



NEW YORK
STATE OF
OPPORTUNITY™

Agriculture & Markets



Annual Report - 2014

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Message from the Commissioner

Dear Friends of Agriculture,

New York is an agricultural state and no Governor has paid more attention to the continued growth and development of this sector of the economy than Governor Cuomo. Under Governor Cuomo's leadership, Taste NY has become one of the most successful marketing campaigns in New York State history, FreshConnect farmers' markets were expanded and new opportunities were developed for producers to market their products.



Procurement of New York State agricultural products has become a priority for the administration and our Department. We have and will continue to work with state agencies to encourage them to buy New York products.

The Great New York State Fair was a major success, breaking two single day attendance records. Whether people visited the Dairy Cow Birthing Center or the Taste NY tent, attendees had an opportunity to learn about our community. In total, the Fair attracted 965,147 visitors, up 113,990 from 2013.

In addition, the Department continued to meet its mission of ensuring a safe food supply for New Yorkers by conducting inspections and ensuring regulated food establishments are in compliance with applicable laws. The Department's Food Safety and Metrology Laboratory tested more than 22,546 samples collected by inspectors throughout the year.

Protecting soil and water, as well as controlling plant and animal diseases, are other major functions of the Department. In 2014, we continued to work with New York's 58 county Soil and Water Conservation Districts on various environmental protections. We also collaborated with numerous plant and animal organizations on safety issues.

The Department is dedicated to ensuring the continued success of the state's agricultural community. This annual report will provide you with an overview of all we have done and are continuing to do to bring safe, nutritious food to New Yorkers throughout the state and around the world.

Sincerely,

Richard A. Ball
Commissioner

Promoting the Agricultural Community

Promoting agriculture continued to be a high priority for Governor Cuomo and the Department. In 2014, we hosted three major summits: a second summit for Yogurt and Dairy; a second summit for Wine, Beer, Spirits and Cider, and the first Upstate Downstate summit. In addition, we introduced and expanded several major initiatives that focused on promoting the state's farms and the products they produce.

Taste NY

Events and Stores

In only two years, Taste NY has become one of the most successful marketing programs in New York State history, shining a spotlight on the array of high-quality foods and beverages produced in New York. The Department's Division of Agricultural Development played a major role in this initiative, helping to market Taste NY through a range of promotional efforts including Taste NY exhibits at important events, Taste NY stores in transportation hubs and a dedicated website, www.taste.ny.gov.

In total, Taste NY participated in 58 events throughout the state, including Super Bowl XLVIII, the Summer Fancy Food Show, and the 75th anniversary of the Baseball Hall of Fame. More than 5.9 million people attended these events, creating brand exposure for Taste NY and promotional opportunities for about 1,100 food and beverage producers. Taste NY events were responsible for \$475,000 in gross sales of local products.

Some Taste NY Events-2014

- *Super Bowl Week, NYC*
- *International Restaurant and Food Service Show, NYC*
- *Food & Wine Weekend, Westchester*
- *75th Anniversary Baseball Hall of Fame, Cooperstown*
- *Buffalo Brewers at Canalside, Buffalo*
- *Saratoga Race Course, Saratoga Springs*
- *Adirondack Challenge, Indian Lake*
- *LPGA Championship, Pittsford*
- *Restaurant Week Kick-Off, Hudson Valley*
- *Harvest Fest, Syracuse*
- *Wine and Food Festival, NYC*
- *NYS Museum – Holiday Expo, Albany*

Taste NY also expanded the number of retail stores and stands to a total of nine throughout the state. These sites produced over \$1 million in gross sales in 2014. New locations include Grand Central Terminal and Todd Hill on the Taconic State Parkway. Todd Hill, in Dutchess County, has already proven to be a major success and in September, a new outdoor farmers' market opened at the site. Taste NY companies offered their products every Friday and Sunday through November 2, including a Hudson Valley winery, as well as a number of meat and vegetable producers.

The Department's liquor store initiative identified and showcased local wines, spirits and cider in liquor stores throughout the state. The Department partnered with the New York State Liquor Store Association and affiliated groups to provide Taste NY materials to participating stores. These Taste NY displays make it easier for customers to spot products made in New York. The pilot program started in six liquor stores, but quickly expanded to dozens more throughout the state.

[Vending Machines](#)

The first Taste NY vending machine debuted at the Great New York State Fair in August. The vending machines showcase and serve local products. The Department partnered with the New York State Automated Vending Machine Association and New York State Commission for the Blind in this effort.



Additional vending machines were rolled out after the Fair at the Clifton Park Rest Area, Broome Gateway Rest Area, and in the New York State Capitol and Legislative Office Building. A vending machine is also in the lobby of the Department's central office.

[Roadside Signage and Offices](#)

In 2014, the Department worked with the New York State Thruway Authority and Department of Transportation to identify strategic places for Taste NY signage. So far, more than 400 sites have been identified as Taste NY destinations along roadways by having existing signage rebranded. More signs are expected to be rebranded with Taste NY in 2015.

In addition, a new "Taste NY Office at Brooklyn" opened, which is dedicated to strengthening the connection between upstate producers and downstate consumers. This office is already assisting in our efforts to strengthen the upstate-downstate connection.

The Insider

The Department launched its first promotional newsletter in 2014, *The Insider*. The monthly e-newsletter already has more than 4,200 subscribers and the list of subscribers continues to grow. The e-newsletter highlights upcoming promotional opportunities available to the agricultural community and provides the latest information on funding opportunities, Taste NY events and industry news. A link to the sign-up page is on the Department's [website](#).

Wine, Beer, Spirits and Cider Summit

In April of 2014 Governor Cuomo hosted the Second Wine, Beer, Spirits and Cider Summit. At this summit, the Governor announced that the state would be launching a \$6 million marketing and promotional commitment to raise the profile of New York beverage producers. This was a dramatic increase from the campaign launched at the first summit in 2012. The summit brought the farm-based beverage sector together with agricultural producers and government officials in an effort to accelerate and continue the rapid growth exhibited by the state's beverage industry.

As a result of the summit, several initiatives were launched. Consumers can now enjoy tax-free tastings at certain wineries. Additionally, \$350,000 in funding was designated to research hops and malting barley, key beer-brewing ingredients, to better understand the varieties and differences that work best for New York agriculture.

Governor Cuomo also formed the first-ever New York Craft Brewer Workgroup to recommend ways to continue the rapid expansion of the state's craft beer sector. The workgroup consists of representatives from the craft beverage industry, higher education and research institutions, the agricultural sector and state government.

The workgroup helps to coordinate and improve communication between all segments of the craft brew industry and state government. Members work together to identify emerging needs, including research on new varieties of hops and barley, production methods and consumer trends; as well as making sure that the state has the infrastructure in place for this growing industry.

Wine Tours and Recognition

New York is the third largest wine and grape producing state in the nation, with 37,000 acres of vineyards and more than 375 wineries in 56 counties. According to a recent economic impact study commissioned by the New York Wine and Grape Foundation, the industry has a \$4.8 billion economic impact and attracts 5.3 million tourists annually to the state. Last year alone, New York wineries won over 700 gold medals at competitions across the world, the most in one year in the history of the state.

Over the summer, Governor Cuomo hosted two wine and craft beverage tours; one in the Finger Lakes and the other on Long Island. Both were organized to promote New York State's beverage industry and boost tourism to the state's growing number of wineries, breweries, distilleries and cideries.

Following the Finger Lakes tour, Lieutenant Governor Robert J. Duffy presented the 2014 Governor's Cup award to Chateau Lafayette Reneau 2013 Semi-Dry Riesling, from the Finger Lakes. The Governor's Cup is the top prize from 863 entries in the annual New York Wine and

Food Classic Wine competition, organized by the New York Wine and Grape Foundation. In addition, Macari Vineyards & Winery, from Long Island, won the Winery of the Year award.

In October, New York State was honored with the title of "Wine Region of the Year" by *Wine Enthusiast* magazine. The publication cited the quality of wines, tremendous growth of the industry, and greatly improved business climate, particularly over the last four years with Governor Cuomo's support.

The Craft New York Act

Governor Cuomo signed the Craft New York Act to cut burdensome requirements placed on producers and ease restrictions regarding the marketing of craft products. The Act provides New York manufacturers with greater opportunities to market their products, including:

- allowing producers to conduct tastings and serve "by the bottle" and "by the glass";
- permitting farm distilleries to increase the retail outlets where they can sell and offer samples of their products;
- lowering the food requirement that must be met by manufacturers when offering tastings and consumption on premises;
- allowing farm distilleries to obtain a permit to operate a branch office, eliminating the need for a separate license; and
- reducing costs for small manufacturers by increasing the production cap and permitting the production of more product without increased fees.

To further develop the industry and raise the profile of New York's beverage producers, the Governor also launched the Craft Beverage Grant programs—a \$2 million Craft Beverage Marketing and Promotion Grant Program and a \$1 million Craft Beverage Industry Tourism Promotion Grant. The legislation and new grant programs were both part of the Governor's commitment made at the Summit to continue to support and provide resources for this growing industry.

First Licensed Farm Cidery Opens

In February, Nine Pin Cider Works, a New York craft cider company producing hard cider from Capital District and Hudson Valley apples, became the first licensed farm cidery in New York State.

In October 2013, Governor Cuomo signed legislation establishing a new license for farm cideries to increase opportunities for this growing agricultural industry. The new legislation went into effect on January 15, 2014. Nine Pin Cider Works applied on January 21, and the license was approved by the State Liquor Authority just 22 days later.

Under the new law, cideries like Nine Pin are able to operate a tasting room where they are able to sell their product by the pint, enabling them to more immediately reap financial rewards.

St. Lawrence Wine Trail

In July, Governor Cuomo announced the designation of specific portions of roadway throughout St. Lawrence County as the "St. Lawrence Wine Trail" in recognition and promotion of the region's growing wine industry. The designation, which is New York's 18th official wine trail and marked by signs along seven highways, will raise awareness of the vineyards and wineries in this corner of the state and attract new visitors to St. Lawrence County.

Upstate-Downstate Farm to Table Summit

The first-ever Upstate-Downstate Farm to Table Agriculture Summit was held in December to better connect the upstate agricultural sector with downstate consumers. The purpose of the Summit was to explore ways of increasing access to fresh food for underserved populations and growing New York City markets' access to upstate agricultural producers as a means of boosting in-state production and consumption. Lieutenant Governor Robert J. Duffy presided over the Summit, which took place in New York City. Several new initiatives were announced, such as:

Buy NY – This initiative is a joint effort by our Department, Department of Corrections and Community Supervision, Office of Mental Health, Department of Health, Office of General Services and Cornell Cooperative Extension. It will help state and local governments increase the purchase of local agriculture products in government-run institutions such as hospitals, colleges, and prisons.

Regional Food Wholesale Farmers' Market – This market will enable the upstate agricultural industry to increase access to metropolitan markets for producers, while providing an array of healthy, affordable food for communities. It will also serve as an aggregation hub and processing facility to assist upstate producers and processors in targeting institutional and private sector procurement.

NYS-NYC Aggregation Food Hub Task Force – New York State and New York City convened a 90-day task force. Co-chaired by Department of Agriculture and Markets' Commissioner Ball and Deputy Mayor Alicia Glen, the purpose is to identify sites for potential food hub aggregation centers to facilitate the distribution of upstate agricultural and processed food to downstate markets, including restaurant, institutional and government buyers. A final report with recommendations is due by July 2015.

Food Box Expansion Program – This will expand the already-successful food box model to upstate and downstate neighborhoods. It enables underserved, low income communities to purchase New York State fresh and locally sourced fruits and vegetables. Consumers can use

their Supplemental Nutrition Assistance Program (SNAP) benefits to pay for food boxes on a weekly or bi-weekly basis.

SUNY Farmers' Market Certification Course – The state, in cooperation with the Farmers Market Federation of New York and a SUNY campus, will develop a curriculum to improve the quality and performance of farmers' markets across the state. These courses will help market managers improve their promotion of farmers' markets and any market-based incentive programs offered at the farmers' markets. The courses will be archived for future use.

Taste NY Culinary Tour – This initiative will provide tours for downstate restaurateurs at upstate farms to cultivate stronger business-to-business relationships between the two entities.

Increased Outreach by the Taste NY Office in Brooklyn – The newly-formed Taste NY Office in Brooklyn will increase outreach to highly-trafficked tourist attractions in New York City with the goal of expanding economic opportunities for New York State agricultural producers. The office will also support the development of food access programs including the administration of farmers' markets and healthy food incentive programs.

Pride of New York Committee and Restaurant Pledge

Commissioner Ball re-established the Pride of New York Advisory Committee. The committee, which has 21 members, provides advice and counsel to the Commissioner while supporting the Pride of New York program, which has helped New York State agricultural producers for nearly 20 years.



More than 3,000 farmers and processors brand their products using the Pride of New York logo, and retailers and restaurants also highlight their use of New York ingredients and products by displaying the logo.

The Pride of New York Pledge for chefs and restaurant owners was introduced in 2013. Those who sign the pledge agree to increase their use of New York grown and produced products in their establishments. In total, more than 100 chefs and restaurants signed the pledge in 2014.

Open Data

The Department continued to add consumer information to the state's open data website, www.data.ny.gov. The Department now has 17 lists available, including those to help people find Taste NY stores, nursery growers, plant dealers, agricultural districts, county fairs and farmers' markets.

Dairy Industry and Yogurt Production

The dairy industry is New York's leading agricultural sector, accounting for more than one-half of the state's total agricultural receipts. In 2014, New York's milk production was about 13.7 billion pounds, an increase of 2 percent compared to 2013. This strong growth represents the fifth consecutive year that New York has registered an increase in milk production. Nationally, milk production increased 2.4 percent in 2014. In terms of the farm-gate value of milk produced, New York continues to hold its number three national rank.

New York officially became America's Yogurt Capital in 2012, surpassing California as the top producer of yogurt in the United States and held onto that title again in 2013. The number of yogurt processing plants more than doubled since 2000 and the amount of milk used to produce yogurt increased from 158 million pounds in 2005 to 1.9 billion pounds to produce 741 million pounds of yogurt in 2013. In 2014, yogurt production slowed due to a major manufacturer shifting some of its production to an out-of-state facility. For the year, total state yogurt production is expected to be down 10 to 15 percent from 2013.

New York is also a major cheese producer, ranking fourth in the nation in total cheese production and first in the production of cream cheese and cottage cheese.

A May 2014 Cornell study estimated the dairy industry's contribution to New York's economy to be \$14.8 billion.

Yogurt and Dairy Summit

In October 2014, Governor Cuomo hosted the second Yogurt and Dairy Summit to bring together dairy farmers, yogurt and other dairy manufacturers, and state officials to find new ways to support the dairy industry's growth in New York. The Summit highlighted the opening of a dairy ingredient manufacturer, a facility to do cold separation of milk and cream and a new yogurt plant featuring an agri-tourism component. As a result of the Summit, New York immediately started to work to increase sales of dairy products made in the state, including butter, cheese, yogurt, cottage cheese, sour cream, cream cheese and ice cream, to state operated institutions.

For example, the Department of Corrections and Community Supervision added a 4-ounce vanilla yogurt to its statewide menu. This new business partnership will result in the consumption of approximately 1.2 million cups of yogurt annually while supporting upstate farms with approximately \$300,000 in purchases. Governor Cuomo also signed legislation on the same day as the Summit making yogurt the official snack of New York.

Dairy Acceleration Program

The Dairy Acceleration Program makes funding available to help dairy farmers develop individualized business and environmental plans. The Department is responsible for administering part of the funding for the development of business planning for expanding dairy farms. The Department of Environmental Conservation is responsible for administering funding to address environmental needs for expanding dairy farms. This cross-agency collaboration will help dairy farmers increase their production.

In 2014, Governor Cuomo announced that funding for the Dairy Acceleration Program would increase by \$1,850,000, in addition to the \$1 million announced in 2013. The Dairy Acceleration Program is resonating very positively with dairy farmers across the state, mostly those with herds under 300 cows. The new funding served at least 100 more dairy farms across New York.

In addition, the program enables farmers to tap into the expertise of the Cornell Cooperative Extension (CCE) network and other agricultural programs to facilitate and grow their businesses and, in turn, to increase production on their farms. The Dairy Acceleration Program will build upon Governor Cuomo's "one stop shop" approach, by providing a central point of access to technical programs for those dairies looking to expand or improve productivity. CCE Regional Dairy Specialists will identify opportunities for assistance for farms via programs, such as the Agricultural Environmental Management program, FarmNet and Pro-Dairy, and help to coordinate the delivery of these on-farm technical support programs.

Maple Syrup

Governor Cuomo announced that New York State retained its position as the second highest producer of maple syrup in the country in 2014, producing 546,000 gallons of maple syrup with 2.2 million taps, according to the USDA National Agricultural Statistics Service. Due to the hard work of the state's dedicated maple producers, 2014 was the third best year for maple production in the past 20 years.

Bringing Agriculture into Communities

Urban Initiatives

Governor Cuomo has made promoting access to healthy, locally-grown food in traditionally underserved urban communities a priority of his administration. The Department administers four major food initiatives in pursuit of this goal:

- FreshConnect Farmers' Market Program
- Farmers' Market Nutrition Programs
 - Senior Farmers' Market Nutrition Program
 - Women, Infant and Children Farmers' Market Nutrition Program
- Women, Infant and Children Vegetables and Fruits Check Program
- Farmers' Market Supplemental Nutrition Assistance Program- Electronic Benefits Transfer (SNAP- EBT)

[FreshConnect Farmers' Market Program](#)

FreshConnect was created by Governor Cuomo four years ago. Since then, it has increased capacity for farmers to directly market their products to consumers while providing New Yorkers in underserved communities with new opportunities to purchase farm fresh products.



FreshConnect Farmers' Markets

The FreshConnect program assists New York farmers by increasing the sales of locally-grown food products and helps New Yorkers by providing them with healthy food. The program also promotes economic development around the state through projects like youth markets, delivery of products to low-income housing facilities, and new initiatives at traditional farmers' markets.

The Department oversees FreshConnect, which also includes the FreshConnect Checks Program. It provides \$2 SNAP incentive checks for every \$5 purchased using EBT at a participating farmers' market. In 2014, Governor Cuomo announced \$680,000 in funding available under the FreshConnect Farmers' Market program.

[Farmers' Market Nutrition Programs](#)

Seniors – This program connects low income seniors throughout the state with affordable, healthy food options in their communities and provides a boost to local farmers by bringing

their products to markets in every region of the state. In 2014, \$1.5 million in farmers' market checks were distributed as part of this program.

Women, Infants and Children – This program connects low-income families with affordable, fresh and locally-grown food at farmers' markets in their communities. Not only does this program help New Yorkers to eat better and healthier, it also expands the customer base for local farmers and promotes New York-grown products. In 2014, this program received \$3.2 million in state and federal funding and provided over 239,054 families with access to healthy food at 642 farmers' markets and seven farm stands.

Women, Infants and Children Vegetables and Fruits Check Program

This provides all enrolled families with monthly \$8 and \$10 checks to purchase fresh, local produce from authorized farmers at farmers' markets. In 2014, there were 94 authorized farmers who redeemed 6,713 checks totaling \$57,337 as part of this program. This is a 77 percent increase from 2013.

Farmers' Market SNAP-EBT

New York has one of the largest SNAP outreach campaigns in the nation. The goal is to increase participation by eligible individuals and families. The Farmers' Market SNAP-EBT initiative is a system by which open air farmers' markets are equipped with wireless terminals to facilitate transactions with SNAP beneficiaries. This enables those with SNAP benefits to purchase healthy and nutritious foods at local farmers' markets. In 2014, more than \$3.2 million in food products were purchased by consumers from local producers using the EBT system.

Interagency Task Force Created

In March 2014, Governor Cuomo announced the formation of the Strategic Interagency Task Force on Lessening Obstacles to Agriculture (SILO) to address barriers to the growth of New York's agricultural economy. The SILO Task Force is comprised of leadership from ten state government agencies and authorities, as well as representatives from major commodity sectors of agriculture. Over the course of five meetings, task force members worked together to identify problem areas and ensure that state agencies that interact with farmers communicate clearly, interact efficiently, and lessen requirements on farms. In total more than 50 issues were identified.

Throughout the SILO process, the farmer representatives highlighted perceived government hurdles that could be addressed through improved outreach, promotion, regulatory reforms or statutory changes. The greatest concerns were farmworker issues, poorly aligned programs, duplicative functions, and the environment. After issues were raised by the farmers, agency experts were called into subsequent meetings to provide detailed information about specific requirements/procedures and discuss how these issues may be addressed.

It is clear that bringing regulators together with representatives of the regulated community has already resulted in improved relations between the two groups and will continue to bear fruit well into the future.

Council on Food Policy

The Council on Food Policy brings together the public, producers and government to explore ways in which we can improve our existing food production and delivery systems, expand capacity and, in particular, ensure the availability of safe, fresh, nutritious and affordable food for all New Yorkers, especially children, seniors and low-income residents. Additionally, by expanding the sale of locally grown products, we can help farmers and expand the local agriculture and state economy. The Commissioner is Chair of the Council on Food Policy.

In 2014, the Department hosted a series of listening events throughout the state called, “Farm, Food and Policy: Getting it Right in New York State.” Among the key areas addressed were how to strengthen the connection between local food products and consumers, supporting efficient and profitable agricultural food production and food retail infrastructure, and maximizing participation in food and nutrition assistance programs. Several hundred people participated in these events and provided valuable recommendations, which we will look to implement in 2015.

Federal Pilot Program

New York State was selected by the U.S. Department of Agriculture to participate in a federal pilot program for the procurement of locally-grown produce in New York State schools. New York is one of eight states selected to participate in this first-of-its-kind federal initiative. The state identified Rochester as the location to kick off this initiative.

Assistance for the Agricultural Community

One of the primary goals of the Department is to promote agricultural activity. Approximately 35,500 farms on over 7.1 million acres throughout the state produce a wide range of products including dairy, fruits, vegetables, maple syrup and beverages. They are vital to the State's economy.

Available Funding

The Department works closely with the agricultural community and government entities to administer grants and funds. In 2014, the Department administered more than \$37 million in funding for New York State farmers and others in the agricultural community. This funding included:

- Farmland Protection Grants - \$20.5 million was awarded to aid farmland protection efforts and help prevent viable agricultural land from being converted to non-agricultural use. These State Environmental Protection Funds were made available through the Farmland Protection Implementation Grant Program. Those eligible for these grants include municipalities, counties, soil and water conservation districts and not-for-profit conservation organizations/land trusts. These grants will preserve 21 farms in 12 counties across the state, and bring the total acreage under the program to approximately 59,000 acres.
- Municipal Farmland Protection Implementation Grants - \$39,700 in State Environmental Protection Funds were awarded to three projects under this grant program. The first award was to the Town of Cazenovia, which received \$9,700, to revise its local laws to better align with recommendations made in its Agriculture and Farmland Protection Plan. A second award was to the Town of Ballston, which received \$15,000 to establish a Transfer of Development Rights (TDR) program to protect farmland. A third award was made to the Town of Stillwater to help it establish a TDR program to protect farmland. All three municipalities are also contributing their own funding toward these projects.
- County and Municipal Farmland Protection Planning Grants - \$376,000 in State Environmental Protection Fund grants were awarded to seven counties and six towns to help them develop local agricultural and farmland protection plans. To date, New York State has helped fund modern agricultural and farmland protection plans in 82 towns and 20 counties across the state.
- Water Quality Grants - \$13.8 million in funding was awarded to help more than 200 farms across New York implement enhanced soil and water conservation practices,

which in turn will protect the state's waterways. These competitive grants were awarded to 32 County Soil and Water Conservation Districts, and are administered by the State Soil and Water Conservation Committee and the Department.

- Specialty Crops - \$1.4 million in federal funding was provided for specialty crops. The Specialty Crop Block Grant program is for fruits and vegetables, dried fruits, hops, and nursery crops, and works to enhance the competitiveness of New York farms by forming new partnerships to create innovations in agriculture that benefit the state's economy.
- Great Lakes and Mohawk River Watersheds - \$295,000 was awarded to assist 13 County Soil and Water Conservation Districts in the Great Lakes and Mohawk River Watersheds develop soil health programs that will protect New York's lakes, streams and rivers from potential agricultural runoff. This assistance was awarded through the New York State Ecosystem Based Management Program, which is funded through the Environmental Protection Fund and administered by the Department.
- Preventing Invasive Species - \$790,000 was awarded under the 2014 federal Farm Bill to prevent invasive species on agricultural lands across New York State. The funding enabled the Department and the State to implement a pest survey program working together with New York State institutions of higher learning to detect new pests before they become established and impact New York agriculture.

Marketing Orders

Marketing Orders are established at the request of producers to assist the industry in achieving a variety of objectives including product development, research and promotion. Currently, the Department administers the following orders:

- Apple Marketing Order
- Sour Cherry Marketing Order
- Apple Research and Development Program
- Onion Research and Development Program
- Cabbage Research and Development Program
- Western New York Milk Marketing Order
- Dairy Promotion Order



Generally, the Department collects assessments, manages funds and develops contracts with appropriate parties. Functions and objectives vary depending on the Order. For example, the Dairy Promotion Order promotes the sale and consumption of milk and dairy products and funds research on improving the quality of milk and to develop new products. In 2014, the Dairy Promotion Order received assessments totaling \$13.7 million while the other orders

generated an additional \$2.4 million in industry funds, which were used to market and promote farm products and support market and production research.

Helping New Farmers

Governor Cuomo announced several initiatives to assist new and early-stage farmers, and encourage the continued growth of agribusiness across New York. The New York State New Farmers Grant Fund, which is being administered by Empire State Development, in consultation with the Department, will support beginning farmers and encourage farming as a career. The \$614,000 Fund, enacted in the 2014-2015 New York State Budget and signed into law by Governor Cuomo, provides grants for beginning farmers who will substantially participate in the production of an agriculture product, and employ the use of innovative agricultural techniques at commercial farm operations throughout the state.

The Fund provides grants of up to \$50,000 for eligible farmers who participate in the production of an agricultural product on a commercial farm operation within New York. Funds can be used for up to 50 percent of project costs including, but not limited to: lease or purchase of farm machinery and equipment; construction or expansion of farm buildings or systems; and purchase of supplies such as root stock, seed or fertilizer. By funding as much as 50 percent of the start-up costs for young farmers, the grants help create new opportunities for beginning farmers across the state and plant the seeds for their long-term success.

To help encourage recent college graduates to pursue careers in farming in New York State, the New York State Young Farmers Loan Forgiveness Incentive Program was also passed in last year's budget. The program provides loan forgiveness awards to individuals who obtain an undergraduate degree from an approved New York State college or university and agree to operate a farm in New York State, on a full-time basis, for five years.

Migrant Farm Worker Early Childhood Education

The Department provides funding to the Agri-Business Child Development Program which delivers early childhood education and development services to the children of New York's farm workers. Children ages eight weeks to school age, whose parents are engaged in agriculture, benefit from the Program's comprehensive child development services including health and dental care, meals, transportation and age appropriate educational and physical activities. In addition, the Program connects families to much needed resources within their communities. In 2014, the Program received about \$6.5 million in state funds and served more than 1,300 children throughout the state.

Emergency Management

New York State and the agricultural community were hit hard by severe weather in 2014, including a deep freeze that affected the grape industry and small livestock in the Finger Lakes, a flood and a tornado that impacted dairy farms in the North Country, and an extreme snow event that devastated numerous greenhouses in Western New York. The Department worked closely with local and state emergency management officials, agencies, and Cornell Cooperative Extension to provide assistance and launch programs to help recover and better protect citizens in the future.

The Department also increased its emergency management and security capabilities at the New York State Fairgrounds. The fairgrounds host more than 500 events throughout the year, bringing nearly two million visitors through its gates. The Department, in collaboration with local, county and state response organizations, drafted a Comprehensive Emergency Management Plan to serve as a guide and framework for all-hazards emergency management. In addition, the Department implemented the National Incident Management System and Incident Command System for multi-agency response coordination, and continued to increase its interoperability communications.

The Department focused on several new preparedness and mitigation initiatives. For example, we crafted a comprehensive Radiological Emergency Preparedness Guide for farmers residing within the 50 mile ingestion pathway of a nuclear power plant. This guide will be distributed by the Department, state and county emergency management offices, and Cornell Cooperative Extension.

Additional new planning and preparedness initiatives that were developed include a State Plant Pest and Quarantine Appendix for the State's Comprehensive Emergency Management Plan; creation of a Food Safety Rapid Response Team; and preparedness and protocol to quarantine and care for pets exposed to the Ebola Virus Disease.

Grape Declaration

Due to harsh winter weather conditions, the Commissioner issued a determination allowing certain farm wineries to manufacture or sell wine from grapes grown or juice produced outside of New York.

Fifteen grape varieties in the state experienced over a 40 percent loss. This is the first time such a declaration has been made in New York State since 2005 and applied to farm wineries statewide.

Grape varieties covered under the declaration include: Riesling, Cabernet Franc, Pinot Noir, Chardonnay, Gewürztraminer, Merlot, Pinot Gris, Cabernet Sauvignon, Lemberger, Syrah, Gamay Noir, Brianna, Frontenac, La Crescent, and Noiret.

Fuel NY

In 2013, Governor Cuomo signed into law the strongest protections in the nation to ensure that critical gas stations have back-up power capacity, in order to restore normalcy as quickly as possible after a major storm. Under the Fuel NY initiative, most gas stations in the downstate region located within ½ mile of highway exits or hurricane evacuation routes are required to have a transfer switch installed and to deploy a generator within 24 hours of losing power during a fuel supply or energy emergency. In addition, chains of gas stations must have a transfer switch installed at an additional 30 percent of their stations by August 1, 2015.

In 2014, there were 653 transfer switches installed. Efforts to ensure stations comply with deployment requirements are continuing and the number of stations with generators onsite is growing.

The Department's Bureau of Weights and Measures is responsible for working on this initiative. During 2014, the Bureau worked with the New York State Energy Research and Development Authority and the Division of Homeland Security and Emergency Services to develop the program.

Environmental Protections

Soil and Water Conservation Committee – AEM

The New York State Soil and Water Conservation Committee sets policies and oversees programs for New York's 58 County Soil and Water Conservation Districts, while advising agencies of government on matters relating to soil and water conservation. The Committee also administers the Agricultural Environmental Management (AEM) program. AEM is a voluntary, incentive-based program that assists farmers in addressing regulatory compliance and environmental concerns on their farms.



In 2014, Governor Cuomo announced \$13.8 million in funding to help more than 200 farms across New York implement enhanced soil and water conservation practices, which in turn will protect New York State's waterways. Competitive grants were awarded to 32 County Soil and Water Conservation Districts, and provided by the State Soil and Water Conservation Committee and the Department.

New Regulations to Prevent the Spread of Invasive Species

New state regulations were issued to prevent the introduction and spread of invasive species and help to preserve New York's ecosystems. Many invasive species such as the Eurasian Boar, Asian Longhorned Beetle, Emerald Ash Borer, and Northern Snakehead Fish can cause significant damage to natural communities in New York State. Since 2011, \$30 million in state funds has been allocated toward preventing the spread of invasive species.

The regulations make it unlawful to knowingly possess a prohibited species with the intent to sell, import, purchase, transport, or introduce. Regulated species are those that have been determined to have the potential to cause harm to New York's ecology or human health, but also have positive socio-economic benefits and which may be effectively contained through regulatory programs. Regulated species may be possessed, sold, purchased, propagated, and transported, but may not be knowingly introduced into a free-living state such as being released or planted in lands or waters in a manner that the individual introducing them should know would result in the species being introduced into a free-living state.

In early July, Governor Cuomo urged all New Yorkers to take action to protect lands and waters from invasive species that can be harmful to human health, animal habitat, agriculture and tourism by designating New York's first-ever Invasive Species Awareness Week.

Food Safety and Animal Health

Inspections and Food Safety

Two divisions at the Department perform inspections of the food supply. Sanitary inspections represent the very core of the Division of Food Safety and Inspection's mission for safeguarding food. Sanitary inspections not only provide a snapshot in time of a food establishment's



compliance with sanitary regulations, but also the opportunity to conduct other important investigative surveillance activities such as food seizures, sampling and recalls. In total, Food Safety inspectors conducted 34,291 initial and follow-up inspections.

The Division of Milk Control and Dairy Services conducted more than 7,050 inspections and gathered more than 16,000 samples for testing. This division's work included inspections of plants, pasteurization units, bulk milk vehicles, delivery vehicles and certified milk inspector evaluations. It also oversees the Certified Milk Inspector Program, which audits the state's 4,950 dairy farms for sanitation requirements (e.g., equipment cleanliness, the handling of milk, etc.).

Food Laboratory Testing

The laboratory tested 22,546 samples collected throughout the year by inspectors in the Division of Milk Control and Dairy Services and Division of Food Safety and Inspection. Product testing reflects the Department's efforts to ensure the safety of the food and animal feed supply, the accurate labeling of food and feed products, and the accurate labeling of agricultural products. In total, the Department initiated 233 food safety recalls in 2014, nearly all as a result of testing done at the Food Laboratory.

Compliance with Regulations

Compliance with state and federal food safety regulations is critical to preserving the health of New Yorkers and preventing the spread of disease. The Department continuously monitors the compliance rate of regulated food companies and, since 2006, compliance has increased 5 percent, from 91 percent in 2006 to 96 percent in 2014.

The Department attributes the increase to educational requirements included in the 2006 revision of the retail food store regulations. As part of these regulations, retail food store supervisors must complete an approved food safety course and demonstrate experience and

competence in operating their establishments. The Department also conducts face-to-face educational outreach on compliance to establishments upon request. Approximately 10,000 people participated in these and similar educational programs in 2014.



The Department also reinvigorated its Division of Kosher Law Enforcement. The law requires those who manufacture, produce or certify kosher foods to register with the Department. In 2014, the division streamlined its registration process and increased its presence in the community.

Animal Health

The Department serves an important role in the control and eradication of infectious and contagious diseases in New York State's livestock and poultry, the implementation of pre-harvest food safety measures at the farm level, environmental pathogen control, public health, and animal care. During the past year, the Department's Division of Animal Industry:

- Developed a bi-monthly conference call for counties featuring guest speakers on a variety of topics to assist with support and development of the County Animal Response Team program.
- Assisted two counties with development of a County Animal Response Team.
- Performed 494 inspections at retail pet dealers and breeders.
- Performed 345 inspections of persons and businesses licensed as Domestic Animal Health Permit holders.
- Performed 721 inspections of dog control officers.
- Performed 434 inspections at municipal dog shelters and dog shelters that hold contracts with municipal governments.
- Created a new module for the New York State Cattle Health Assurance Program focusing on preventing veterinary drug residues in foods of animal origin. This will help assure consumers that beef and dairy products sourced from New York farms are free of illegal drug residues and will also help farmers institute best management practices for the use of veterinary medications in their herds.
- Had its veterinarians working with several farms to help them manage and control *Salmonella* Dublin, a bacteria that can cause significant calf losses.
- Was recognized by USDA APHIS Veterinary Services as being among the top state animal health authorities in relation to its ability to rapidly trace animal movements.
- Provided over 44 hours of continuing education credit by conducting over 20 meetings around the state to more than 300 veterinary professionals, New York producers, agricultural extension agents and students. Topics presented included domestic diseases of swine, cattle, horses, and small ruminants to animal identification, foreign animal diseases, drug residues, dog control and animal welfare.

- Collaborated with the Gaming Commission and Cornell University on the creation of a comprehensive three-part biosecurity toolkit for the New York horse racing industry. The toolkit's primary objective is to provide guidance to track management, veterinarians and trainers in advance of disease threats thereby eliminating or mitigating the negative consequences that could occur to the state's racing industry.
- Provided continuous oversight of the Live Bird Market system in New York, testing over 35,000 birds for avian influenza. This program provides avian influenza surveillance for much of the eastern US.

The Division also worked with numerous government and local organizations to contain other viruses and protect animal health statewide.

Division Honors

Five of the Department's staff were chosen to represent New York with national organizations.

- David M. Chico, VMD, M.P.H., veterinarian with the Division of Animal Industry, serves as President of the National Alliance of State Animal and Agricultural Emergency Programs.
- Casey McCue, Director of the Division of Milk Control, served as President of the National Association of Dairy Regulatory Officials.
- Dan Rice, Director of the New York State Food Laboratory, was named President of the Association of Public Health Laboratories.
- David Smith, DVM, Director of the Division of Animal Industry, was elected to a two-year term as Vice President of the United States Animal Health Association's Northeast Region.
- Stephen Stich, Director of the Division of Food Safety and Inspection, was named President of the Association of Food and Drug Officials.

Laboratory Recognition

The Food Safety and Metrology Laboratory (Lab) received several awards last year. It achieved LEED Silver Certification for Energy Efficiency. During construction of the laboratory, 75 percent of construction waste was recycled and a substantial amount of the building materials came from within a 500 mile radius of Albany. Twenty-nine percent of the building materials used included recycled products. The floors of the lab are made of recycled rubber, linoleum and cork. Recycled materials are also used in various countertops and bathroom partitions. Bathrooms and lab spaces also make use of low water flow faucets and toilets. LEED Silver Certification will help the Lab reduce energy costs by more than \$124,000 annually while decreasing electricity consumption by 297,000 kilowatt hours. This is the first building operated by the Department to gain LEED certification.

In addition, the Lab was awarded the nation's Healthiest Lab Award by the Association of Public Health Laboratories. The award celebrates excellence in environmental stewardship and health promotion in both practice and policy, and recognizes the laboratory that demonstrates outstanding efforts to reduce its collective environmental impact and ensure a healthy workplace.

Protection for Pets

Governor Cuomo signed legislation to help protect the health and safety of dogs and cats across New York State by authorizing local municipalities to adopt more stringent laws to regulate pet dealers. The new law authorizes municipal governments to enact more stringent laws than those currently existing at the state level by removing the current preemption on municipalities to enact their own laws regulating or licensing pet dealers. Any new local ordinance must be at least as stringent as state law and must not result in the banning of the sale of dogs and cats raised in a safe and healthy manner.

While the Department will continue to enforce existing state laws pertaining to animal care by pet dealers, if a municipality chooses to adopt a more stringent local law, enforcement of the new law will be the sole responsibility of the municipality.

The Great New York State Fair

The Great New York State Fair completed its most successful run with close to 1 million people attending the 12-day event, from August 21-September 1, 2014. The theme of the fair was “Summer’s Best in Show,” and the pride was everywhere, with several new exhibits being massive draws for fairgoers.

With a renewed focus on highlighting the best in New York agriculture, coupled with some of the best entertainment in the country, the Fair broke the long-standing single-day attendance record twice in three days. On Saturday, August 30, the Fair recorded the largest attendance ever in its 168 year history with 120,617 fairgoers coming through the gates, breaking a record that had stood for 25 years. Fueled by the first ever Dollar Day at the Fair, Monday, September 1, brought another 122,870 through the gates to set a new record. Total attendance for the Fair was 965,147, up 113,990 from 2013.

Other record breaking statistics from the Fair include:

- The Fair reported sponsorship sales of \$1.99 million, a 16 percent increase from the final numbers for the 2013 Fair. The number of sponsors also increased from 74 in 2013 to 90 in 2014, a 22 percent increase. In total, 2014 revenue from sponsors was at a five-year high.
- Chevrolet, sponsor of the Chevy Court series of free concerts by national acts and one of the Fair’s largest sponsors, signed its first-ever multi-year deal this year.
- For the first time, Fair tickets were offered online. It took just over two hours and 30 minutes for eager shoppers to snap up all 10,000 tickets available in the Fair’s first-ever Cyber Monday deal. The Fair offered up to four admission tickets to the 2015 State Fair for \$3 per ticket, a discount of 50 percent over the cost of an advance sale ticket and less than one-third the cost of a \$10 ticket at the gate during the Fair.

The Taste NY experience continued to be a big hit and received rave reviews from fairgoers. It presented New York produced food and beverage products for sampling and purchase under the Taste NY banner all across the fairgrounds. The Taste NY experience included a Taste NY Trail, a Taste NY Wine and Cheese Competition, and related tastings, all highlighting New York products.

In addition to a positive response from fairgoers, the Fair earned 17 honors, including a first place award for its new Adopt-A-Family program, from the International Association of Fairs and Expositions (IAFE). The Fair took two second place awards in the Agriculture Awards categories. The daily free Taste NY Wine and Cheese Seminars in the Horticulture Building won second place for “Consumer Awareness in the Agricultural Environment.” The seminars were one of several opportunities for consumers to sample the best of New York food and beverages

under the Governor's Taste NY program. The Dairy Cow Birthing Center, operated by the New York Animal Agriculture Coalition, also earned second place honors in the competition called "Special or Specific Agricultural Educational Event, Exhibit, or Program for the Fairgoing Public." The birthing center has been a success in its first two years at the Fair, drawing thousands of people to witness the birth of dairy cows.

State Fairgrounds

In addition to the Great New York State Fair, the 375-acre fairgrounds complex in Syracuse hosts about 500 events each year. The Department oversees the fairgrounds and made several major improvements at the site including replacing/repairing roofs, repaving roads, replacing staircases and updating electrical lines.

Other events held at the fairgrounds in 2014 ranged from major entertainment and sporting events to a variety of equestrian competitions, consumer shows and community events and meetings.

Other Services

Assuring Accurate Measurement in Commerce

The Department's Bureau of Weights and Measures works in cooperation with municipal Weights and Measures to assure accuracy in all commercial transactions based on weight or measure. Some of these devices/transactions include:



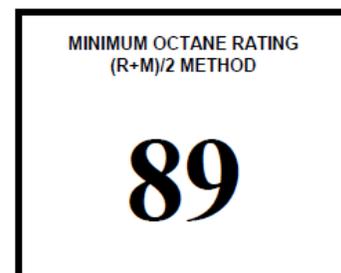
- Scales in grocery stores
- Gas pumps
- Meters on fuel oil delivery trucks
- The net weight of packaged commodities
- Farm bulk milk tanks
- Meters on propane delivery trucks
- Timing devices
- Scales used in scrap metal yards

For example, while training and evaluating municipal officials, Bureau specialists observed and assisted in the inspection of more than 4,000 petroleum pumps. These types of inspections ensure consumers get what they pay for and provide a level

playing field for businesses in the marketplace.

Petroleum Quality

The Department's Bureau of Weights and Measures administers the Petroleum Quality Program to ensure the quality of petroleum products dispensed in the state. The Program tests gasoline and diesel fuel to ensure that petroleum marketers at all levels of distribution accurately represent the quality of the products they dispense. In 2014, more than 14,500 samples of gasoline and diesel fuel were taken from more than 4,000 retail stations across the state and were tested to ensure quality fuels for New York State motorists.



Metrology Services

The Metrology Laboratory (Lab) provides services in two main areas: Calibration Services and the Type Approval programs. Under the Calibration Services program the Laboratory provides calibration services in the areas of mass, volume, length and time for municipal weights and

measures programs, private industry clients and other state agencies. Many of its clients are in the pharmaceutical and manufacturing industries. The Bureau of Weights and Measures has received accreditation to ISO 17025 to assist those client companies that compete internationally. In 2014, the Bureau provided calibration services to more than 140 customers by performing more than 1,900 tests. For example, the Bureau tested lottery balls for the Gaming Commission and weight kits for pharmaceutical companies.

Under the Type Approval program, a sample commercial weighing and measuring device is submitted to the Lab and evaluated according to standards under the National Type Evaluation Program. Devices passing evaluation are commonly referred to as “legal for trade” and New York’s Lab is one of only four in the country that performs these evaluations. The Lab evaluates measuring devices such as scales used in delis, jewelry stores, and scrap metal yards.

MWBE Contracts

Governor Cuomo has made increasing the use of minority and women owned businesses in state contracts a priority of his administration. In 2014, he announced that the state used more than 25 percent of Minority and Women-Owned Business Enterprises (MWBE) in state contracting for the first time in the program’s history. The Department is proud to have contributed to this effort, achieving more than 20 percent utilization.

In 2014, the Department utilized a total of 207 MWBE’s in 683 various procurements valued at more than \$680,000. This represents 20 percent of our total discretionary procurements for the year, meeting our annual goal. The Department issued 64 waivers of the MWBE requirements, and was not required to prepare a remedial plan.

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