

**KATIE FRY HESTER**  
*Legislative District 9*  
Carroll and Howard Counties

Education, Health, and  
Environmental Affairs Committee

Chair, Joint Committee on  
Cybersecurity, Information Technology  
and Biotechnology



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**THE SENATE OF MARYLAND**  
**ANNAPOLIS, MARYLAND 21401**

**SB985 - Certified Local Farm Enterprise Program and Certified Local Farm Enterprise Food Aggregation Grant Fund - Establishment**

**Position: Favorable with Amendments**

February 25th, 2020

Good afternoon Chair Pinsky, Vice Chair Kagan, and Members of the Education, Health, and Environmental Affairs Committee:

Thank you for your consideration of SB985 to establish the Certified Local Farm Enterprise Program. This bill is the outcome of a task force created last year that included stakeholders across government, academia, and the private agriculture sector. At the beginning of the interim, we set out with the goal of increasing the amount of locally grown and produced food served in Maryland institutions in order to build a stronger local agriculture economy, increase the sustainability of the State, improve the quality of food at our local institutions, and support local farmers.

This bill would create the Certified Local Farm Enterprise Program, which requires units of government to structure their procurement procedures to try to purchase 20% of their food from “certified local farm enterprises” - farms that meet the nutrient management requirements set by the State of Maryland. The office created under this bill will be responsible for establishing tangible guidelines for units to follow when striving to achieve the goals set forward by the program; procedures governing specifically how participation is counted towards contract goals; and regulations establishing the procedures by which the Office will help Units prioritize certified local farm enterprises.

This bill also includes two provisions to facilitate the success of this program: a requirement that the Department of Agriculture maintain a list of certified local farm enterprises; and the establishment of the Certified Local Farm Enterprise Food Aggregation Grant Fund. This fund will support food aggregation, storage, processing, and distribution sites across the State of Maryland, creating the practical infrastructure that would support this program, and more Maryland jobs in the process.

In your fiscal notes, you will find projected expenditures of \$500,000 annually to capitalize the new fund - this is not a true reflection of the text of the bill. The only funding mandated in this bill is the \$118,444 for the purpose of providing two positions for the program. However, the \$500,000 in the fiscal note is not mandated - the bill simply establishes the fund as a vehicle for future use. Based on our ongoing conversations with the department, we believe there may be opportunity for funding in the future, but at this point of time the only budgetary asks included in this legislation is for two positions for the program.

Maryland agriculture supports more than 23,878 jobs throughout the state, generating \$3.3 billion in economic output and \$110 million in state and local tax revenue. This program is an investment in an already productive part of our State economy, and one of our most efficient economic multipliers: for every \$1 generated in agriculture, 45 cents are added to other related sectors.

This bill represents a significant step towards supporting the 12,000 Maryland families who live and work on farms, and an investment in Maryland agriculture that benefits everyone. Maryland farmers receive more reliable state contracts; secondary industries receive increased investment; state institutions are able to source higher quality, local food; and the Chesapeake Bay benefits from our support of farmers who are complying with Maryland nutrient management standards. **For these reasons, I respectfully request a favorable report for SB985.**

Sincerely,

A handwritten signature in cursive script that reads "Katie Fry Hester".

Senator Katie Fry Hester  
Howard and Carroll Counties