

## Options for addressing value-added agriculture under SJR 13

May 1, 2008

| Issue   | Cost   | Purpose  |
|---|--|--|
| Increase number of food innovation centers  | Depends on approach  | 1) Build on Montana's agricultural strength by providing incentives for community regional development corporations to devote a portion of funding to value-added agriculture, for example by lowering matching funds needed in proportion to CRDC funding of value-added agricultural production or programs or changing the matching fund requirements for refrigerator trucks or mobile equipment owned by value-added agriculture cooperatives.<br>2) Enhance use of Growth Through Agriculture programs by requiring certain ratio of funding to be spent on food innovation centers. |
| Encourage in-state collaboration for value-added agricultural production                                    | Depends on approach, could include tax credits                             | 1) Add to purposes of Big Sky Economic Development Program (90-1-202) to include the development of value-added agricultural production and expand economic development organization (90-1-201) to mean a cooperative intended to develop value-added agriculture. The priorities for funding under 90-1-204 could also be changed to recognize not just industrial but value-added agricultural production.<br>2) Tax credits for in-state companies that collaborate to add value  |
| Increase funding for meat inspector   | \$120,000 - or the cost of an additional meat inspector/operating expenses | 1) Local production and use requires local inspection.   |
| Increase vocational technical college budgets to respond to local value-added agricultural production needs | To be estimated  | 1) Value-added agricultural producers expressed concern about lack of a trained work force in various elements of production. Some of these programs be short-term at one college but could rotate at vo-tech colleges around the state. The state may need to help with equipment purchases for training.   |
| Other?  |  |  |
|   |  |  |