



Tuesday, March 9, 2021

Governor Charlie Baker  
Massachusetts State House  
24 Beacon St., Room 280  
Boston, MA 02133

RE: Agricultural Grant Programs in FY2022 Capital Budget

Dear Governor Baker:

The thousands of Massachusetts farmers that feed us each day have a reputation for innovation, perseverance, and a commitment to serving their communities. Never was this more evident than in 2020, when farms adapted quickly to changes in the food supply chain, stepped up to fill gaps that the industrial supply chains were unable to, and boosted increased our state's local economy at a time of broad economic turmoil.

But financial sustainability is challenging for most of the Commonwealth's farms. Land, energy, and other inputs cost more in Massachusetts than elsewhere in the US, and yet the products raised by our farmers must be priced competitively against food coming from states and countries where costs are lower. The USDA reports that Massachusetts farmers earn, on average, 96 cents for every dollar spent on production, making us one of only four states in the nation where on average farms operate at a loss.

To help close this gap and increase food security the Commonwealth has developed grant programs that provide support to farmers. Many of these programs serve a triple role, in that they also help protect land and natural resources, and help reduce and mitigate the impacts of climate change by reducing greenhouse gas emissions and supporting management practices that sequester carbon.

As the state considers capital budget allocations for FY22, we urge you to increase funding for some of the most critical grant programs that support local farms and other local food businesses. With \$4.5 billion in direct sales, \$7.1 billion in economic impact, and more than 36,000 jobs (*Farm Credit East, 2020*), the state's agricultural production and processing industries were offered only \$2.8 million in grants last year through the six critical programs below, while demand was nearly twice that. At the same time, the Food Security Infrastructure Grant Program, launched to help bolster the state's food supply chain in the wake of COVID-19, received almost \$85 million in requests from farmers, and was only able to support \$9.7 million in farm projects. State investment must increase to meet this demonstrated need.

The programs referred to in the chart include:

- **Agricultural Environmental Enhancement Program (AEEP).** Funds conservation practices that protect natural resources while supporting farm sustainability. This program is particularly critical as a tool to help farmers recover from the 2020 drought. In past drought years, most recently 2017, additional funding has been directed to this program to meet that need.

- **Farm Viability Enhancement Program (FVEP).** Provides business planning and technical assistance to farms as they innovate to compete in the marketplace. In doing so, it helps those farms protect farmland and provide greater food security for their communities.
- **Urban Agriculture.** Supports projects that grow food, teach job skills, build community, and provide nutritious food to households with limited access to fresh produce in their communities.
- **Agricultural Produce Safety Improvement Program (APSIP).** Helps farms keep our food supply safe by supporting them in meeting the requirements imposed by the federal government and enforced by the state under the Food Safety Modernization Act.
- **Agricultural Climate Resiliency & Efficiencies (ACRE).** Supports farms in updating aging infrastructure and adopting sustainable management practices as part of the Commonwealth’s commitment to reducing greenhouse gas emissions.
- **Agricultural Compost Infrastructure Enhancement Program (ACIEP).** Supports farms that provide critical composting infrastructure, necessitated by the pending lower threshold of the state’s Commercial Food Material Disposal Ban, the need for soil amendments to help increase food production, and the commitment to reduce greenhouse gas emissions.

Our requests for each of these programs are in the far-right column, following data about the FY21 program’s demonstrated demand.

|      |                                                                 | <b>FY21<br/>Allocation</b> | <b>FY21<br/>Awardees</b> | <b>Total FY21<br/>Requests</b> | <b>FY21<br/>Applicants</b> | <b>FY22<br/>Request</b> |
|------|-----------------------------------------------------------------|----------------------------|--------------------------|--------------------------------|----------------------------|-------------------------|
| E019 | Agricultural Environmental Enhancement Program (AEEP)           | \$250,000                  | 15                       | \$735,218                      | 26                         | <b>\$750,000</b>        |
| E031 | Farm Viability Enhancement Program (FVEP)                       | \$750,000                  | 7                        | \$1,790,000                    | 25                         | <b>\$2,000,000</b>      |
| E048 | Urban Agriculture                                               | \$315,000                  | 13                       | N/A                            | 13                         | <b>\$315,000</b>        |
| E061 | Agricultural Food Safety Improvement Program (AFSIP)            | \$300,000                  | 15                       | \$1,312,235                    | 57                         | <b>\$1,000,000</b>      |
| E083 | Agricultural Climate Resilience Enhancement                     | \$1,000,000                | 18                       | \$2,113,539                    | 26                         | <b>\$2,000,000</b>      |
| E114 | Agricultural Compost Infrastructure Enhancement Program (ACIEP) | \$185,000                  | 6                        | \$611,849                      | 14                         | <b>\$750,000</b>        |
|      |                                                                 | <b>\$2,800,000</b>         | <b>74</b>                | <b>\$6,562,841</b>             | <b>161</b>                 | <b>\$6,815,000</b>      |

The pressures of climate change, new regulations, and other external variables necessitates targeted state supports to keep farms sustainable. Based on demonstrated interest, many of the programs that exist are clearly addressing the most pressing issues. But significantly more investment in these programs is needed if the goal is to give all farms in the Commonwealth the resources they need in order to thrive.

Thank you very much for the opportunity to provide this input.

Sincerely,



Winton Pitcoff  
Director