SCOMM

136:9

Alaska State House of Representatives

Representative Jay Ramras, Co-Chair
Alaska State Capitol, Room 104
Juneau, Alaska 99801-1182
Phone: (907) 465-3004
Fax: (907) 465-2070
House District 10

Representative Mark Neuman, Co-Chair
Alaska State Capitol, Room 432
Juneau, Alaska 99801-1182
Phone: (907) 465-2679
Fax: (907) 465-4822
House District 15

House Special Committee on Economic Development, Trade & Tourism

Sponsor Statement

HCR 34 (24-LS1714\Y)

The Arctic Fresh program is being established to promote Alaska grown produce and food products to the visitor industry. Alaska growers and food manufactures proudly provide a rich and diverse array of quality products. It is the intent of the Arctic Fresh program to bring together the division of agriculture, farmers and related farm associations, processors, seafood processors, distributors, the visitor industry, and restaurants and related culinary support associations to provide visitors to the State of Alaska with wholesome, quality Alaska produce and products.

By simply shifting the buying preferences of the visitor industry, the Arctic Fresh program will ensure that visitors to the State of Alaska experience the freshest produce and products grown and manufactured throughout the state. Additionally, the Arctic Fresh program will provide an additional market for farmers and producers in the state to sell their goods. All of which makes this an exciting win-win program for everyone involved.

FISCAL NOTE

STATE OF ALASKA
2006 LEGISLATIVE SESSION

Fiscal Note Number:
Bill Version: HCR34-DNR-Ag-03-09-06
() Publish Date:

Revision Date/Time (Note if correction):
Dept. Affected: Natural Resources
Title: Alaska Agricultural Products for Tourists
RDU: Resource Development
Component: Agricultural Development
Sponsor: (H) Rules by Request
Requester: (H) Economic Development, Trade & Tourism
Component No.: 455

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
CAPITAL EXPENDITURES						
CHANGE IN REVENUES ( )	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2006) cost: 0.0
Mark this box (X) if funding for this bill is included in the Governor's FY 2007 budget proposal:

POSITIONS

Full-time	0	0	0	0	0	0
Part-time	0	0	0	0	0	0
Temporary	0	0	0	0	0	0

ANALYSIS: *(Attach a separate page if necessary)*

No fiscal impact is expected as a result of this proposed House Concurrent Resolution promoting Alaska grown produce and food products in the visitor industry through the Arctic Fresh program.

Prepared by: Larry DeVilbiss, Director — Phone 907 761-3867
Division: Agriculture — Date/Time 3/9/2006
Approved by: Michael Menge, Commissioner — Date 3/9/2006
Agency: Natural Resources

(Revised 9/7/2005 OMB)

UNIVERSITY OF ALASKA
FAIRBANKS
Office of the Chancellor
320 Signers' Hall, P.O. Box 757500, Fairbanks, Alaska 99775-7500

Steve Jones, Chancellor
(907) 474-7112
(907) 474-6795 fax
fychanc@uaf.edu
www.uaf.edu

March 3, 2006

Representative Mark Neuman, Co-Chair
Representative Jay Ramras, Co-Chair
House Special Committee on Economic Development, Trade and Tourism
Alaska State Legislature
Alaska State Capitol
Juneau, Alaska 99801

Re: HCR 34 -- Relating to promoting Alaska grown produce and food products to the visitor industry through the Arctic Fresh program

Dear Representative Neuman and Representative Ramras:

The purpose of this letter is to encourage legislative support of the Arctic Fresh program as provided in HCR 34. The "Arctic Fresh" label will promote Alaska produced agricultural products to the tourism industry.

Success of this program will require a cooperative effort among the visitor industry, the state Division of Agriculture, and the University of Alaska Fairbanks, specifically the School of Natural Resources & Agricultural Sciences (SNRAS), and the Cooperative Extension Service. UAF provides research and outreach on production and storage of food products, food quality, and marketing through its entities. Benefits to the university will be increased visibility, development of valuable partnerships with industry, and hopefully in the future increased research dollars.

Dean Carol Lewis SNRAS, is already working with Representative Jay Ramras and Larry DeVilbiss, the director of the Division of Agriculture, to help make this program work. Formal support of the resolution from the legislature would be appreciated.

Thank you.

Sincerely,

Steve Jones

Steve Jones
Chancellor

cc: Representative John Coghill
Representative Bob Lynn
Representative Nancy Dahlstrom
Representative Harry Crawford
Representative Beth Kerttula
Representative Bill Stoltze

Pass the Peas Please

Buying locally grown produce for use in state park restaurants makes just about everyone happy.

By Leslie Teach Robbins

DIRECT MARKETING PROGRAMS HAVE CATCHY NAMES

Alaska Grown
Arizona Grown
Buy California
Colorado Proud
Connecticut Grown
Fresh From Florida
Georgia Grown
Georgia, Always in Good Taste
Idaho Preferred
Illinois Product
Kentucky Proud
"Get Real Maine"
Maryland's Best
Massachusetts grown....and fresher!
Minnesota Grown
Make Mine Mississippi
AgriMissouri
Montana's Choice
New Hampshire's Own
Jersey Fresh
New Mexico Taste the Tradition/
Grown with Tradition
Pride of New York
Goodness Grows in North Carolina
Ohio Proud
PA Preferred
Rhode Island Grown: Take Some Home
South Carolina Quality
Pick Tennessee Products
Go Texan
Utah's Own
Vermont Seal of Quality
Virginia Grown
"From the Heart of Washington"
West Virginia Grown
Something Special from Wisconsin

Visitors at the Greenbo Lake State Resort in Kentucky get more than pizza, hot-dogs and nachos when they visit the dining room in the Jesse Stuart Lodge. Instead, they find just-picked tomatoes on the salad bar and pies made fresh with homegrown berries.

All the produce on their plates was delivered by a lucky local farmer who's a member of the Kentucky Proud program. He's been teamed with the restaurant's chef who plans menus around the fruits and vegetables to be harvested that week. The farmer is lucky because there's no middle man. His produce sells for better prices than he could get selling to a cooperative or a distributor. Only a year ago, the state parks chefs would have ordered their produce from a wholesaler.

Kentucky has 17 resort-style parks (more than any other state) with lodges, cabins and dining rooms run by state employees. In other states, food service is usually contracted out to large corporate management companies like Aramark or Sodexho.

Bob Perry, director of food service for Kentucky State Parks, couldn't be more perfect for the job. He's a chef and a gardener and he lives on his wife's family farm. As chef, Perry is dedicated to using the freshest and highest quality produce available. As gardener, he saw immediately that there was a market open for family farms. "We are estimating that we'll spend over $500,000 on produce for parks in 2005," he says, "and that money should go back to local farmers."

The Department of State Parks works with the State Department of Agriculture's direct marketing program, "Kentucky Proud," bringing a lucrative new market to local produce growers. The move was possible because the legislature in 2002 amended the state's procurement code to allow state agencies to support local agriculture. It exempted agricultural products from the competitive bidding process. As a result, the state park restaurants and three cafeterias in state government buildings in Frankfort purchase produce directly from local farmers.

Each week, prices are established by averaging the prices at several different wholesale companies. The parks continue to pay a wholesale price that keeps them within their

Leslie Teach Robbins covers environmental health for NCSL.

KENTUCKY'S NOT ALONE

The concept of "buy local" campaigns has been around for decades. A number of states have created direct marketing assistance programs within their state department of agriculture to help small- and medium-family farmers stay in business.

The Pride of New York program offers marketing materials and assistance to food producers. It also runs promotions that highlight state grown produce. The Heart of Washington program started in 2001 with assistance from a federal grant. It not only markets state grown fruit and vegetables, but also highlights the state's livestock, processed foods, wine, nursery products and seafood. These programs provide farmers a cost-efficient marketing tool by spreading out the costs over a large group of growers who participate in the program.

budget, but the local farmer gets a higher price than he would elsewhere.

Park chefs use a wide variety of fruits and vegetables. In a typical month, a dining room might serve 30 or more different kinds of produce including lettuce, tomatoes, melons, berries, peppers, green beans, corn, cabbage, pumpkins and squash.

"When it's fresh, our guests are happy," says Cary Lyle, a resort manager. Diners aren't just those staying at the resort, they come from the local community as well. "It's all because they know the food is fresh from local farms," he says.

GOOD FOR THE FARMER

The departments of parks and agriculture are estimating this program has the potential to bring in about $2 million in sales for Kentucky fruit and vegetable producers.

Rusty Monahon, a part-time farmer in Germantown, Ky., has started to market his berries to two state parks. "I have a couple more lined up," he says. "This whole program gives me a good outlet and good price."

Monahon says farming is a sideline for him, but he's already planning to expand. "The demand is better than what I thought it would be."

NOT JUST PARKS

It's not just the park kitchens that are involved in Kentucky Proud. The agriculture department, which gets funding from the tobacco settlement for the program, has searched out all kinds of new markets and opportunities for farmers. It is promoting a wide variety of products, from goats and aquaculture to beef, produce and specialty foods.

More than 20 family farms supply the food on the menu for the Kentucky Derby. Matching ad dollars go into high-visibility promotions linked to major retailers like Kroger and Wal-Mart and popular family-run supermarkets in the state.

"Owning a small family farm is increasingly a challenge," says Representative Tom McKee, chairman of the House Agriculture and Small Business Committee. "This program provides benefits to the farmer, the consumer and the community. Local produce doesn't have to be transported great distances. Consumers get better-tasting fruits and vegetables. We eliminate or reduce fuel, packaging and refrigeration costs," he says.

REPRESENTATIVE TOM MCKEE KENTUCKY