changed to explicitly state a preference for the use of food that has been purchased and processed in New York.

¹⁴⁸ See New York State Council on Food Policy, *Summer Meeting* (28 June 2010), available at http://www.nyscfp.org/docs/activities/NYSCFP_PanelMins_6_28_10.pdf.

¹⁴⁹ See USDA Press Release, “USDA Rural Development Announces Water System Improvements for Seven New York Communities” (March 23, 2010), available at <http://www.rurdev.usda.gov/ny/toolbarpages/pressreleasepages/2010/ARRA%20seven%20projects%20032310%20FINAL.doc>. The USDA announced \$9.2 million in American Recovery and Reinvestment Act (“ARRA”) in funding to seven New York water projects in Allegany, Livingston, Genesee, Delaware and Washington counties. See also USDA Press Release, “USDA Rural Development Awards More than \$2.3 Million in Recovery Act Funding to 2 New York Water and Sewer Projects” (February 22, 2010), available at <http://www.rurdev.usda.gov/ny/toolbarpages/pressreleasepages/2010/ARRA%20Wolcott%20and%20Alfred%2002.22.10%20FINAL.doc>. USDA Rural Development Recovery Act funding in New York has recently exceeded \$250 million.

¹⁵⁰ See The Office of the State Comptroller, *The Role of Agriculture in the New York State Economy*,

(February 2010), at 2, available at <http://www.osc.state.ny.us/reports/other/agriculture21-2010.pdf>.

¹⁵¹ See The Office of the State Comptroller, *The Role of Agriculture in the New York State Economy*, (February 2010), at 2, available at <http://www.osc.state.ny.us/reports/other/agriculture21-2010.pdf>. Of the 7.2 million acres of farmland 60 percent is cropland, 24 percent is woodland and 10 percent is pastureland.

¹⁵² Office of the Governor & New York State Department of Agriculture and Markets, *New York Agriculture 2000* (circa 1984).

¹⁵³ The New York State Farmland Protection Program was founded in 1992 through the Agricultural Protection Act and is funded by the Environmental Protection Fund (“EPF”). Counties and municipalities use planning grants to develop agricultural and farmland protection plans. These plans must then be approved to apply for implementation grants. Not for-profit organizations may also provide financial assistance to develop and implement these plans. See New York State Department of Agriculture and Markets, *Farms for the Future: An Overview of New York’s Farmland Protection Programs*, (December 2009).

¹⁵⁴ See American Farmland Trust, *New York Farm Policy Update*, available at

<http://www.farmland.org/programs/states/ny/policy.asp>. The only funding currently available for this is \$10.75 million in SFY 2010-2011, an EPF appropriation. By the end of 2009, \$173million to assist these local governments and project partners had been given out and over 160 projects had been completed.

¹⁵⁵ New York State Agriculture and Markets Law Article 25-AA, § 304-a, 308, available at <http://www.agmkt.state.ny.us/AP/agsservices/2004C115.html>.

¹⁵⁶ See New York State Department of Agriculture and Markets, *Farms for the Future: An Overview of New York's Farmland Protection Programs*, (December 2009).

¹⁵⁷ See New York State Department of Agriculture and Markets, *Agricultural Districts*, Department of Ag and Markets, available at <http://www.agmkt.state.ny.us/AP/agsservices/agdistricts.html>.

¹⁵⁸ See New York State Department of Taxation and Finance, Office of Real Property Tax Services, *Partial Reduction in Real Property Taxes For Eligible Farmland in New York State*, (October 2007), available at www.orps.state.ny.us/pamphlet/exempt/eligibleFarmlandPub.pdf.

¹⁵⁹ See National Sustainable Agriculture Information Service, *Sustainable Farming Internships and Apprenticeships*, available at http://attra.ncat.org/attra-pub/internships/search_results.php?State=NY.

¹⁶⁰ See Severson, Kim, "Many Summer Internships are Going Organic," *New York Times* (May 23, 2009), available at <http://www.nytimes.com/2009/05/24/dining/24interns.html>.

¹⁶¹ See New York Farm Bureau, *About New York Farm Bureau*, available at http://www.nyfb.org/about_nyfb/subpage.cfm?ID=46.

¹⁶² See Growing a Nation: The Story of American Agriculture, *A History of American Agriculture: 1920*, available at <http://www.agclassroom.org/gan/timeline/1920.htm>

¹⁶³ See New York State Agricultural Society, *History of the New York State Agricultural Society*, available at http://www.nysagsociety.org/download/archives/historical_timeline.pdf.

¹⁶⁴ See New York State Agricultural Society, *History of the New York State Agricultural Society*, available at

http://www.nysagsociety.org/download/archives/historical_timeline.pdf.

¹⁶⁵ See New York State Agricultural Society, *History of New York State Agricultural Society*, available at http://www.nysagsociety.org/download/archives/historical_timeline.pdf.

¹⁶⁶ See Cornell University, Department of Development Sociology, *LEAD New York Program Information*, available at <http://www.leadny.org/cals/devsoc/outreach/cardi/programs/leadny/about-lead-ny.cfm>. See also New York State Agricultural Society, *History of New York State Agricultural Society*, available at http://www.nysagsociety.org/download/archives/historical_timeline.pdf.

¹⁶⁷ See New York State Agricultural Society, *History of New York State Agricultural Society*, available at http://www.nysagsociety.org/download/archives/historical_timeline.pdf

¹⁶⁸ See New York State Agricultural Society, *Bicentennial Farm Award*, available at http://www.nysagsociety.org/bic_farms/bic_content.htm.

¹⁶⁹ See New York State Department of Agriculture & Markets Press Release, "Department Announces Creation of Maple Task Force," (March 25,

2009), available at
<http://www.agmkt.state.ny.us/AD/release.asp?ReleaseID=1802>.

¹⁷⁰ See Cornell University College of Agriculture and Life Sciences, *Awards & Honors*, available at <http://www.cals.cornell.edu/cals/public/comm/pubs/ecalsconnect/honors/1005.cfm>.



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