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TO: Finance, Revenue & Bonding Committee

FROM: Susan Pronovost, Executive Director

Connecticut Greenhouse Growers Association

RE: Governor's Senate Bill 946

My name is Susan Pronovost. I reside in Waterbury and I am the Executive Director of the Connecticut Greenhouse Growers Association. The CGGA promotes the interests of the greenhouse industry which in Connecticut is largely comprised of some 300 family-owned small businesses that grow flowers, plants, and greenhouse crops as well as several large, multi-million dollar commercial greenhouse growers. Collectively Connecticut greenhouse growers utilize more than 10.5 million square feet of production space. Farm Credit East reported in 2012 that the Connecticut Greenhouse industry contributed \$2.5 billion in economic output and was responsible for 4,782 jobs.

We appreciate this opportunity to offer brief comments regarding the Governor's Budget and specifically, Governor's Senate Bill 946, *An Act Concerning Revenue Items to Implement the Governor's Budget*. Our specific concern relates to the CT Department of Agriculture and the proposed funding sweep from the Community Investment Act with diversion to the General Fund. This diversion of funds for FY 2016-2017 will affect funding to a number of agricultural programs that our membership depends upon, such as the Farm Viability and Farm Transition Grant Programs, Connecticut Grown Program, and CT Farmlink.

These and other programs are funded by community investment funds derived from real estate conveyance fees pursuant to C.G.S. 7-34, subsection (e); thus these programs are not dependent

upon the taxes. The Community Investment Fund was designed to be self-sustaining for the general support and growth of this state's agricultural producers and other development and farmland and historic preservation programs.

In particular the Farm Transition and Farm Viability grant programs provide cost-matching grants that enable many of our growers to expand their operations, purchase new capital items, diversify crop production, upgrade and modernize equipment, and install conservation equipment for water and energy. All of these programs give our members the tools to remain competitive in a very challenging local and regional marketplace. The potential elimination of these grant programs will have an immediate and profound negative impact on our membership; from the very large greenhouse growers to smaller growers to non-profit agricultural entities. Every negative financial impediment to our greenhouse industry cascades into larger economic detriments that could impact the value of export trade and in-state consumer spending.

The Connecticut Grown Program – another program funded by Community Investment Funds - facilitates promotional branding that includes all greenhouse grown crops and plants. It embodies the mission of the Connecticut Department of Agriculture and defines – *with pride* – all products grown in this state. It is a tool to encourage wholesale and retail purchases of Connecticut grown goods. The elimination of this program would undo all of the work of the last decade to build this brand and stimulate agricultural commerce.

This committee has a monumental task in front it. On behalf of the CGGA and our members, we ask that during your deliberations, you weigh the implications that the elimination of the Community Investment Act funded programs mean to a productive economic industry that faces mounting pressure from foreign and domestic competition in local and regional marketplaces. Thank you for your time and consideration of our point of view.