

To: The Honorable Sabrina Cervantes, Chair

Assembly Committee on Jobs, Economic Development, and the Economy (JEDE)

The Honorable Cottie Petrie-Norris, Chair, Assembly Select Committee on Small

Business and Entrepreneurship (SB&E)

From: Jamie Fanous, Community Alliance with Family Farmers (CAFF)

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Re: FY 2021-22 Budget Request to assist women and minority farmers

Date: August 23, 2021

The Community Alliance with Family Farmers (CAFF) thanks for your work to put on such a great hearing on August 18th focused on state investments to assist women and minority business owners. Your hearing highlighted and amplified well the unique challenges facing these entrepreneurs. We were inspired to hear about the work being done to address these challenges and the committee's ongoing commitment to ensure the success of women and minority business owners.

For nearly forty years, CAFF has served as the voice of small and mid-scale farmers and currently has nearly 8,000 members.

I write to urge you, along with members of your respective committees to support CAFF's requests for urgent investments as part of the drought and agriculture packages which would assist women and minority farmers.

Most women and minority farmers are also small businesses

The California Department of Food and Agriculture -- in their 2020 report on farmer equity -- noted that approximately 20 percent of California's 124,405 farmers and ranchers are "socially disadvantaged" (or, farmers from minority groups which may include women). These farmers work nearly 4.5 million acres and are located in nearly every county, but are most heavily concentrated in San Diego, Fresno, Tulare, Stanislaus, and Riverside counties. Based on this data, the average farmer from a minority group farms on less than 200 acres of land.

Appropriated FY 2021-22 state budget funds benefitting women and minority farmers

On its website, the committee lists various budget items aimed at supporting small businesses. The committee may wish to add the following allocations that may support small women and minority farmers.

• In early April, the legislature and Governor enacted <u>\$B 85</u> which allocated \$2.4 million for the Technical Assistance Program for Underserved Farmers and \$1.1 million is now available through CDFA.

• In July, the legislature and Governor enacted <u>SB 128</u> which appropriated an additional \$5 million for technical assistance grants to assist farmers to apply for the State Water Efficiency and Enhancement Program.

Your hearing's panelists conveyed comprehensive and compelling testimony about the importance of competent and trusted technical advisors. These investments will go far to assist small farmers in accessing necessary and critical grants available from state and federal government programs.

Additional opportunities to support women and minority farmers in the final FY 2021-22 budget

In Section 19.55 of <u>SB 129</u>, the legislature and Governor also made the following commitments for the FY 2021-22 budget:

- \$730,700,000 from the General Fund on a one-time basis for a water and drought resilience package.
- \$200,000,000 from the General Fund on a one-time basis for an agriculture package

CAFF is continuing to advocate for several critical investments we hope to see made as these two packages are finalized.

Urgent drought investments to support the survival of small farmers

- **Urgent water infrastructure investments**: \$70 million to expand and strengthen water infrastructure through the State Water Efficiency and Enhancement Program (SWEEP). These funds would preserve and expand water pumps and lower wells for farms of 200 acres or less, while building upon investments in more energy efficient technologies. Augmenting funding in SWEEP would further leverage existing \$5 million already allocated to provide technical assistance to expand participation in State Water Efficiency and Enhancement Programs.
- **Drought relief grants for small farmers**: \$15 million for drought relief grants for small farmers, potentially administered through CDFA's California Underserved and Small Producers (CUSP) program and/or re-granted through appropriate technical assistance providers. The CUSP program is designed to facilitate direct assistance to individual small and mid-scale and socially disadvantaged farmers and ranchers who need support applying for economic relief grant programs and assistance with business planning and marketing strategies.
- **Dry farming education**: \$2 million for an outreach and extension program administered by the Department of Water Resources focused on <u>dry farming</u> wine grapes in the coastal regions of the state through appropriate nonprofits, RCDs and cooperative extension.

Critical investments to improve the sustainability of agriculture

• Farm to market community-based food hubs: \$17 million for start-up food hub infrastructure to manage, aggregate, distribute and market source-identified food products primarily from local and regional producers. These investments would strengthen small and mid-scale farmers' ability to satisfy wholesale, retail, and institutional demand.

- **Beginning farmer and farmworker training support**: \$15 million to support beginning farmers and farmworker training programs around the state. Beginning farmers are more likely to be farmers from minority groups.
- **Biological Integrated Pest Management (BIFs):** \$10 million to support integrated pest management services which would reduce the use and cost of pesticides.
- **Small-scale farmer tools libraries:** \$10 million to stand up small-scale farmer tools libraries around the state. These libraries would allow farmers to access specialized tools without using scarce capital investments for seasonally needed tools.

Women and minority farmers would strongly benefit from these investments, and we urge members of the JEDE and SB&E committees to actively support them. I would be happy to connect with you or any member of the committee to provide additional background, share our support letters, and involve you in our advocacy.