



**Connecticut Farm Bureau Association**

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**Submitted by: Henry N. Talmage, Executive Director, Connecticut Farm Bureau Association the following testimony is submitted on behalf of the Connecticut Farm Bureau, a statewide nonprofit membership organization of 5,000 families dedicated to farming and the future of Connecticut agriculture.**

**Senator Fonfara, Representative Berger and members of the Finance, Revenue and Bonding Committee,**

**Testimony relating to: S.B. No. 946 AN ACT CONCERNING REVENUE ITEMS TO IMPLEMENT THE GOVERNOR'S BUDGET.**

The Connecticut Farm Bureau is greatly concerned with the cuts to the programs of the Department of Agriculture funded through the Community Investment Act (CIA) outlined in SB 946. A significant portion of the Department of Agriculture programs are funded through the Community Investment Act (CIA) which was formed in 2005 to provide dedicated funds to support worthwhile community-level investments across four sectors: Farmland Preservation/Agriculture, Open Space Conservation, Affordable Housing, and Historic Preservation. The CIA is funded through a \$40 surcharge on recording fees, which are distributed across those four sectors. This innovative and extremely efficient and effective program was always envisioned outside of the general operating budget of the state. The recording fees are generated as a result of real estate transactions and each of the four sectors are largely impacted by that activity. As a result the amount of funds available are tied to the need as triggered by corresponding real estate activity.

SB 946 calls for diverting all funds derived from the CIA for the second half of FY 2016 and all of FY2017. This would have negative effects on each of the four sectors and because so many important agricultural programs are fund through CIA, its impact to CT farmers will be particularly devastating. Farming in CT continues to be a difficult proposition. The challenges of operating farms that compete with larger farms from lower cost of production areas makes it especially hard for CT farmers to survive. The programs supported through the Community Investment Act have made a real difference in helping farmers overcome some of those significant challenges and grow more.

The Department of Agriculture programs currently funded through CIA are:

- **Agricultural Sustainability Program (Dairy Support Program)** - This model program provides a safety net for dairy farmers that experience wild price fluctionstions. It allows the Commissioner of Agriculture to make payments out of the dedicated CIA funds when the federal milk price falls below a minimum monthly cost of production. Because milk prices are extremely volatile this program helped smooth out the valleys of low pricing and kept farms in business that would have been lost forever.
- **Farmland Preservation Program** - The Community Investment Act funding supports several staff positions with the CT Farmland Preservation Program. CIA funds are also used to expedite

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transactions by providing a source of money to conduct appraisals and surveys as well as other transaction expenses. Without CIA funds it is unclear what will happen with the existing staff and the ability to utilize dedicated state bond funds and other federal matching funds for farmland preservation.

- **Farm Reinvestment Grant Program** – Provides matching funds for the construction of new farm buildings or greenhouses or the refurbishment of existing structures for the purpose of diversification.
- **Farm Transition Grant Program** – Provides matching funds for farmers making investments in equipment and systems that are necessary to improve their operations.
- **Farm Viability Grant Program** – Provides matching funds to municipalities and non-profits to provide training and develop programs to advance agriculture.
- **CT Grown Program** - Provides producers and retailers with marketing and promotion ads and materials that showcase the CT Grown brand.
- **Farm Link** – Works to link farmland seekers including new and beginning farmers with those have farmland for lease or sale.
- **Food Policy Council** – Works to promote the development of state food policy and promote the coordination state agencies with regard to food policy.
- **Seafood Advisory Council** – Works to promote the commercial seafood industry in the state.
- **Wine Development Council** – Works to promote CT farm wineries and vineyards and the sale of locally produced CT farm wines.

These cuts outlined in SB 946 represent a massive cut to the Department of Agriculture of \$5,400,000 in FY 2016 and \$10,800,000 in FY2017. The programs listed above provide much value to the agricultural community and the residents of Connecticut. If the cuts to the CIA funding for agriculture are allowed to take place there will be a loss of farms in Connecticut. Once the farms are gone and land is developed they are lost forever. The Connecticut Farm Bureau urges you to reject the cuts to Community Investment Act outlined in SB 946 and allow this program to continue to do the important work it was designed to do for the residents of Connecticut.