

Beginning Farmer and Socially and Economically Disadvantaged Farmer Grant Programs Annual Report



**Agriculture
and Markets**

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Introduction and Reporting Requirements

The New York State Department of Agriculture and Markets (the Department) submits the following annual report to the Governor and Honorable Members of the Legislature. This report fulfills requirements of the New York State Fiscal Year (SFY) 2023 and 2024 Enacted Budgets. The information contained in this annual report reflects activities that have occurred between January 1, 2022 and December 31, 2023.

The New York State Fiscal Year 2023 Enacted Budget included \$5,000,000 for grants to beginning farmers and socially and economically disadvantaged farmers and the Fiscal Year 2024 Enacted Budget included \$2,000,000. Statute requires the Department submit an annual report detailing: (a) the total amount of funds committed to each applicant; (b) the location of each applicant; and (c) other information as established in such criteria.

Definitions

The enacted budgets defined parameters that will be used in the grant opportunities.

For the purposes of the socially and economically disadvantaged farmer grant program:

- "Socially disadvantaged" shall mean individuals who have been subject to discrimination by virtue of their membership of a particular group which may include, but not be limited to, Black or African American, American Indian or Alaska Native, Hispanic or Latino, and Asian or Pacific Islander.
- "Economically disadvantaged" shall mean socially disadvantaged individuals whose ability to enter into farming or whose farm enterprise has been impaired due to diminished capital, credit opportunities, or access to land, among other things, as compared to other similarly situated individuals who are not socially disadvantaged.

Grant Program Administrator Eligibility Criteria

The Department is authorized to enter into agreements with municipalities, public benefit corporations, local development corporations, or not-for-profit organizations that provide financial assistance, including capital assistance, for the administration of these grant programs. Up to fifteen percent of the total appropriation amount may be made available for the services and expenses of such organizations directly related to the administration of the grant programs.

Once selected, the administrators will work with the Department to develop two competitive grant programs for farmers and develop the farmer application process. Selected administrators will release the grant opportunities for farmers. Grants shall not be less than \$5,000 and may not exceed \$250,000 for any single beneficiary. Grants shall be issued with a required match from the recipient of no more than twenty percent (20%)

of the grant amount.

Round 1 Farmer Funds (SFY 2023)

Requests for proposals (RFPs) to select administrators for Round 1 of the Beginning Farmers Grant Program (\$1 million) and the Socially and Economically Disadvantaged Farmers Grant Program (\$4 million) were released in the New York State Contract Reporter on January 26, 2023. The deadline for proposals was April 18, 2023 at 3:00 pm. Program administrators were awarded on May 24, 2023.

New York Farm Viability Institute was selected as the program administrator of the Beginning Farmers Grant Program. The contract with the New York Farm Viability Institute was executed on August 9, 2023. Since then, the New York Farm Viability Institute, with input from the Department, has been working on developing a competitive RFP. The opportunity for Beginning Farmers is anticipated to be released in the first quarter of 2024. No funds have yet been committed to farmers.

The Northeast Farmers of Color Land Trust (NEFOC) and its fiscal sponsor, Resist Inc., were selected to administer the Socially and Economically Disadvantaged Farmers Grant Program. The Socially and Economically Disadvantaged Farmer opportunity is undergoing review by the New York State Office of the State Comptroller. Once that contract has been executed, the administrator will re-evaluate the grant release timeline to ensure it aligns with farmer needs and does not conflict with the growing season. No funds have yet been committed to farmers.

Round 2 Farmer Funds (SFY 2024)

Available Funding

- **Beginning Farmer Funds:** A total of \$1,000,000 is available for this program; \$150,000 (15%) is available for services and expenses of the administrator directly related to administration of the program; \$850,000 (85%) is available for grants to farmers. Grants to farmers may be between a minimum of \$5,000 to a maximum of \$250,000 per beneficiary, with a matching requirement of up to 20% of the grant amount.
- **Socially and Economically Disadvantaged Farmer Funds:** A total of \$1,000,000 is available for this purpose; \$150,000 (15%) is available for services and expenses of the administrator directly related to administration of the program; \$850,000 (85%) is available for grants to farmers. Grants to farmers may be between a minimum of \$5,000 to a maximum of \$250,000 per beneficiary, with a matching requirement of up to 20% of the grant amount.

The Department is preparing to identify administrators for both available Round 2 funding streams and no funds have yet been committed to farmers. The RFPs for administrators

are being drafted and are expected to be released in 2024.

Farmer Project Eligibility Criteria

For both grant opportunities, eligible projects may include:

- start up, improvement, or expansion of a farm operation;
- worker or apprenticeship training;
- marketing activities;
- purchase of agricultural land and physical structures;
- purchase of machinery, equipment, or livestock; and
- construction or improvement of physical structures, including semi-permanent structures.

Projects can be conducted on leased land.

Farmer Eligibility Criteria

For both grant opportunities, eligible applicants shall include, but not be limited to, farmers who will materially and substantially participate in operating a farm within a region of the state and may include urban farmers. Additional eligible applicant criteria exist as follows:

- **Grants to Beginning Farmers:** Eligible applicants shall be farmers who have not operated a farm for more than ten years.
- **Grants to Socially and Economically Disadvantaged Farmers:** Eligible applicants shall be socially and economically disadvantaged farmers.

Additional eligibility criteria may be established.