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February 23, 2022

To: Senate Budget & Taxation Committee

From: Maryland Farm Bureau, Inc.

Re: Support of SB 594 - Winery and Vineyard Economic Development Grant Program

On behalf of our member families, I submit this written testimony in support of SB 594. This bill establishes the Winery and Vineyard Economic Development Grant Program within the Department of Commerce and authorizes new and existing wineries and vineyards to receive a grant equal to 25% of the qualified capital expenses incurred in connection with establishing new wineries or vineyards or completing capital improvements at existing wineries and vineyards. It requires the Governor each year to include in the annual budget bill an appropriation of at least \$1,000,000 to be used for grants under the Program.

The wine industry is a very expensive Ag industry to get started in. The upfront cost to plant and cultivate a vineyard is more than \$10,000 per acre. Then add that the grape vives won't give you a viable crop until year 3, you see the necessity for up front assistance to get started. Many start small and find the cost up expand out ways their cash flow. So creating some assistance for those that are looking to expand, will go a long way in helping this small sector of the Ag industry continue to grow in Maryland.

MARYLAND FARM BUREAU SUPPORTS SB 594 AND REQUEST A FAVORABLE REPORT

Colby Ferguson

Director of Government Relations

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