

Wednesday, September 29, 2021

Joint Committee on Ways and Means
Massachusetts State House
24 Beacon St.
Rooms 212 & 243
Boston, MA 02133

Dear Chairs Rodrigues and Michlewitz, and Vice-Chairs Friedman and Ferrante:

Thank you for the opportunity to provide testimony regarding how the state can best invest federal resources from the American Rescue Plan Act (ARPA). This testimony is submitted on behalf of the 11 organizations below, which represent more than a thousand farmers throughout every region of the Commonwealth. The recommendations are based on outreach and engagement with our members and colleagues.

Massachusetts' agricultural industry represents \$7.1 billion of the state's economy each year and employs more than 36,000 workers (Farm Credit East, 2020). Farmers grow food for our communities across the state, steward more than 500,000 acres in the Commonwealth, and protect natural resources that benefit us all. Yet farmers struggle to remain financially sustainable, earning just 96 cents for every dollar they spend on food production (USDA Census of Agriculture, 2017).

Last year was particularly challenging for farmers, as it was for the entire Commonwealth. The loss of sales caused by the shuttering of restaurants and institutions, the increased demand brought about by the failures of supply chains from out-of-state, and the challenges of operating farmers markets and other points of sale safely all resulted in lost revenues and substantial new investments of resources. Compounding the crisis was a long-lasting drought that resulted in significant crop loss.

While this year has brought some stability, challenges remain, including inconsistent labor supply and soaring costs of land due to the extremely competitive housing market and development pressures. Climate change has turned the tables on farmers this year - where fields were parched last year, just twelve months later many of them flooded, again leading to crop loss.

Yet through all of this, Massachusetts farmers have continued to feed our residents. The Commonwealth has been a national leader for many years in direct-to-consumer sales, demonstrating the demand for fresh local products and allowing farmers to command a more fair price for the food they grow. When supply chains failed and restaurants closed in early 2020, more consumers than ever turned to Massachusetts farms for produce, meat, and dairy products, and the continued trend of home-cooking has kept demand for these products high. Without support, many farms will not be able to meet that demand.

Funding from ARPA to help farmers adjust to rapidly changing markets and the equally rapidly changing climate will have a long term impact on the Commonwealth's food security, our environment and natural resources, and our local economy. A number of areas in particular deserve significant investment.

Flexible funding for infrastructure

Each Massachusetts farmer is unique, employing a range of management practices, contending with numerous resource challenges related to soil and water and other needs, and marketing their products in unique ways. Each model of agriculture requires different capital expenses. In developing this request farmers identified the need for storage buildings, refrigeration, delivery vehicles, greenhouses, deer fencing, irrigation, livestock supplies, and many other infrastructure needs.

The state's Food Security Infrastructure Grant (FSIG) program began to address these needs in 2020. Though it was only able to fund less than 11% of the requests for funding from farmers, even those whose applications were not approved have cited the program for its flexibility and appropriate targeting of resources to where they are most needed.

We recommend using ARPA funds to support the FSIG program with \$30 million per year for the next three years. The application period should be timed so as to not conflict with the growing season for farmers, and resources should be allocated to staff the program with technical assistance providers to support farmers through the application process. Labor costs incurred to manage the supported projects should be an allowable use of funds, and the funded applicants should be given two years to complete the projects. In addition, we recommend committing an additional \$10 million over three years to MDAR's Agricultural Environmental Enhancement Program and Agricultural Climate Resilience Enhancement programs, which target funds to projects that help farmers address climate change-related challenges.

Conversion of publicly-held vacant land for farming

Land costs are higher in Massachusetts than nearly anywhere else in the nation, limiting farmers' ability to cultivate enough acreage to meet demand, and pricing available land well out of reach for many. At the same time, municipalities throughout the Commonwealth hold significant amounts of vacant land suitable for agriculture, from small parcels in urban areas to larger ones in small towns.

The state should dedicate ARPA funds to a grant and loan program that supports farmers in purchasing these parcels, remediating any existing environmental concerns in the soil, and installing needed infrastructure such as water, fencing, and greenhouses to begin farming. We recommend allocating \$50 million in grants to farmers and incentives to municipalities, and \$50 million in a revolving loan fund to provide zero-interest loans to farmers seeking to purchase and steward this land. Funds should prioritize assistance for BIPOC and immigrant farmers, and incentivizing exiting farmers to sell farmland to new farmers.

Labor and education

More than ever before, farmers must adapt to a constantly changing climate. This means learning how to cultivate crops using tools like irrigation and controlled-climate greenhouses, how to contend with new invasive pests, and how to best protect soil and water resources. And it means having access to a labor pool that understands these issues as well.

Support for vocational high schools with agriculture programs and for UMass Extension's array of educational and technical assistance resources is essential for Massachusetts farmers to remain in business. We recommend \$2 million in funding per year for the next three years for new educators and technical assistance providers at UMass Extension focused on climate change adaptation and related topics, and \$5 million in infrastructure grants to support agriculture programs at vocational high schools.

Housing

The lack of affordable housing on and near farms presents an often insurmountable burden for both farmers and farmworkers. Often located in communities without adequate public transportation, on-site or nearby housing is critical to keeping farms sustainable. We recommend \$10 million in grants and a \$10 million revolving loan fund to support housing for low-income farmers and low-income farmworkers, and we urge that any affordable housing supported with ARPA funds must take into account the needs of farmers and farmworkers.

Through all of these programs, we urge the Commonwealth to make resources available not only to established farmers, but also to beginning and aspiring farmers who would otherwise be unable to begin their operations. This includes projects and farms that are on small parcels of land.

And all of these expenditures must take into account the generations of racially inequitable policies and investments that have excluded BIPOC and immigrant farmers from accessing the resources they need to farm. Outreach for all funding should target underserved communities, as should the grantmaking itself, and all programs should commit to full transparency regarding demographics of those who receive funding so that the state can demonstrate its commitment to reversing these inequities.

Thank you for your consideration for these items. We are available to provide further information about any of these issues at the Committee's request.

Sincerely,

Berkshire Grown
Central Mass Grown
Community Involved in Sustaining Agriculture (CISA)
Island Grown Initiative
Martha's Vineyard Agricultural Society
Massachusetts Food System Collaborative
Northeast Harvest
Northeast Organic Farming Association/Massachusetts Chapter (NOFA/Mass)
Southeastern Massachusetts Agricultural Partnership
Sustainable Business Network of Massachusetts
Sustainable Nantucket

For clarification or follow-up, please contact Winton Pitcoff, Director, MA Food System Collaborative, at winton@mafoodsystem.org.