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Thank you for inviting my testimony, and for working to create a robust farm to school program for the state of Vermont. I am pleased to present testimony today on behalf of American Farmland Trust (AFT)/Farm to Institution New York State (FINYS) to this esteemed committee.

AFT is the nation's leading conservation organization dedicated to protecting farmland, promoting sound farming practices, and keeping farmers on the land. Since its founding in 1980 by farmers and citizens concerned about the rapid loss of farmland to development, AFT has helped protect over 6.5 million acres of farmland and led the way for the adoption of conservation practices on millions more. Our field offices in New York and New England work in New York, Vermont and in neighboring New England states to protect farmland, help a new generation of farmers find land, and assist farmers in adopting regenerative farming practices.

Similarly to Farm to Institution New England, since 2015 AFT has coordinated the collaborative initiative FINYS to empower institutions, such as schools, hospitals, corrections facilities, and others to commit to spending at least 25% of their food budget on New York grown fresh and minimally processed food. We carry this work out through research, direct support, and policy advocacy. AFT created and has led the New York Grown Food for New York Kids Coalition since 2018, which has successfully advocated each year for the state's farm to school incentive and grants program to help more K-12 schools purchase and serve local food to students.

Farm to School Incentive and Grants Programs are Investments in Public Health and Economic Growth When We Need Them Most

The pandemic has had clear and painful impacts on New Yorkers and New York businesses, including New York farms and the same has been true of farms across the country. Child food insecurity has also increased significantly during 2020 due to increased rates of poverty stemming from job loss, with October estimates from Feeding America placing child food insecurity in New York between 24-30%, or

approaching as many as 1 in 4 children.¹ This has implications for child nutrition and wellbeing now and in the future; taking on added importance as we reckon with disparate COVID-19 health impacts stemming from underlying conditions, many of them diet-related. As students consume half of their daily calories at school on average, helping schools serve their students more nutritious foods sourced from New York's farms provides an easy and widespread public health intervention for children, no matter their socioeconomic status.² The pandemic has highlighted how steps taken to invest in nutritious diets at school pays dividends in the future by supporting better long-term health outcomes and saving lives.

The New York Farm to School incentive, first funded in 2019, works hand in hand with the state's Farm to School Grants program, funded since 2015, to support the health of our children and a strong farm economy while building businesses and strengthening local supply chains. New York's first-of-its-kind farm to school program incentivizes K-12 schools to increase spending on foods grown and raised in New York by quadrupling their per-meal reimbursement from the state, from 6 cents to 25 cents, for schools that spend at least 30% of their lunch budget on New York grown food. As of November 2020, 57 schools applied after Year Two of the incentive program affirming that they reached 30%—including the seven schools that qualified in Year One—spending over \$5 million total on food from New York farms, and increasing access to healthy, fresh New York grown food for over 90,000 students. It is also worth noting that schools didn't just stop at spending 30% of their lunch budget on local foods during the 2019-20 school year, the average spent was nearly 39%, **with Argyle CSD reporting that they spent over 63% of their lunch food budget** on food from New York farms!³

And this growth isn't only limited to those 'early adopter' schools that were poised to reach 30% due to years of investment in farm to school programs, many schools across the state are increasing purchases of local food. According to research conducted by American Farmland Trust in the summer of 2020 and detailed in the recent report: "Growing Resilience: Unlocking the Potential of Farm to School to Strengthen the Economy, Support New York Farms, and Improve Student Health in the Face of New Challenges," during the 2019-20 school year 87% of schools reported buying New York food products, defined as food grown or raised in New York or processed products that contain at least 50.1% raw ingredients from New York farms. Schools also reported growth in their purchases of fresh, healthy local produce by value compared to past years, with 87% of schools reporting buying more New York grown fruit and 54% reporting buying more New York grown vegetables to serve to students. **Compared to answers from AFT's 2019 survey, this is a 33% increase in the amount of healthy New York grown vegetables and 20% increase in the amount of healthy New York grown fruit purchased and served to K-12 students within just one year!** In addition, half of schools reported buying more New York produced fluid milk and 32% reported buying more of New York's other dairy products like cheese and

1 Feeding America. October 2020. "The Impact of the Coronavirus on Food Insecurity in 2020." https://www.feedingamerica.org/sies/default/files/2020-10/Brief_Local%20Impact_10.2020_0.pdf.

2 Centers for Disease Control and Prevention. 2015. America's schools make positive changes to create healthier school meals. Retrieved from <https://www.cdc.gov/media/releases/2015/p0827-school-meals.html>

³ New York State Department of Education. 2020. "30 Percent NYS Initiative Applications." Accessed November 2020. <http://eservices.nysed.gov/sedreports/list?id=2>

yogurt, **suggesting that the state’s dairy farmers would benefit greatly from continued increases in farm to school purchasing.**^{4 5}

These economic benefits were not limited to fresh produce, but also included processed food items that are comprised of at least 50.1% raw agricultural ingredients grown or raised on New York farms. During the 2019-20 school year, forty-two percent of schools reported buying more of these processed local products, **a 1300% increase from the 2018-19 school year** when only 3% of schools reported making these purchases⁶. This is a reflection not just of increased interest, but also of increased availability of these products in the marketplace—evidence of considerable market growth. Examples of these newly available New York food products include apple sauce, grape juice, granola, and cheese sticks—some of which are produced by local New York businesses, and others by international food companies like McCains and Motts which are creating new markets for our state’s farmers as a result of this incentive program and the increase in demand for local products from schools. This offers farmers expanded market opportunities and makes it easier for not only other schools, but also hospitals, universities, and other large institutions to increase their purchases of New York grown food. This Farm to School Incentive is clearly driving investment and innovation in our local supply chains, which can help us build greater food system resiliency while also supporting our agricultural industry and the health of our children now and in the future. And there is so much more to come.

This Farm to School incentive program carries with it the potential for enormous economic growth in the future. According to general Farm to School research, each dollar invested in farm to school activities stimulates up to \$2.16 in local economic activity⁷, but New York’s incentive program carries with it even greater promise than that. AFT’s 2020 research revealed that because of this incentive program, with the right support 75% of schools, including New York City, expect to reach 30% spending or of their lunch budgets on New York grown food by 2025. Conservative estimates show **this would mean over \$250 million spent by K-12 schools on food from New York farms by 2025, generating nearly \$360 million in total statewide economic impact—a return of investment of \$3.50 for every taxpayer dollar spent on farm to school reimbursements, grants, and support.** Achieving this would also mean that over 900,000 students, or roughly half of the schoolchildren in New York, would have increased access to high quality, nutritious local foods in school by 2025.⁸

⁴ Levy, Samantha, and Kali McPeters. 2020. “Growing Opportunity for Farm to School: How to Revolutionize School Food, Support Local Farms, and Improve the Health of Students in New York.” American Farmland Trust. www.farmland.org/growingopportunity

⁵ Levy, Samantha, and Mikaela Ruiz-Ramón. 2020. “Growing Resilience: Unlocking the Potential of Farm to School to Strengthen the Economy, Support New York Farms, and Improve Student Health in the Face of New Challenges.” www.farmland.org/growingresilience. (Hereafter: Levy, Samantha and Mikaela Ruiz-Ramón. “Growing Resilience 2020”)

⁶ Levy, Samantha and Mikaela Ruiz-Ramón. “Growing Resilience 2020”

⁷ National Farm to School Network. 2017. “The Benefits of Farm to School.” <http://www.farmtoschool.org/Resources/BenefitsFactSheet.pdf>

⁸Levy, Samantha and Mikaela Ruiz-Ramón. “Growing Resilience 2020”

Continuing to Commit to the Farm to School Incentive and Grants Program in a Pandemic

While this potential is exciting, it will take continued commitment to unlock this economic growth. And even though schools reported optimism in the face of the impacts from the COVID-19 pandemic—they also reported barriers, some perennial, some new due to the pandemic. The pre-pandemic barriers schools reported in the 2020 survey when buying New York grown food, listed in descending order of importance, were: high cost, lack of selection offered by vendors, that suppliers of New York products are not least cost bidders, budget limitations, and lack of time to collect the necessary documentation required by the State Education Department to prove they achieved 30% spending. When schools rated these barriers according to how significant they would be in keeping them from reaching 30%, ***lack of time to collect documentation rose to #1 and cost of products fell to #9, indicating that this program is effectively reducing the importance of cost when schools work to buy local products, but that documentation requirements may be too burdensome for schools.*** Lack of time to prepare local items, lack of local items offered by vendors, New York food suppliers not being least cost bidders, and simply not knowing where to start rounded out the top five barriers to incentive program participation. These barriers indicate the need to continue to build these supply chains, change procurement laws, and continue to invest in the Farm to School Grants Program to achieve the full potential of this program.⁹

The progress made so far on this incentive program would not be possible without the Farm to School Grants Program, which provides schools with funding to overcome their lack of time, knowledge, or capacity to purchase locally produced foods. These grants can currently be used to employ a local or regional farm to school coordinator, train staff on how to procure and prepare locally produced food, or make capital improvements to support the transportation, storage, and preparation of New York grown food in schools. Farm to school coordinators; employed in New York by schools, through Cornell Cooperative Extension, or at non-profit organizations; play a vital role connecting schools with producers in their region, facilitating new purchasing relationships, and helping both vendors and schools prepare necessary documentation. They also help design menus and educational events to highlight local products and get kids excited about eating fresh foods—and therefore they are the key to the success of this incentive program.

At Broome-Tioga BOCES, which coordinates meal service for 15 schools in Broome and Tioga counties, they have used their Farm to School grants to hire a farm to school coordinator who helped them evolve from occasional purchases of local carrots and apples to serving full menus featuring a diverse array of New York products, including fruit, vegetables, meats, and dairy products.¹⁰ And on Long Island, schools currently find the Farm to School Incentive difficult to participate in because they can't procure New York produced milk, but thanks to the Farm to School Grants Program they have still been able to hire a Farm to School coordinator, build purchasing relationships with local farmers and producers, and build a strong farm to school movement.¹¹ Schools surveyed by AFT in both 2019 and 2020 repeatedly identified farm to school coordinators and other initiatives funded by farm to school grants as critical to

⁹ Levy, Samantha and Mikaela Ruiz-Ramón. "Growing Resilience 2020"

¹⁰ Communicated by Mark Bordeau, Senior Director of Food Services for Broome-Tioga BOCES during a meeting on November 20, 2020.

¹¹ Communicated by Heather Meehan, Farm to School Coordinator for East End Food Institute during a meeting on November 20, 2020.

their ability to successfully increase purchases of New York grown food and qualify for the Farm to School Incentive program. It is also important to note that past research has shown that each new farm to school job creates up to 2.35 additional jobs in the local community, and so continued investment in these roles is a job creator for the state.¹²

Considerations for your State in Creating a New State Farm to School Incentive

Based on New York's experience in creating and implementing this incentive program, we recommend the following for other states considering a farm to school incentive:

1. **Go for it!** School purchasing activity has already shown growth in support for New York farmers—particularly for dairy farmers as so many items they produce (milk, cheese, yogurt) align with nutrition requirements and what students like to consume—and research shows there is so much more growth potential through this program. With minimal state investment, marketplace activity is stimulated to the benefit of farmers, students, and communities statewide.
2. **Consider program design carefully.** New York state chose a threshold of 30% of lunch costs for their schools to meet before receiving the increased reimbursement, but each state should carefully consider what is a challenging, yet realistic threshold schools need to meet—and also what is an effective incentive to spur that activity. Because of Federal rules and regulations that schools must follow to procure food, it takes extra time and attention to troubleshoot and procure locally, and so the financial incentive must cover both the time and cost it will take schools to achieve it. In addition, New York's focus on lunch alone has created barriers to participation for many schools (who do not naturally separate meals), and so it is highly recommended that other states base the threshold schools need to meet on total food costs (not individual meals), and that states reimburse at a higher rate for all school meals when that threshold is achieved.
3. **Invest in Farm to School grants and Farm to School Coordinators to Provide Necessary Support.** A financial incentive alone will not enable schools to increase their local purchasing, they must also have support to do so. There are many steps involved in creating a successful farm to school purchasing program including marketplace evaluations, creating bids that follow all relevant procurement regulations, designing menus that incorporate local food, educating students with taste tests and other activities so they eat the food you are purchasing, preparing and cooking fresh food, and tracking purchases to prove the threshold has been reached. This may require equipment and transportation upgrades, and even full time farm to school support staff, such as farm to school coordinators, to ensure schools are able to successfully increase purchasing.
4. **Review your State Procurement Regulations to Enable more Local Purchasing, and Provide Training for Schools.** School business officials, food service staff and others are required to follow a patchwork of federal, state, and even local regulations that govern how they may procure food and other items. State procurement laws are often more restrictive than federal laws, and may make it more difficult for school professionals to effectively purchase local food. A review of state and local procurement laws should be done, and changes like price percentage

¹² National Farm to School Network. 2017. "The Benefits of Farm to School." <http://www.farmtoschool.org/Resources/BenefitsFactSheet.pdf>

preference legislation or increased small purchase thresholds may be advisable to ensure schools are able to award contracts to local purveyors that may not be the “least cost” bidder. In addition, training should be provided by the relevant state agencies to school procurement staff so they are aware of the options available to them to procure local items while following all relevant regulations.

5. **Create Definitions for what Purchases Qualify, and Documentation Guidelines that Ensure Program Integrity, yet are Not too Burdensome.** Finally, something that must be decided ahead of time and communicated to schools shortly after passage of enabling program legislation or funding is exactly what is expected of them. Defining what products qualify (in New York it is “New York Food Products” grown, raised or caught by New York farmers or fisherman *and* processed products that contain at least 50.1% raw ingredients from New York farms. This was done to mirror the New York State Grown and Certified program, and to take into account that farm products grown and raised in state are often processed out of state—and that farmers should still be able to capture that opportunity.) In addition, guidance on what documentation is required by agencies to prove that food served came from in-state farms should be provided up front so that schools are able to plan and prove that they successfully met the threshold to receive reimbursement (in New York state, schools receive the higher reimbursement the year following their successful achievement of 30%). Finally—it is important to ensure that any documentation required to prove the school meets the threshold is accurate and reliable so that the benefits of this program reach those they are intended to—the farmer, and the student who has increased access to healthy local food. This can be done through spot-audits, or by requiring actors along the supply chain to make attestations and affirm that the food they are label as from within the state actually comes from within the state or from a specific farm.
6. **Identify and Address Supply Chain Gaps.** Often in Farm to School supply chains, there is need for more aggregation, processing, distribution, and transportation capacity. States should take a proactive role in identifying these gaps, and investing in addressing them, particularly in states without year-round growing climates.

For more information, please refer to American Farmland Trust’s Growing Opportunity (www.farmland.org/growingopportunity) and Growing Resilience (www.farmland.org/growingresilience) reports, which evaluate NYS’s purchasing incentive and grants programs in great detail. Program information on New York’s Incentive can be found on the State Education Department’s website: <http://www.cn.nysed.gov/farmtoschool>.