

Comments from Department of Agriculture
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AFW-11 Promote Local Food and Fiber

1. Legislation to eliminate sunset on funding (through Coal Severance) for Growth through Agriculture program and Montana Cooperative Development Centers.
2. Receive a report on potential legislation being pursued by the Economic Affairs Interim Committee concerning S.J. 13, a study of methods and recommendations to add value to Montana agricultural products through redevelopment of a food processing industry.
3. Legislation to provide tax incentives or tax credits to use Montana raw materials for production of food in Montana.
4. Send a letter to the Commissioner of Higher Education encouraging Montana universities to track, as economically as is feasible, the amount of locally grown food produced and consumed in Montana.

Comments on Recommendation #3:

Such legislation should evaluate whether creating credits that are earned only if Montana agricultural products are processed within state boundaries is the single best option. Incentives for the food processing industry should not be too restrictive and/or interfere with the process of making sound business decisions. One should be reminded that even if Montana agricultural products are not processed, jobs and markets are created in a food processing enterprise. When markets are created, farmers can choose to respond to market signals. A food processing industry cannot be established without a dependable and affordable supply – and farm production will not change without an established market. The food processing must come first and any incentives that are implemented should be complimentary to such activities.