



**Testimony to the Joint Standing Committees on Appropriations and Financial Affairs
and Agriculture, Conservation and Forestry**

in support

LD 258, An Act Making Unified Appropriations and Allocations from the General Fund and Other Funds for the Expenditures of State Government and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2023, June 30, 2024, and June 30, 2025 (p. A-59ff)

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3 March 2023

Senator Rotundo, Representative Sachs, Distinguished Members of the Committee on Appropriations and Financial Affairs, and Senator Ingwersen, Representative Pleucker, and Honorable Members of the Committee on Agriculture, Conservation and Forestry:

My name is Amy Winston, and I am the Senior Director of State Policy at Coastal Enterprises, Inc. (CEI). I am testifying today on behalf of CEI, in support of the biennial budget related to important work at the Department of Agriculture, Conservation and Forestry (DACF) to promote and support local and regional agricultural and food system development.

Initiatives proposed in this budget continue the implementation of key policy objectives that were advanced by the last 2 legislatures. The Department's work is supported by and aligned with the goals identified in the *Maine Won't Wait* climate action plan and Maine's focus on building talent and innovation in the 2020-2029 state economic development plan.

The Commissioner's Office and Bureau staff have been working diligently with industry stakeholders and legislators to implement the recommendations of working groups on subjects from ending hunger to siting solar systems responsibly and mitigating PFAs to protect Maine farmers and farmland. The department has hired staff and consulted experts to address food insecurity, support community-based food production, and agricultural infrastructure, including meat and poultry processing and food manufacturing facilities. They have added capacity to carry out licensing, food safety and quality inspections effectively.

CEI is appreciative of the opportunity we have had to work with the Department and industry leaders and stakeholders on several of these recent policy and programmatic initiatives, including the establishment of the Maine Agriculture, Food and Forest Products Investment Fund in the 130th legislature. (This fund was proposed in [LD 1565](#) and passed in [LD 1733](#) (PartKK).)

This session, we look forward to working with Speaker Talbot Ross and the Commissioner's Office to support LR 651, An Act to Strengthen Maine's Agriculture, Food & Forest Economy. This bill appropriates \$20 million per fiscal year to capitalize this fund, which is not included in the budget as proposed. The



DACF and DECD will collaborate with the fund's advisory board and other appropriate agencies and organizational partners to establish grant, loan and equity-like financing and ensure that investment objectives are appropriately targeted and not duplicative.

For those who aren't familiar, CEI is a statewide, non-profit, mission-driven community development financial development institution (or CDFI). We work to build a just, vibrant and climate-resilient future for people and communities in Maine and rural regions. We do this by integrating finance, business expertise and policy solutions to make the economy more equitable. Established in 1977 with an investment in cold fish storage, CEI has invested \$32,682,424 in agriculture and food economy and \$9,092,591 in the forest products sector. Our focus on natural resource-based businesses and commitment to value chain development in Maine's heritage industries has only grown over the last 4 decades. Since FY 2018, CEI has provided \$17,513,606 in financing to food and agriculture related enterprises and \$1,922,500 in the forestry sector.

While the proposed budget supports myriad components of Maine's agricultural and natural resource economy, from farmland access and soil health to food insecurity, it does not address the demand for critical processing and manufacturing infrastructure. Developed with input from industry and additional stakeholders, and through the careful assessment conducted by the DACF with the Maine Department of Economic and Community Development, the Maine Agriculture, Food and Forest Products Investment Fund reflects outstanding need for capital to expand Maine's value chain. This need has been demonstrated through research and analysis and, most recently, by the inundation of the Maine DACF's Jobs and Recovery Act Agriculture Infrastructure Investment Program with applications from over 800 Maine food processors and manufacturers.

Thank you for this opportunity to comment on the Department of Agriculture, Conservation and Forestry section of the biennial budget. While highlighting the need to support the Maine Agriculture, Food and Forest Products Investment Fund, we highly recommend the committees vote to pass this section of the biennial budget.

Sincerely,

Amy Winston
Senior Director
State Policy