

Testimony in Support of Maryland House Bill 0389: Department of Agriculture – State Ombudsman for Value-Added Agriculture

By: Robert Kozak
President, Atlantic Biomass, LLC
Frederick, MD 21701
Atlanticbiomass@aol.com

I would like to express my support today for House Bill 0389. Having an Ombudsman in the Maryland Department of Agriculture working with Maryland growers and processors to increase income through the production of value added products will be a great addition to helping the rural economy in Maryland. I hope also that the Ombudsman will work closely with the agriculture value-added programs at the University of Maryland College Park and the University of Maryland Eastern Shore.

I also hope that within a year or two the Ombudsman will be reporting such successes that the General Assembly will upgrade Value-Added Agriculture to a Departmental Division with appropriate funding.

As for the language in the proposed Bill, I would like to offer two possible additions.

1. With the Governor's strong emphasis on reducing Climate Change effects, I think making clear that including value-added products that reduce CO₂ and other Greenhouse Gases (GHGs), such as sustainable fuels or other chemicals from agricultural residues is important. Furthermore, many of these products have received substantial tax credits in the 2022 Inflation Reduction Act (H.R. 5376) that could benefit Marylanders in the agricultural industry. Key provisions of the IRA include:
 - Section 40B. Sustainable Aviation Fuel Credit:
 - Section 13704. Clean Fuel Production, and
 - Section 40007. Alternative Fuel and Low-Emission Aviation Technology Program.

Possible wording might be:

(3) INCLUDES ALL GREENHOUSE GAS (GHG) REDUCING VALUE ADDED PRODUCTS SUCH AS RENEWABLE SUSTAINABLE FUELS, CHEMICALS, AND RELATED PRODUCTS.

2. In addition to providing information on State and Federal regulation, I think providing growers and processors with information and guidance on Federal and State funding opportunities should also be included. Working your way through the USDA or Grants.gov websites is hard enough without trying to understand what the grant program is supposed to accomplish. This is especially true for small-business people who often have little time for this.

Possible wording might include:

(2) PROVIDE INFORMATION REGARDING STATE AND FEDERAL REGULATIONS **AND FUNDING OPPORTUNITIES** RELATING TO VALUE-ADDED AGRICULTURE;

I thank the Committee for the opportunity to testify in support of House Bill 0389 and I look forward to working with the Ombudsman in the very near future. If there is any additional information I can provide, please contact me at your convenience.