

Lake County
Community Development Corporation

SENATE AGRICULTURE

EXHIBIT NO. 16

DATE 4-2-2009

BILL NO. HB 583

Certified Regional Development Corporation/Western Rural Development Region

April 2, 2009

To: Senator Donald Steinbeisser, Chairman, Senate Agriculture, Livestock and Irrigation Committee and Members of the Agriculture, Livestock and Irrigation Committee

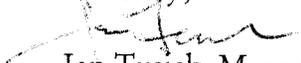
RE: HB583 Food and Ag Development Centers

HB583 is a first step of implementation of the findings of SJ 13- the 2007 Interim study bill which developed recommendations on how to add value to Montana agriculture through the redevelopment of a food processing industry. The study, completed through the oversight of the interim economic affairs committee, examined the possibilities a food industry could bring to Montana's agricultural economy. The establishment of a Food and Ag Development Center Network was identified as a critical step in increasing Montana's ability to add value to its agricultural production.

This bill would continue the work of the Ag Innovation Center and Bio-Products Innovation Center Programs. Both programs have provided essential support to the clients of Lake County Community Development Corp. and the Mission Mountain Food Enterprise Center, a food business incubator that serves food business and value added enterprises statewide. In 2008 the clients of the Mission Mountain Food Enterprise Center were surveyed on the impact of the program. Thirty clients responded that the technical assistance provided to them was essential to the development of their food enterprise. They indicated that the ability to access processing infrastructure and technical assistance was key to their success in the marketplace. Their businesses created **40 jobs** and generated **\$1,472,520.00** in sales and several clients have "graduated" into their own facilities. Our center assisted in leveraging **\$1,620,500** in capital for our clients businesses and their development. Please find attached a history of clients that have been provided technical assistance, access to a processing facility and assisted in the capitalization of their businesses.

While we understand the constraints of the General Fund Budget, it is important to consider the investments that have been made to date through the Ag Innovation Center Program (\$1,000,000), the Bio-Product Innovation Center Program (\$400,000) and leveraged state, federal, local and private dollars. The funding of this program will insure we continue to develop our agriculture, food and farm energy opportunities for Montana.

Sincerely,


Jan Tusick- Manager
Ag Enterprise and Cooperative Development Program
Certified Cooperative Development Specialist