

# New York State Budget Requests FY 2026-2027

## Support New York's Dairy Farmers to Meet Growing Processing Demand

**New York State has made significant investments in expanding and modernizing its dairy processing capacity, which is boosting economic growth, job creation, and increased local food production. To fully realize the benefits of these investments, our state's family dairy farms must have the tools and support needed to grow responsibly, efficiently, and sustainably. By supporting the following priorities, New York can ensure that both farms and processing facilities thrive.**

### **Make the Investment Tax Credit permanent.**

A permanent, refundable Investment Tax Credit (ITC) will give family farms the stability and confidence they need to make long-term investments. Certainty around the ITC allows farmers and lenders to plan, finance, and complete projects that improve efficiency and productivity - ensuring the success of new and expanded processing facilities across the state.

With the current ITC set to expire for projects not in service by December 31, 2027, farms need more time to responsibly plan projects, source experts and skilled construction teams, and navigate ever-changing supply chain issues. Making the ITC permanent will keep projects moving forward and strengthen the foundation of New York's dairy economy.

### **Make Employee Housing Eligible for the Investment Tax Credit.**

Farm-provided employee housing is a critical investment in workforce stability. By allowing the building or renovation of employee housing to be eligible under the Investment Tax Credit, farms can better recruit and retain skilled employees while better managing rising construction costs. Supporting flexible, farm-driven housing solutions will improve the quality of life for agricultural employees and ensure that dairy operations have the workforce they need to remain productive and competitive.

### **Increase the Capacity of the New York State Farm Worker Housing Loan Program.**

The Farm Worker Housing Loan Program has been a successful revolving loan fund, enabling farms to invest in safe, high-quality housing for their employees. To meet growing demand, New York should:

- Raise the maximum cap on each loan from \$200,000 to \$400,000.
- Add \$10M to the existing fund.
- Establish a separate fund for new construction projects.

**Continue the Dairy Modernization Grant Program with \$10 M in funding** to help farms invest in the expansion of on-farm milk storage capacity, improve efficiency, and implement technologies. The first year of the program was oversubscribed by more than double the available funds, demonstrating the need for this investment.

### **Invest in Research, Innovation, and Extension at Cornell.**

Strategic investments in research, innovation, and translation will help farmers produce more milk to meet growing processor demand while reducing environmental impact.

- **\$500,000 for Cornell University Ruminant Center (CURC)**, an increase of \$125,000. Research at CURC advances productivity and animal health, along with informing dairy farm decision-making.



# NEDPA Appreciates the State's Continued Investment in New York's Family Dairy Farms

- **\$2.463M for PRO-DAIRY**, an increase of \$1M to sustain vital programs, including the Climate Leadership Specialist position, and add new expertise in farm business management, dairy nutrition, animal well-being, and youth development, along with applied research and extension support. This investment will ensure farmers continue to have access to world-class applied research and extension resources.
- **Continue support for:**
  - **Dairy Profit Teams - \$374,000**
  - **Dairy Advancement Program (previously the Dairy Acceleration Program) - \$700,000**
  - **New York State Veterinary Diagnostic Laboratory - \$8,970,000**
  - **Cornell's Farm Labor Specialist - \$702,000**

## Invest in an Environmentally Responsible NYS Dairy Industry

**Create a "One Stop Shop for Agriculture" at DEC.** Agriculture intersects with multiple divisions within the Department of Environmental Conservation (DEC). Establishing a dedicated position focused on agriculture would help streamline communication, improve responsiveness, and ensure consistent interpretation of regulations. This will save farms and the agency time, reduce confusion, and strengthen environmental compliance.

**Direct a comprehensive statewide study to be conducted on biosolids** in order to gather the most up-to-date and accurate scientific information on the use and application of biosolids. The study should also include recommendations on how to best protect agricultural lands, provide farmers necessary resources, and direct liability and responsibility of biosolids products to the seller and marketer of biosolids products.

**Advance a Clean Fuel Standard.** Low-carbon fuels, such as renewable natural gas (RNG), are critical complements to electrification. To release their potential, the state should develop a competitive in-state market for RNG through a Clean Fuel Standard program. This would help reduce emissions while generating new economic opportunities in rural communities and without competing for land used in food production.

**Continue to fund programs that support stewardship efforts on dairy farms.**

- **Agricultural Nonpoint Source Pollution Control - \$18,500,000**
- **Soil and Water Conservation Districts - \$18,000,000**
- **Agriculture Waste Management \$1,900,000**

## Support Ag Workforce Development and Labor

**Sustain funding for New York Center for Agricultural Medicine and Health (NYCAMH)** to provide bilingual safety training for farm employees. Continued investment in farm safety, health, and workforce development ensures that employees are protected, skilled, and supported in their roles.

- **\$1.25M** of continued funding to support the On-Farm Health and Safety Program administered by Mary Imogene Bassett Hospital
- **Restore \$1.5M** directed to NYCAMH through the Department of Health, which was decreased to \$1M in FY 2025-2026
- **\$75,000** of continued funding for a joint NYCAMH and Cornell Agricultural Workforce Development program to support the development and implementation of online safety and health-focused workforce training and online workforce onboarding resources.
- **\$500,000** for the John May Farm Safety Fund, which is a \$200,000 increase over the funding in FY 2025-2026.