S T A T E O F N E W Y O R K

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I N S E N A T E

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Introduced by Sens. FUNKE, LARKIN, MARCHIONE, PANEPINTO, RITCHIE, VALESKY -- read twice and ordered printed, and when printed to be committed to the Committee on Agriculture -- reported favorably from said committee and committed to the Committee on Finance -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- recommitted to the Committee on Agriculture in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- reported favorably from said committee and committed to the Committee on Finance -- reported favorably from said committee, ordered to first report, amended on first report, ordered to a second report and ordered reprinted, retaining its place in the order of second report

AN ACT to amend the agriculture and markets law and the New York state urban development corporation act, in relation to creating a farm investment fund

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Section 16 of the agriculture and markets law is amended by adding a new subdivision 49 to read as follows:

49. COOPERATE WITH THE EMPIRE STATE DEVELOPMENT CORPORATION TO DEVELOP A FARM INVESTMENT FUND PROGRAM TO PROVIDE GRANTS TO FARMERS FOR THE PURPOSES OF MAKING INVESTMENTS IN THEIR FARM AND FARM PRACTICES, INCLUDING, BUT NOT LIMITED TO, INFRASTRUCTURE, EQUIPMENT AND MARKETING OF FARM PRODUCTS. SUCH INVESTMENTS MAY ALSO INCLUDE UPDATING AND IMPROVING AGRICULTURAL ENVIRONMENTAL MANAGEMENT, AS DEFINED IN ARTICLE ELEVEN-A OF THIS CHAPTER, PRACTICES, EQUIPMENT AND INFRASTRUCTURE. FARM INVESTMENT IS ESPECIALLY IMPORTANT FOR FARMS THAT ARE BEING TRANSITIONED FROM LONG-TIME OWNERS TO NEW OWNERS AND BEGINNING FARMERS.

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets [ ] is old law to be omitted.

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S 2. Section 1 of chapter 174 of the laws of 1968, constituting the New York state urban development corporation act, is amended by adding a new section 16-x to read as follows:

S 16-X. FARM INVESTMENT FUND. 1. THE FARM INVESTMENT FUND IS HEREBY CREATED. THE PURPOSE OF THE FARM INVESTMENT FUND IS TO MAKE GRANTS TO ELIGIBLE APPLICANTS FOR INVESTMENTS IN THEIR FARM AND FARM PRACTICES, INCLUDING, BUT NOT LIMITED TO, INFRASTRUCTURE, EQUIPMENT AND MARKETING OF FARM PRODUCTS. SUCH INVESTMENT MAY ALSO INCLUDE UPDATING AND IMPROVING AGRICULTURAL ENVIRONMENTAL MANAGEMENT, AS DEFINED IN ARTICLE ELEVEN-A OF THE AGRICULTURE AND MARKETS LAW, PRACTICES, EQUIPMENT AND INFRASTRUCTURE. FARM INVESTMENT IS ESPECIALLY IMPORTANT FOR FARMS THAT ARE BEING TRANSITIONED FROM LONG-TIME OWNERS TO NEW OWNERS AND BEGINNING FARMERS.

2. THE CORPORATION SHALL CONSULT WITH THE DEPARTMENT OF AGRICULTURE AND MARKETS IN ORDER TO ESTABLISH SUCH CRITERIA GOVERNING THE AWARD OF GRANTS AS AUTHORIZED BY THIS SECTION, AS THE CORPORATION AND SUCH DEPARTMENT DEEM NECESSARY. SUCH CRITERIA SHALL INCLUDE, BUT NOT BE LIMITED TO:

(A) FARMERS WHO WILL MATERIALLY AND SUBSTANTIALLY PARTICIPATE IN THE PRODUCTION OF AN AGRICULTURAL PRODUCT WITHIN A REGION OF THE STATE;

(B) FARMERS WHO DEMONSTRATE INNOVATIVE PLANS FOR INVESTING IN THEIR FARMS THAT WOULD RESULT IN THE GROWTH OF BUSINESS WITHIN THE STATE AND THE CONCOMITANT CREATION OF JOBS AND TAX REVENUES FOR THE STATE; AND

(C) FARMERS WHO HAVE DEVELOPED A FORMAL BUSINESS PLAN.

3. THE CORPORATION SHALL ESTABLISH A COMPETITIVE RATING PROCESS FOR THE EVALUATION OF APPLICANTS FOR THE FARM INVESTMENT FUND. SUCH RATING CRITERIA TO BE CONSIDERED FOR ELIGIBILITY INCLUDE, BUT ARE NOT LIMITED TO:

(A) PLANS THAT SHOW CONCRETE STEPS FOR GROWTH, PROTECTION OF ASSETS AND SALES DEVELOPMENT;

(B) EDUCATION, INCLUDING A POST SECONDARY DEGREE IN AN AGRICULTURE RELATED FIELD OF STUDY OR ONLINE TRAINING; AND

(C) EXPERIENCE WORKING ON A FARM.

THE CORPORATION MAY GIVE PREFERENCE TO VETERANS, THOSE TRANSFERRING A FAMILY FARM TO A NEW FARMER AND TO FARMERS EXPANDING AN EXISTING FARM. WHEN AWARDING FUNDS PURSUANT TO THIS SECTION, THE CORPORATION SHALL ENSURE THAT APPLICANTS MEET THE CRITERIA AND REQUIREMENTS ESTABLISHED BY THE CORPORATION PURSUANT TO THIS SECTION.

4. THE FARM INVESTMENT FUND SHALL NOT INVEST AN AMOUNT IN ANY SINGLE BENEFICIARY THAT EXCEEDS FIFTY THOUSAND DOLLARS, SUBJECT TO ANY EXCEPTIONS TO BE ESTABLISHED BY GUIDELINES OF THE CORPORATION.

5. NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, THE CORPORATION MAY ESTABLISH A PROGRAM FUND FOR PROGRAM USE AND PAY INTO SUCH FUND ANY ELIGIBLE FUNDS AVAILABLE TO THE CORPORATION FROM ANY SOURCE, INCLUDING MONEYS APPROPRIATED BY THE STATE.

6. THE CORPORATION SHALL SUBMIT A REPORT ANNUALLY ON DECEMBER THIRTY-FIRST TO THE DIRECTOR OF THE BUDGET, THE TEMPORARY PRESIDENT OF THE SENATE, THE SPEAKER OF THE ASSEMBLY, THE MINORITY LEADER OF THE SENATE AND THE MINORITY LEADER OF THE ASSEMBLY DETAILING:

(A) THE TOTAL AMOUNT OF FUNDS COMMITTED TO EACH APPLICANT;

(B) THE LOCATION OF EACH APPLICANT; AND

(C) SUCH OTHER INFORMATION AS THE CORPORATION DEEMS NECESSARY.

7. THE CORPORATION IS HEREBY AUTHORIZED TO ESTABLISH GUIDELINES FOR THE ADMINISTRATION OF THE PROGRAM, INCLUDING APPLICATION PROCEDURES AND DISBURSEMENT TERMS. SUCH GUIDELINES SHALL REQUIRE THE REPAYMENT OF FUNDS RECEIVED BY THE BENEFICIARY IF THE BENEFICIARY LEAVES NEW YORK STATE OR

OTHERWISE CEASES FARMING ACTIVITY WITHIN FIVE YEARS. ANY SUCH REPAID MONEYS SHALL BE RETURNED TO THE FARM INVESTMENT FUND.

S 3. Funding for such program shall consist of all revenue received pursuant to an appropriation thereto, and all other monies appropriated, credited or transferred from any other source pursuant to law. Nothing in this section shall be deemed to prevent the state from receiving grants, gifts or bequests for the purpose of the program. Grants shall only be awarded based upon the availability of funds.

S 4. This act shall take effect on the first of April next succeeding the date on which it shall have become a law; provided, however, that effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date is authorized to be made and completed on or before such date.