



STATE OF CONNECTICUT  
EXECUTIVE CHAMBERS

M. JODI RELL  
GOVERNOR

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## **Governor Rell: Budget Includes \$20 Million In Aid for Connecticut Dairy Farmers**

*Grants Would Help Preserve State's \$1 Billion Industry*

Governor M. Jodi Rell announced today that she has included \$20 million over the next two years in her latest budget to help preserve the state's \$1 billion dairy industry and the jobs it supports by providing assistance to Connecticut dairy farmers, who are struggling with high production costs and low milk prices in this economic downturn.

Connecticut currently has 151 dairy farms that use over 83,000 acres in cropland, of which 30,000 acres of that in preserved farmland. That is down from 500 farms in 1990 and 210 in 2007. During the first quarter of 2009, state dairy farmers received approximately \$1.07 a gallon of milk produced, compared to \$1.42 a gallon in 1998, a drop in price of nearly 25 percent.

"We cannot afford to lose more of our farms, because when they are gone – they are gone and so too are a major economic sector and unique way of life," Governor Rell said. "The thousands of jobs the dairy industry creates and related industries it supports would be lost. Farms that have remained in families for generations have been an enduring part of the Connecticut landscape and our quality of life."

The Governor has directed the state Department of Agriculture to develop a plan that would use the funds (\$10 million in Fiscal Year 2010 and \$10 million in FY 2011) for allocations based on needs and other factors. She is also directing the state Commissioner of Agriculture to work with other states in the Northeast to help bring change and a solution to the federal milk pricing system.

"While we have no control over the federal milk pricing system, I am committed to doing all we can on the state level to give Connecticut dairy farmers the support they need to compete in this economy," Governor Rell said.

According to a 2009 University of Connecticut economic analysis, the state dairy industry generates:

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- As much as \$1.1 billion in sales
- Approximately 4,200 jobs
- \$145 million to \$208 million in personal income
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Related industries include feed suppliers, fertilizer and seed suppliers, veterinary services, equipment manufacturers and distributors, processing equipment, packing materials refrigeration, transportation and energy.

In 2008, Connecticut dairy farmers produced 351 million pounds of milk, of which 40 percent was consumed in the state.

“The dairy industry touches so many sectors of our economy and most importantly preserves our ability to produce food,” State Agriculture Commissioner F. Philip Prelli said. “We cannot afford to compromise food security and the reliability of the state’s dairy processing sector. I commend Governor Rell for her leadership and vision to keep our dairy industry viable.”

For more information on the state’s dairy industry: [www.ct.gov/doag](http://www.ct.gov/doag)