

## State of Agriculture Address Commissioner Richard A. Ball January 6, 2022

Good afternoon, thank you for that introduction. I want to also thank our hosts, the New York State Agricultural Society Board, we appreciate all of your work in organizing and putting on this important event. I thank all our presenters earlier today as well.

It is once again great to be here at New York agriculture's most important and best family reunions. I am honored to work for all of you.

I'd also like to take a moment to recognize the Century Farms and Bicentennial Awardees. It was wonderful to be with you in person this year and celebrate your and your family's dedication to agriculture.

A very special congratulations also to our Distinguished Service Citation award winner, and my good friend Pat Hooker. Pat has long been a champion for agriculture in New York State, working in many capacities over the years to better our shared industry, most recently working as the State's Deputy Secretary for Food and Agriculture, where he served tirelessly as an advocate for agriculture and for all of you.

Pat is, in large measure, why I am here today. I have known him for nearly 30 years – first as a New York Farm Bureau member, then in his role as Commissioner of the Department of Agriculture, and later, at Empire State Development—working on agricultural investment opportunities—and finally as Deputy Secretary. He has always been someone I have looked to as a correct thinker—a hero and a mentor. In recent years, I have been blessed to have been able to work for, and with, a hero and mentor. Let's give another round of applause and thank you to Pat.

To all of our awardees this year, congratulations, well done. Thank you for your service to this special agricultural community.

One question I often get from New York farmers is whether I speak with other commissioners, secretaries, and directors from the other states. We do collaborate quite often, usually through our work at the National Association of State Departments of Agriculture, or NASDA. New York State is very active in NASDA and this group is one of the most looked-to organizations in Washington DC on agricultural issues.

Having said that, I get to see other states' staff and operations and am proud to tell you that you have an amazing core of deputy commissioners and division directors working for you here in New York. They are all nationally recognized, they understand and care about what you do, they make themselves available 24/7 to work on our mission, and they make my life better every day. I am so fortunate to be surrounded by them.



In fact, all our staff at the Department are incredible and I'm proud of the work they do and their dedication to agriculture day in and day out. We have some of our staff with us today, some that are here with us now and others that you may have heard from or seen earlier in the day. For those that are here with us this afternoon, please stand up when I call your name so I can introduce you:

- Nicole Leblond, Deputy Commissioner
- Mike Latham, Director, Land and Water
- Brian Steinmuller, Assistant Director, Land and Water
- Hanna Birkhead, Associate Director of Public Information
- Amy Lasnik, Executive Operations Manager
- Jessica Brooks, Ag Development
- Anik Gibeau, Ag Development
- Wendy Ingersoll, Food Safety Inspection Division
- Steve Schirmer, Food Safety Inspection Division

I want to thank all of you, for taking the time to join us for the Agricultural Society Annual Forum and the annual State of Agriculture address. We are all working through continued challenges and concerns amidst this pandemic but we have come a long way since last year when we had to hold the forum virtually. I must say it is good to be back, even in these very different circumstances. The annual forum is a tradition I look forward to every year.

Today, we come together to once again tackle some of our greatest challenges in agriculture and there are many, including climate change, as has been our theme during today's discussions. You heard a lot about the State's role in combating climate change during earlier presentations today, particularly from Brian Steinmuller, and I'll talk a bit more about that shortly.

We have no shortage of things to worry about. We have been presented with numerous generational challenges and so many uncertainties. It is easy to feel under siege today in agriculture and the term crisis has been used repeatedly.

We have been facing tremendous uncertainty in our state when it comes to labor issues, with the Wage Board slated to meet several times later this month. The Farm Laborers' Fair Labor Practices Act was the most significant change to farm labor law. We are encouraged that the Wage Board is taking some extra time to make their decision, as we believe this will help to ensure a comprehensive and thorough review of the data and reports presented.

Through it all, I am reminded of the Chinese characters used to form the word crisis. The first character is "dangerous" and the second character is "opportunity." I believe the generational challenges we face offer us the chance for generational opportunity.



So, I'm also happy to be able to be here with you today to share more on what those new opportunities are, and a few things that I am excited about for our industry.

We are also here today to look forward, towards successes we've realized, like the Nourish New York program, our industry's continued efforts to ensure the resiliency and stability of the food supply chain, and so much more.

I am honored to share that I have recently taken on the humbling position as the NASDA President, which will help me to address your concerns on the federal level. I am dedicated to collaborating through NASDA to advocate for and implement change that will have a lasting impact on our shared industry. The policies set forth by NASDA this year will deliver on our collective commitment to address the most important and pressing agricultural issues of today while strengthening our farms and food supply for the future. We're working on expanding emergency food supply networks; emphasizing the importance of free interstate commerce; growing the hemp industry; and promoting agricultural workforce reform. This is in addition to NASDA's priority issues, which are trade, food safety, food systems, workforce development, infrastructure and capacity, and, of course, climate resiliency.

As part of this, New York State will host all commissioners and secretaries of agriculture from across the United States at the 2022 NASDA Annual Meeting in Saratoga Springs, New York in September of this year. I am proud that other states look to New York in terms of agricultural policy and programs in a big way.

I also would like to share with all of you some updates and the things we are talking about on the international front. I know a lot of people's eyes gloss over when we start talking about trade issues, but did you know that New York State exports 40% of what we produce? 40% of what we produce goes offshore.

I was able to be at the Tri-National Accord this past September. The United States hosted that Accord. This is a discussion between the ministers of agriculture in Canada, the secretaries of agriculture from the 32 states in Mexico, and all the commissioners, secretaries, and directors from the United States. We come together and discuss trade issues, irritants, phytosanitary concerns, and more. I got to host that meeting in Washington this year. Clearly, this was an important conversation to have this year with the USMCA just coming into force, and with our concerns over dairy in Canada and our concerns over Mexico's thinking about genetics and pesticides. We need to come to terms, and we need to understand each other.

Additionally, we signed the USMCA, which is an important document, and it improved what we had in NAFTA. The Tri-National Accord was actually set up when NAFTA was formed. We need to stay on this and make sure we're in harmony since those two counties are our biggest trading partners. 25% of all our dairy exports go to Mexico, for example. It is very important that we maintain those relationships, get to know those people, and continue those discussions.



Back here at home, and on the exciting news front, we had tremendous news from Albany yesterday, when our Governor delivered her State of the State address. Governor Hochul has been a strong friend of agriculture over the years, and she's visited dozens of farms across the state. She cares about agriculture and understands the importance of the work that you all do and your contributions to the economy and to our community. Yesterday, she unveiled a sweeping plan to support agriculture for years to come – programs, initiatives, and investments unlike anything we've ever seen. It is truly a historic moment for our industry, and it comes at the right time, as we continue to work through so many other challenges.

Perhaps the biggest announcement made yesterday was the launch of significant, new tax credits and the increase of existing ones meant to support food production. To help farms meet the latest challenges and offset rising costs, Governor Hochul will increase an existing workforce tax credit and create a new one, while also expanding an investment tax credit. These actions include:

- Increasing the Workforce Retention Tax Credit: The State will double the yearly fixed dollar amount of the non-refundable tax credit per eligible employee and extend the program to 2025;
- Creating a New Overtime Tax Credit: The State will create a permanent, refundable tax credit on overtime hours for any size farm in New York State; and
- Increasing the Investment Tax Credit: New York will increase the existing investment tax credit at year's end for all State farms, allowing farmers to purchase new equipment that can help further automate their farms.

Together, these efforts will help farms both support their workers and meet their food production goals. I think that deserves a round of applause.

Another great boost to farmers and a success story in our state is our Farm-to-School program. This program has dedicated \$6.8 million to help our schools to source local, healthy foods from our farmers – which is good for our farmers and good for our students. But we can and we will do better. Our students in every school district should know about agriculture and should be eating fresh fruits and vegetables provided by their local farmer. I am proud that the Governor has announced a game changing proposal in this area. To better connect schools and farmers and support local production, the State will transfer the administration of the National School Lunch Program from the State Education Department to the Department of Agriculture and Markets. This will be a win for our farmers and for our school children. We will work with the Department of Health to ensure that nutrition standards are met, and with the Office of General Services to develop guidelines specific to school food procurement. I am excited for the future of this program and what this will mean for agriculture.

As we think about the many impacts of COVID, we know that the food supply chain was disrupted and we know that this had far-reaching effects to other areas in the industry as



well. For example, the COVID-19 pandemic caused daycares—including Agri-Business Child Development (ABCD) Centers—to temporarily close their doors, leaving our essential farm workers facing the same difficult choices as other New Yorkers when it came time to balance work and childcare. Disproportionally, women stepped out of the agricultural workforce to care for their children. To support farm workers with childcare needs, New York will increase support for ABCD Centers statewide to continue to provide the highest-quality early childhood education and social services to farm workers and other eligible families with infants, toddlers, and preschoolers.

Additionally, capital investments in ABCD Centers will create safer environments and give the Centers more capacity to serve more children of essential workers. New York will also invest in increased family programming at these Centers. I think this also deserves a round of applause.

As we examine the impacts of COVID on the food supply chain, we have identified areas needing improvement. In many cases, New Yorkers faced difficulties in trying to access food in food deserts and traditionally underserved communities. To combat this, Governor Hochul will fund the Urban Farms and Community Gardens Grant Program to help make local food accessible to more residents, including those in food deserts and underserved communities, and to encourage more urban farming.

The State will also re-fund the Farmers' Market Resiliency Grant Program and establish a working group to connect upstate and downstate New York on food procurement and distribution. Grant funding will give farmers and small businesses an opportunity to build resiliency into their markets, including moving to online sales and delivery and investing in infrastructure to make local food accessible to more consumers.

Of course, one of our greatest accomplishments during the pandemic has been creating several new programs that connect New York's farmers with the people and businesses who are struggling. Our Nourish New York program has helped New York's food banks and emergency food providers purchase New York agricultural products and give them to New Yorkers in need. So far, over 48.4 million pounds of New York food products, or roughly 40 million meals, have been purchased and distributed. That is an incredible success, benefiting both our farmers and those facing food insecurity. I'm excited that Governor Hochul recently signed Nourish New York into law permanently in our state, and I couldn't be prouder to see the program continue in 2022 and beyond.

To continue supporting farmers and feeding residents, Governor Hochul will fund the Nourish New York program annually. Through the collaboration of the Department of Agriculture and Markets and the Department of Health, the emergency food system will be provided additional funding to continue the purchase of New York State food from farmers and processors.

Building on Nourish New York's success, our Restaurant Resiliency program is another win-win-win for our agriculture community, our restaurants, and our families who need to



put food on the table. Through this program, our food banks are working with hundreds of restaurants across the state to bring healthy meals to New Yorkers in need. As of today, restaurants have committed to delivering over 700,000 meals through the end of the program. Restaurants in the program are also encouraged to use New York agricultural products, providing a boost to our farmers, and we've seen some delicious New York-grown meals distributed through the program so far.

Both the Nourish New York and the Restaurant Resiliency programs are rooted in our food supply chain here in New York. Since the very beginning of the pandemic, we have been focusing our energy and attention on ensuring that the food supply chain can continue uninterrupted. We saw firsthand the importance of having local, fresh foods readily available, whether at our grocery stores or at our farmers' markets, and we know our best course of action is always to rely on the foods being grown and produced right here in our state.

So, we're now also turning our attention to strengthening and streamlining our food supply chain so that we are ready for any challenging events that come our way in the future. Along with our partners at Cornell and Empire State Development, we convened a Food Supply Working Group this year to outline some steps we can take moving forward to strengthen the food supply chain's resiliency and self-reliance. This is great news for our farmers and our agriculture community and will help us to become better and stronger moving forward.

Part of strengthening our food supply chain is supporting New York growers and food producers through our marketing programs like NYS Grown & Certified and Taste NY. NYS Grown & Certified now has more than 3,000 producers participating on over 750,000 acres. Grown & Certified farms have also been a critical component of the Nourish New York program and our Farm-to-School program, with more Grown & Certified products being added to school menus across the State.

We recently showed off Grown & Certified and Taste NY at the New York Produce Show. As always, this event was a great day of non-stop business opportunities for our produce industry. Our pavilion featured associations and producer representatives like the New York Cider Association, the New York State Vegetable Growers Association, the New York State Maple Producers Association, and the Long Island Farm Bureau. Department staff were on hand to answer questions and promote NYS Grown & Certified, Nourish New York, and the Farm-to-School 30% reimbursement program.

I also had the honor of recognizing Carly Santangelo, the Teacher of the Year award winner for 2021 at the Produce Show. She is an Ag teacher from Cuba-Rushford. She is doing great work and we're so proud of her and her colleagues for working with our young people in agriculture.

The NYS Grown & Certified program will also play a huge role in the brand-new New York State Regional Food Hub in the South Bronx. I had the honor of touring the progress on



this new state-of-the-art facility last month, when we held a "topping off" ceremony with the Lieutenant Governor and the project's many partners, including GrowNYC, Empire State Development, the NYC Economic Development Corporation, and others, while the final beam of the 60,000 square-foot, \$40 million cold-storage facility was put in place. The New York State Regional Food Hub is a joint State and City project that, when complete, will strengthen the local food economy, support New York farmers, and improve access to healthy and affordable foods for low-income communities.

You all are familiar with the great efforts of the Taste NY program. Our Taste NY staff and store operators, who worked one-on-one with producers throughout the pandemic, continue to help folks pivot their business models and adjust to consumer needs. Looking ahead, we will be working with the NYS Thruway Authority to add various Taste NY products to service area convenience stores and gift shops as they are redeveloped. We will also look to build on the successes of 2021 and Taste NY's activations, which included a new pop-up Taste NY Market at the New York State Fair that was staffed by Welcome Center operators from each region and showcased products from over 80 farmers and food and beverage producers statewide.

We're thankful that, after a year off, our Great New York State Fair was able to take place last summer. It was great to be back together at our historic Fairgrounds and to safely have some of the fun, food, and festivities that we so missed in 2020.

I am excited also that Governor Hochul has asked us to find opportunities to grow and revitalize all our fairs in New York as we move into the 2022 season. We're working with county fairs this year to increase their marketing and promotion opportunities, and we're also focusing on helping all fairs, including the Great New York State Fair, get back to their agricultural roots. We want to improve youth and ag programming initiatives at fairs statewide and really show visitors and fairgoers all the best that New York State agriculture has to offer.

Another great means of support for producers is our Dairy Promotion Order Advisory Board and Milk Marketing Advisory Council, which continued to facilitate growth of the dairy industry in our state. Through the MMAC, we continue to collaborate on the Dairy Think Tank, which was formed to understand what we want the dairy industry to look like a decade from now. This includes ways to expand consumer connections and business opportunities. The DPO, likewise, has identified some great goals for 2022, including increasing the consumption of New York dairy by our young people, and creating some marketing strategies that are socially diverse and inclusive. These efforts will be key in moving our industry forward and I look forward to seeing what's next.

Another program taking a step forward is our hemp program and we had some exciting news just a few weeks ago. The Department's Hemp Program Plan was approved by the USDA at the end of 2021, allowing us to continue to administer a hemp grower licensing program, starting this year, in 2022. We're now accepting applications for the program



and look forward to providing our growers with stability and consistency in regulations moving forward while providing continued guidance and support.

At the end of last year, the former New York State Industrial Hemp Agricultural Research Pilot Program had nearly 800 authorized growers and approximately 30,000 acres registered for growing industrial hemp. We are already seeing a strong response in applicants for the new Hemp Program and can see a bright future ahead for the industry.

There is great potential here. The Governor recognized that yesterday by announcing in her State of the State address a plan to bolster increased interest in the use of hemp for grain and fiber applications by establishing a working group at the Department to coordinate the activities of state, federal and industry partners on workforce development and training needs, sampling and testing, and research and market opportunities.

Additionally, New York State will continue supporting the work of Cornell University in developing new commercial cultivars in grain, fiber, and CBD, as well as in developing new processing technologies for industrial hemp.

I also am optimistic about our efforts to effect positive change in our industry and about our goal to combat racial inequality in New York's agricultural industry. Since the publication of the Diversity and Racial Equity Workgroup report this summer, we have heard from other states who have seen it and have been inspired by the conversations that we have had and the goals that the Workgroup set forth. We spent some time this summer visiting Buffalo Go Green Inc./Urban Fruits and Veggies, Big Dream Farm, and The Vineyard Farms to see firsthand these operations and their contributions to the community. It was a great opportunity for continued learning and sharing and we hope that the perspective we gained from these visits will help us to continue our work moving forward.

We are proud of the work that we accomplished together with our Workgroup members and know that there is still much to do to take on the urgent challenges that have been identified.

As we look ahead to the new year and new policy opportunities, we will be establishing the Black, Indigenous, People of Color (BIPOC) Farmer Engagement and Outreach Program to support the unique needs of BIPOC farmers and producers across the state. The Governor announced this plan yesterday as part of her commitment to diversity and equity in New York agriculture. The program's initiatives will include:

- Taking input and feedback from the Diversity and Racial Equity Working Group established in 2020 at the Department of Agriculture and Markets, as well as other external stakeholders;
- Helping to build an ongoing and sustainable relationship between farmers of color and the Department; and



• Providing a direct phone number and email address to connect with our staff here at the Department to help navigate the various services providers and resources available to underrepresented groups in agriculture.

This first step will help expand farming opportunities to more New Yorkers, especially those in historically marginalized groups. I once again urge everyone today to also have these conversations in your own communities too. I encourage you to commit to recognizing the struggle of our BIPOC farmers and to take action towards inclusivity and equity within your own communities. A more diverse industry will make us better and stronger, especially as we continue to build back from the continued challenges of COVID-19.

Along with issues of diversity and racial equity, one of the biggest challenges that we must tackle as an industry, a nation, and a globe is climate change.

This has been a big year for climate discussions. It is the theme of this year's meeting, and rightfully so. There is perhaps no greater issue facing us all, collectively, that will have a sweeping impact on our future.

I am proud to say we as a State are not resting on our laurels. We are taking action and we are doing something about mitigating the effects of climate change. As farmers, we are used to dealing with weather but nothing like what we have faced in recent memory. Several years ago, we all dealt with one of the worst droughts the State has ever faced and then the following year, we had the wettest year on record.

As part of the nation-leading Climate Leadership and Community Protection Act, I am chair of the Agriculture and Forestry Advisory Panel and a member of the NYS Climate Action Council. I am proud that agriculture is at the table in these discussions and playing an important role in achieving our climate goals.

The Agriculture and Forestry Advisory Panel convened 10 times from August 2020 through March of 2021. The charge to the panel was to develop a comprehensive set of recommendations for how the agricultural and forestry communities can not only reduce emissions but also play a key role in the state's net zero goal by 2050. Enhancing land-based carbon sequestration through forest management, reforestation/afforestation, agroforestry, and soil health is central to the emission target set by the CLCPA. Our diverse panel reached consensus on the recommendations that are contained in the draft Scoping Plan.

At the December 20, 2021 Climate Action Council meeting, the Council voted to release the draft Scoping Plan for public comment. I encourage all of you to go to the website: climate.ny.gov to view the scoping plan and provide your input into this process.

In addition, through our partnerships with the New York State Soil and Water Conservation Committee and County Soil and Water Conservation Districts along with



our programs at the Department, like the Climate Resilient Farming (CRF) program, we are working to help our farmers better handle the effects of these severe weather events while also helping them to incorporate best practices to mitigate the impact of agriculture on climate change.

There is increasing demand for climate mitigation, resilience, and adaptation options from New York's farms. New York State has provided funding through the Climate Resilient Farming program for several years to assist 200 New York farms to reduce their operational impact on the environment and address the impacts of extreme weather events resulting from climate change; however, the CRF grant program has been oversubscribed during its last two rounds by approximately 50 percent.

To meet the growing need for funding in this area and continue to help farms adapt to climate change, Governor Hochul also announced an incredible investment to increase funding for the CRF program and its associated supporting initiatives. This action will advance New York's efforts to reduce agricultural greenhouse gases and advance onfarm and community-wide resiliency measures.

Additionally, expanded CRF funding can help access key opportunities for mitigation, resilience, and adaptation beyond the program's current offerings. These opportunities have emerged through evolving applied research, which was funded through the program's budget and conducted by Cornell University.

New York State is without a doubt a leader in fighting climate change and agriculture is committed to being a part of the solution. With this funding commitment, we can reach more farms and make an even great impact as environmental stewards.

When I wrapped up my virtual State of Agriculture address in 2021, I reflected on some of the unexpected silver linings that the pandemic brought to our industry. That year, our state came together and saw a renewed emphasis on buying local foods and supporting local businesses, and on appreciating our food systems and the essential workers who help people to put food on the table in all corners of our state.

Now as we begin 2022, I am glad that those lessons did not fade. Instead, they took hold in our culture. Especially recently, with so much talk about the supply chain, and delays in shipping of all kinds of products, I have continued to hear an emphasis on looking inward, at home. People are buying from their local farmers, and shopping at their local farm stands and grocery stores. People are still supporting their neighbors and working together. I am heartened to see that this didn't end as we endured the second year of the pandemic, and now, the third. Even as we continue to face so many challenges, this is a positive outcome that we can all focus on.

We learned from COVID the need here in New York for a resilient and responsive food supply chain. New York does not want to find itself looking outside our borders to other regions or countries for our food supply needs in the event of another pandemic.



As Normal Borlaug, winner of the Nobel Prize, observed: "the first essential component for social justice is adequate food for all mankind."

Even though only 1% of us are involved in production agriculture, we need to continue to feed the other 99%. There is tremendous power in doing the right thing and that is the right thing. We in New York have great resources, good land, access to water, great farmers—some of the best in the country—the best land grant system for ag education, the ability to grow and produce over 30 commodities nationally, and the opportunity to participate in the 13<sup>th</sup> largest economy in the world. It is incumbent upon us to continue to feed our world.

Our agricultural community faces challenges every day—from weather, to markets, and more. You have proven yourselves to be essential in the face of great challenge; and essential means that you are heroes. Heroes look like ordinary people but they do extraordinary things. They help people without strings attached. They take responsibility for their own lives and we need them now more than ever. We must continue our work because this generation, and those to come, need heroes.

We in this room are uniquely positioned to come together and effect positive change at a scale that few people can imagine.

We have in this room the mindset, the sense of purpose, and sense of urgency, and the will to ensure that agriculture remains viable here in New York for this generation and for those to come.

Ours is a noble profession, our cause is still correct. I like our chances and I look forward to working with you to build on our hard-won successes, and to develop new opportunities for agriculture in New York in 2022 and beyond.

Thank you.

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