

## Vermont Council on Rural Development Testimony

Topics: Working Lands Coalition Request for \$5m for the WLEI in fy27

To: House Committee on Commerce and Economic Development

Date: February 17, 2026

Presented by: Denise Smith, Executive Director of VCRD and Jake Claro, Farm to Plate Director at the Vermont Sustainable Jobs Fund

Hello: for the record, my name is Denise Smith, Executive Director of the Vermont Council on Rural Development (VCRD). I am joined today by Jake Claro, Farm to Plate Director at the Vermont Sustainable Jobs Fund

I would like to thank you for the opportunity to speak this morning to the House Agriculture Committee about the Working Lands Coalition and our request for increased funding to support the Working Lands Enterprise Initiative.

For those of you who do not know us, VCRD is an independent, non-partisan, statewide nonprofit. We provide community-led facilitation processes, convening, leadership skill building, technical assistance and on demand support to Vermont's rural communities. We also convene statewide policy discussions on issues impacting rural Vermont and Vermonters.

One of the outcomes of our policy work over a decade ago was the recognition of the value of the working lands in Vermont. The result was the creation of the Working Lands Partnership and subsequently the Working Lands Coalition, made up of organizations that support a strong, vibrant rural economy rooted in farm and forest enterprises. The Coalition includes organizations like: Cabot, The Vermont Farm Bureau, Vermont Sustainable Jobs Fund, Northeast Organic Farming Association, The Vermont Woodlands Association just to name a few. VCRD serves as the backbone for the Working Lands Coalition who have supported the formation and continued resourcing of the Working Lands Enterprise Initiative. This Initiative, overseen by the Agency of Agriculture Food and Markets is the foundation of investments that has created rural jobs, kept young entrepreneurs in Vermont, and leveraged additional investments in the farm and forest sector across the state.

The Working Lands Coalition has put together a platform to increase funding to the Working Lands Enterprise Initiative to \$5 million dollars this year. Our 2027 request is for an additional \$500,000 in base funding and \$3.5 million in one time funding. While we are grateful for the \$1 million dollars in the Governor's budget for this Initiative, we see how over-prescribed this program is year after year and without increased funding it is difficult to meaningfully invest in critical supply chain infrastructure, such as distribution and processing.

Since 2012, \$19.5 million in grants and contracts has been allocated to 593 working lands businesses and service provider organizations who directly support those businesses.

Additionally, \$31.9M has been leveraged in matching funds.

Year over year the gap between available funding and requests has increased.

<b>Fiscal Year</b>	<b>Funds Available</b>	<b>Funds Requested</b>
2026	\$1,000,000	\$5,946,643
2025	\$1,000,000	\$5,372,191
2024	\$3,150,000	\$16,187,156
2023	\$2,000,000	\$10,575,516
2022	\$5,594,000	\$10,109,747
2021	\$594,000	\$2,043,716
2020	\$1,594,000	\$5,015,147
2019	\$700,000	\$1,178,287
2018	\$694,000	\$1,902,316

I am going to turn it over to Jake Claro from the Vermont Sustainable Jobs Fund.

Vermont' Working Lands Enterprise Initiative has become a national model for how to support local, place-based businesses who support our forest and food economy. The \$1.5 million base is the 1<sup>st</sup> Strategic Priority of the state's food system Strategic Plan - this has been identified as the minimum floor by multiple stakeholders for making impactful investment year over year, and provides farmers , value-added producers, and forest operators etc. predictability for financial/investment planning. This funding is

essential for food security, provides economic investment in local businesses and creates sustainability for rural communities.

We have done analysis on supply chain investment needs in the food system. Over a three year period these needs are upwards of \$170 million, but not all of this is public, the majority can come through private investment (approx 80%), but Working Lands is a key catalyst to unlocking that by lowering risk for traditional lenders (here I can also reference the continuum). As the marketplace continually evolves, Working Lands enables emergent industries to become competitive, and established industries and producers to evolve and adapt their business so that it can be viable/sustainable across generations. As Denise mentioned, supply chain impact investment needs a greater scale of investment to leave a mark, and given funding gaps in prior years in relation to request/rewarded, \$3.5 million can push us closer to meeting longer term investment needs for these sectors. As an example, a commercial scale roller mill for all purpose flour production, an identified infrastructure need for grain processing that would unlock market access for grain farmers in Vermont, is a \$1-\$1.5 million investment. Value added meat processing upgrades can cost between \$100k-\$250k.

In addition to the jobs, sales, numerical economic impacts, these investments have significant impact on owner and employee quality of life. We hear this from grantees, you see it in the applications - these are investments that can reduce labor hours, make the workplace safer, and allow owners/employees to invest time and resources into other areas that make their business a better place to be that also supports economic livelihood.

Thank you for your time and consideration today and your work. We are grateful to all of the support you have given the Working Lands and hope you consider increasing funding for the Working Land Enterprise Initiative.

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