

Benjamin Freund
Connecticut Farm Bureau Dairy Committee Chairman

9 March 2015

RE: S.B. 946 AN ACT CONCERNING REVENUE ITEMS TO IMPLEMENT THE GOVERNOR'S BUDGET

Dear Members of the Finance, Revenue, and Bond Committee,

I am writing on behalf of the Connecticut Dairy Farmers. I request that you protect the Community Investment Act Funds from the scheduled sweeps in the Governor's Budget for FY 16 and FY17. The CIA supports dedicated funds with specific important missions. The CIA is designed to operate outside the budget process and should not be used as a well to tap for budget shortfalls. Each aspect of the CIA is important and depends on the uninterrupted funding to schedule and execute projects. The leveraged economic activity far exceeds the relatively modest investment. The outlook is long term and not designed to be intermittent.

I will comment specifically about the Agricultural Sustainability Account funded by the CIA. Each quarter the Commissioner of Agriculture collects information on the price paid to dairy farmers for their milk and the cost of producing the milk. When 80% of the cost of production exceeds the published milk price then a payment is triggered. The portion dedicated to providing the dairy safety net protects farms that generate more than a billion dollars of economic activity annually including more than 4000 jobs (UCONN Zwick Center Economic Impact Study published 2009). The CIA monies are designed to insulate the dairy industry from the drastic price declines we are experiencing right now. The prices established are beyond the control of the farmers. Since last year the gross pay price paid to Connecticut producers has declined over 33%. The fund takes some of the bite out of these declines allowing the dairy farms to weather these events and maintain local availability of high quality nutritious milk.

In addition to the economic impact, Dairy Farmers are responsible for more than 70,000 acres of working landscapes in Connecticut. Working landscapes are one of Connecticut's most treasured resources.

The CIA gives dairy farms the security to sustain the capital intensive long term commitment that defines our industry. Connecticut has had a high paying return on this legislative investment. The Zwick Center issued a follow up report in 2013 validating the program. One observation was that the program could have been more effective if it were better funded. The report evaluates and validates the law that created the Agricultural Sustainability Account.

On a personal note, our farm provides 2200 gallons of milk every day of the year. We care for 290 dairy cows, 230 young stock, and 800 acres of crop and woodland. That is a prideful achievement. My father started the farm in 1949. My brother and I took over in the 1980s. Now we are in a position to work the next generation into our business. Farmers are worth protecting. We do not want Connecticut to lose any more dairy farms as we are already a milk deficit State. The CIA has supported the value of maintaining local farms, products, and most importantly farmers, in our urban State.

Please protect the CIA fund. The CIA work provides tremendous irreplaceable value to our State. It is NOT a tool to balance the budget.

Sincerely,
Benjamin Freund