

# Growing Ag Committee Report



## Growing the Agriculture Industry

- 1) Establish an Alaska Department of Agriculture
- 2) Expand Leases on State-Owned Land
- 3) Increase State Research Capacity
- 4) Improve Producers' Access to Capital
- 5) Expand Tax Exemptions for Farmland





# Within Legislature's Domain



## Growing the Agriculture Industry

- 1) Establish an Alaska Department of Agriculture ✓
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# Proposals on the Docket

## SB 161 Farm Structures Tax Rate



Lowers farm structure tax rate to farmland rate.

Eligibility: IRS Schedule F.

- ✓ Improve producers' access to capital
- ✓ Expand tax exemptions
- ✓ Increase storage capacity
- Opens doors for new entrants to Ag industry
  - Extends season Ag products available
  - More Ag production = more local food products
  - More local foods = better nutrition = better health outcomes





# Proposals on the Docket

## HB 251 Cottage Food Industry/Meat Shares



**Raises cap for and expands cottage food industry.**

**Allows purchase of meat shares.**

- ✓ Improve producers' access to capital
- ✓ Increase storage capacity
- Opens doors for new entrants to Ag industry
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# Proposals on the Docket

## HB 317 Farm Use Land/Structures: Tax Exemption



Provides for farm structures to be taxed at same rate as farm use land.  
Removes ag income requirement for eligibility.

- for local tax exemption option for farm structures
- for farm use land and farm structure designation for lower tax rate
  - ✓ Improve producers' access to capital
  - ✓ Expand tax exemptions
  - ✓ Increase storage capacity
  - ✓ Increase food security in communities
  - Opens doors for new entrants to Ag industry
    - Extends season Ag products available
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# Proposals on the Docket

HB 282/SB 199 State Lands



Allows non-Ag uses (e.g., a B&B) to support Ag development on Ag land

- ✓ Expand leases on State Land
- ✓ Improve producers' access to capital
- Opens doors for new entrants to Ag industry
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# Proposals on the Docket

## HB 296/SB 211 CROP Act



- Reduces Board of Ag quorum
- Raises ARLF caps
- Adds shipping to ARLF
- Allows ARLF refinancing
- Staggers crop insurance payments
- Suspends public entities' Ag and fisheries procurement caps 5 years.





# Proposals on the Docket

HB 296/SB 211 CROP Act – CONT.



- ✓ Improve producers' access to capital
- ✓ Expand Agriculture Revolving Loan Fund
- ✓ Grow Ag Industry
  - Expand leases on state land
- ✓ Grow Markets
  - Increase meat inspection/processing capacity
  - Invest in innovative technology
- ✓ Improve transportation/Infrastructure
  - Increase storage capacity
  - Invest in logistics research





# Proposals on the Docket

HB 296/SB 211 CROP Act – CONT.



- Incentivizes more investment
- Increases farmable acres
- Opens doors for new entrants to Ag industry
- Opens doors to new markets
- Increases reliable market
- More Ag production = more local food products
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# Growing Ag Committee Report



## Recommendations in Pending Legislation

- 1) Establish an Alaska Department of Agriculture
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## Recommendations in the Groundwork Stage

- 1) Establish an Alaska Department of Agriculture\*
- 2) Expand Leases on State-Owned Land
- 3) Increase State Research Capacity\*\*
- 4) Improve Producers' Access to Capital
- 5) Expand Tax Exemptions for Farmland

\* *White Paper released 2-14-24*

\*\* *Featured in presentations to Resource Committee; discussed with UA President, Board of Regents member for future budgets*



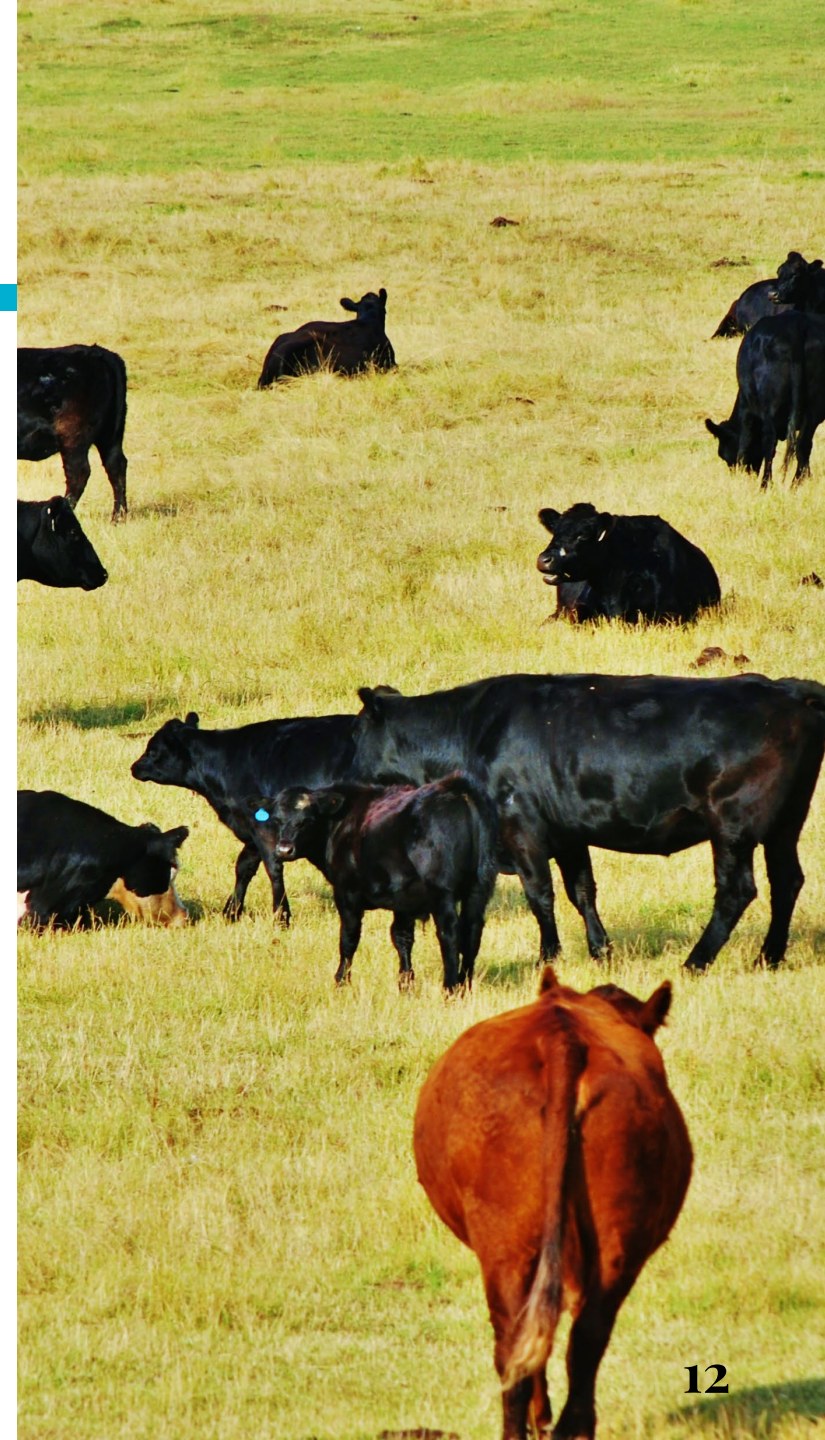


# Other Recommendations Collected Post-Report



## Related to Growing Agriculture Committee

- 1) Change workers comp requirement for Ag producers from 11 to 50 workers
- 2) Allow hemp as feed for livestock
- 3) Establish farm vehicle registration at lower cost than commercial vehicle registration





# Division of Agriculture Update



## Related to Growing Agriculture Committee

- 1) Grain Reserve
- 2) Increase lbs. foundation seed at PMC
- 3) Spend all CIP Money we have; Nen Tot, Seed Cleaning, Bison Range, Deferred Maintenance, Agriculture and Mariculture, etc.
- 4) Fill all vacant staff positions
- 5) Build new barn to house and protect farm equipment
- 6) Acquire new seed cleaning equipment to speed our seed cleaning capacity
- 7) Outreach efforts (Mariculture Conference, Delta Farm Forum) to acquire more ARLF loans.

