



Legislative Public Hearings on 2009-10 Deficit Reduction Proposal

November 2, 2009

PRESENTED BY:

DIANE HELD, NEW YORK FIELD REPRESENTATIVE

I am pleased to join you on behalf of American Farmland Trust (AFT). AFT is a national, nonprofit conservation organization dedicated to the protection and stewardship of our nation's productive farmland. AFT's New York office, located in Saratoga Springs, has been working to protect New York's farmland for 19 years.

Agriculture is a significant element of New York's economy. Farms not only provide jobs, they buy goods and services from other New York businesses and provide raw products to food processors around the state. According to the 2007 Census of Agriculture, New York's 34,000 farms annually sell more than \$4.5 billion in food and farm products. When combined, these farm and food sectors generate a \$23 billion economic impact annually in New York and provide jobs for thousands of New Yorkers.

New York farmers play a key role in protecting New York's land, water and other natural resources. New York's farmers are stewards to approximately 7.1 million acres of land – approximately 25% of the land in the state. Agriculture's landscape scale impact makes New York farmers a significant partner in enhancing water quality, mitigating the impacts of climate change, providing wildlife habitat and improving the overall health of the state's environment.

Farms are well-positioned to address some of New York's most pressing challenges. Agriculture is not only critical to New York's economy and environment, farms also produce fresh, healthy food desired by New Yorkers while offering opportunities to expand renewable energy production. Investments in protecting working farms insure opportunities today and in the future that benefit the state's environment, economy and communities.

Thanks to the Legislature's leadership, New York has nationally recognized programs to help farmers protect land and water. The Agricultural Nonpoint Source Program (and associated Agricultural Environmental Management program) provides funds to help farmers adopt environmentally sound farm practices. The Farmland Protection Program helps permanently protect irreplaceable farmland while providing capital that many farmers reinvest in their farm businesses. These programs are complimented by the Conservation Partnership Program and Soil and Water Conservation District funding that strengthen land trusts and county Soil and Water Conservation Districts that provide critical technical assistance to farmers for protecting land and water.

The proposed FY 2009-10 Deficit Reduction Proposal (DRP) will hurt New York's ability to make good on its promise to the environment. The 2007 Environmental Protection Fund (EPF) Enhancement Act committed the state to allocating \$300 million annually in Real Estate Transfer Tax (RETT) revenue

to the EPF beginning in FY 2009-10. This funding level was set with the recognition that clean water, air and land are critical to the health and well-being of every New Yorker and that the environment was a state priority. The proposed DRP is a further step away from New York’s commitment to the programs needed to address mounting environmental needs in New York, including needs in programs that help farmers protect land and water.

Proposed budget cuts would reduce investments in farm businesses that help farmers protect land and water. In 2008, budget cuts to the Farmland Protection Program resulted in 90% of farmers interested in protecting their land being turned away. This disparity between farmer interest in protecting their land and available state funds has resulted in over \$500 million in applications being rejected by the Farmland Protection Program since 1996. AFT opposes these proposed cuts to the EPF and funding reductions for programs that help farmers protect land and water.

Program	Enacted 2009-10	Proposed DRP
Environmental Protection Fund	\$222 Million	\$212 Million
Farmland Protection Program	\$ 23 Million	\$ 22.054 Million
Agricultural Nonpoint Program	\$ 13 Million	\$ 11.698 Million
Conservation Partnership Program	\$ 1.575 Million	\$ 1.575 Million
Soil/Water Conservation Districts	\$ 3 Million	\$ 3 Million

Approximately \$500 million has been taken from the EPF for other areas of the state budget. These “sweeps” of EPF funds are having a significant impact on farmers looking to participate in EPF programs. Limited cash in the EPF has caused a common delay of 6 to 9 months in project closings. This is a painful addition to the lengthy timeline frequently required for EPF projects – meaning that farmers are having to delay purchasing new farm equipment, constructing new farm buildings or taking other steps to reinvest in their farm businesses. AFT strongly urges the State Legislature to reject further sweeps of EPF funds and begin development of a plan for repaying EPF funds to address important environmental and economic needs.

AFT continues to be concerned about New York’s ability to complete funded farmland protection projects. There are roughly 2.5 FTEs dedicated to the administration of New York’s Farmland Protection Program. Neighboring states such as New Jersey, Pennsylvania and Delaware – states with some of the nation’s leading farmland protection programs – have substantially higher staffing dedicated to their farmland protection programs. Pennsylvania and Delaware have almost 4 times more staff per million dollars in state farmland protection funding, while New Jersey has 2 times more staff. The higher workload per staff person in New York means longer delays in reviewing submitted project files and very limited time for providing pro-active technical assistance to local partners. This is part of the reason that Farmland Protection Program projects frequently require 3 to 5 years to be completed.

The enacted FY 2008-09 State Budget included two positions at the Department of Agriculture and Markets to assist with administration of the Farmland Protection Program. Unfortunately, the hiring freezes instituted by the Executive have prevented these positions from being filled. AFT is deeply concerned that continued reductions in staffing at the Department of Agriculture and Markets will further delay awarded Farmland Protection Projects from being completed. We urge the State Legislature to pursue all options with the Executive to ensure that committed EPF funds are spent in a timely fashion to

help farmers protect land and water. Such action includes continued investment of EPF funds in the Conservation Partnership Program and Soil and Water Conservation District for these local partners working on the ground with farmers.

Thank you for the State Legislature's leadership in advancing these important agricultural and environmental programs that bolster New York's economy, protect the environment and encourage healthy communities.