

Testimony of Shelley Megquier, Policy and Research Director, Maine Farmland Trust, before the 131th Legislature's Joint Standing Committee on Innovation, Development, Economic Advancement, and Business

January 9, 2024

Good afternoon Senator Curry, Representative Roberts, and members of the IDEAB Committee. My name is Shelley Megquier and I am testifying on behalf of Maine Farmland Trust (MFT) in support of the LD 1815 – An Act to Protect Maine's Consumers by Establishing an Abuse of Dominance Right of Action and Requiring Notification of Mergers.

MFT is a member-powered statewide organization that works to protect farmland, support farmers, and advance the future of farming. Since our founding in 1999, MFT has helped to permanently protect more than 340 farms and keep over 60,000 acres of farmland in farming. Our Farm Network includes over 500 farms and in 2023, MFT supported 58 farm businesses with workshops, technical assistance, and grants – delivering over 612 hours of technical assistance and \$197,000 in business and seed grants to help businesses grow their profitability. Our main program areas are Farmland Protection, Farmland Access, Stewardship, Farm Business Planning, PFAS Support, Climate Resilience, and Policy and Research.

Maine agriculture is remarkable. The State has 7,600 farm businesses that produce a broad range of food that sustains our communities and boosts our economy. Of those farms, more than 80 percent are operated by families or individuals.¹ Our state's farms are an essential part of its economy, environment, and culture. Some benefits of farms are obvious—the diversity of foods and other products they produce, as well as the scenic beauty they provide. Yet other benefits are less obvious, such as how farms serve as rural economic development engines, strengthen our resilience to climate change, bolster food security, and create access to a variety of recreational pursuits. The benefit that may be most valued by Maine residents—the intangible "quality of life" that farms help provide—is sometimes recognized only when it's too late, after farms and farmland have been lost.

MFT supports LD 1815 as a strategy to protect Maine's agricultural producers of all sizes and types against corporate monopolies and abuses of dominance. LD 1815 maps out ways to strengthen our State's ability to protect its small businesses and consumers. This feels important as a way to counter the increasing concentrations of power that we see at all levels of our food system. We don't want the "get big or get out" mentality that has overtaken much of the country to establish any more of a foothold in Maine.

MFT works directly with farmers of all experience levels as they develop markets and grow successful businesses. MFT's support services and programs for farmers include individualized farm business planning and workshops and technical assistance that are designed to help farmers develop their businesses strategically and scale up their wholesale operations to obtain more

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¹ USDA, NASS, 2017 Census of Agriculture, Maine.

market resilience and economic stability. One of the consistent challenges we hear about from farmers is how they are often "price takers" rather than "price makers." Production costs often fluctuate widely from year-to-year but Maine farmers often struggle when they aren't able to commensurately control the price they receive for a product. Although this challenge wouldn't be resolved by LD 1815, it is important to note that this challenge is exacerbated when power, and therefore decision making, is consolidated at any stage of the value chain. Farmers deserve fairness in the prices they receive but often are left with little negotiating power when there are few options for processing or distribution. This weakens Maine's food and agriculture economy and serves as a challenge for individual farm businesses trying to make ends meet.

To close, agriculture is a key component of Maine's economy, contributing over \$3.6 billion in economic impacts and supporting over 27,000 jobs statewide.² There is also enormous growth potential for the food sector in Maine and the sectors that support it like farming. In fact, Governor Mills' 10-year economic development strategy identifies the food sector in Maine as one of the four areas most ripe for economic development because of the state's current strengths, the growing global demand, and the potential for job creation in that sector.³ Through strategies like those presented in LD 1815, we can help to ensure that as the Maine food sector grows, it does so in ways that distribute and share rather than consolidate the positive economic impacts of growth.

Thank you very much. Please reach out if you have any questions or follow-ups.

² Northeast Economic Engine: Agriculture, Forest Products and Commercial Fishing; (farmcrediteast.com)

³ Maine Economic Development Strategy (2020-2029): A Focus on Talent and Innovation (2019) at 14, available at: https://www.maine.gov/decd/sites/maine.gov.decd/files/inlinefiles/DECD 120919 sm.pdf.