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## MOFGA Testimony In Support Of

LD 1815 - *An Act to Protect Maine's Consumers  
by Establishing an Abuse of Dominance Right of Action and Requiring Notification of Mergers*

January 9, 2024

Good afternoon Senator Curry, Representative Roberts and members of the Joint Standing Committee on Innovation, Development, Economic Advancement and Business. My name is Heather Spalding and I am deputy director of the Maine Organic Farmers and Gardeners Association (MOFGA). I am speaking in support of LD 1815 - *An Act to Protect Maine's Consumers by Establishing an Abuse of Dominance Right of Action and Requiring Notification of Mergers*. We thank Representative Millett for introducing this legislation.

A broad-based community, MOFGA is creating a food system that is healthy and fair for all of us. Through education, training and advocacy, we are helping farmers thrive, making more local, organic food available and building sustainable communities. MOFGA certifies 525 organic farms and processing operations representing roughly \$90 million in sales and we are working hard to create opportunities for Maine's next generation of farmers. Each of these farmers is a Maine businessperson for whom economic health and environmental health are interdependent. We also have more than 15,000 members, all of whom are eaters who want to maximize the Maine-grown portion of their diets, and minimize the food miles behind their food.

We believe that LD 1518 directly relates to MOFGA's mission as it will encourage innovation and prevent large corporations from excluding or unfairly punishing rivals and raising consumer prices. This legislation will help create more market opportunities for Maine farmers, and will address the consolidation of the country's food and agriculture system.

I represent MOFGA on the Natural and Working Lands Working Group of Maine's Climate Council. One of the big subjects that we're tackling is how to achieve the state Climate Plan goal of generating here in Maine at least 30% of the food that Mainers consume. Though we're not certain about the current production/consumption statistic, conventional wisdom has it that we're hovering at about 10%. This local foods aspiration aligns with a shared regional goal of the New England Food Vision and New England Feeding New England. With Maine's large agricultural land base and relatively lower population density, Maine would have to play a key role in helping New England achieve the 30% consumption goal.

Many of MOFGA's certified organic operations are smaller scale and are marketing directly to customers through CSA shares, farmers' markets and farmstands. About 15% of our producers identify themselves as selling, at least in part, wholesale. For some of these farmers, we are hearing concerns about challenges to get into larger retail markets in Maine. You'll receive testimony with specific details from some of them but I would just like to share the high level themes.



Some of our growers produce hundreds of thousands of pounds of produce for sale in Maine and beyond. To gain access to large retail outlets and chains, these producers must follow strict food safety standards and get certification from USDA. They work incredibly hard to produce the healthiest, freshest, most nutritious, delicious food they can provide. They produce the kind of food that Maine consumers love to buy when they can access it conveniently. And though some of the large retailers promote themselves as champions of local foods, they have buying policies in place making it nearly impossible for many aspiring wholesale farmers to get their food in the door and onto the shelves. Fixed pricing systems based on the production of huge farms on the West Coast or in the Southeast, where the farms have a year-round growing season, sometimes are impossible for our farmers to compete with. The price point for access to national distributors just doesn't work for our growers. While the large grocery conglomerates are reporting record profits in recent years, often leading with "buy local" messaging, they are making it very difficult for Maine growers to get their products on the shelves.

As we weathered the COVID-19 storm and the impacts that it had on our food supply, it became all too apparent how fragile our food and agriculture system was and is. We are far too reliant on food from away. Maine has the land base, the natural resources, including soils and water, the climate and the knowledge to achieve far more than 30% local food production and consumption, but we need policies in place to encourage investment in training, production, processing, marketing and distribution. There are wonderful state and federal programs under way but without increasing farmers' access to markets, the investments are not going to achieve their desired effect. We believe that LD 1815 will be an important policy to encourage healthy competition, innovation and opportunity in larger wholesale markets.

Thank you very much for your consideration of this important legislation. MOFGA urges the Committee to vote in support of LD 1815. I would be happy to answer questions if you have any.

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*The Maine Organic Farmers and Gardeners Association (MOFGA) started in 1971 and is the oldest and largest state organic organization in the country. We're a broad-based community that educates about and advocates for organic agriculture, illuminating its interdependence with a healthy environment, local food production, and thriving communities. We have 15,000 members, we certify more than 500 organic farms and processing facilities representing \$90 million in sales, and we are working hard to provide training and create opportunities for Maine's next generation of farmers. Each of these farmers is a Maine businessperson for whom economic health and environmental health are interdependent. While MOFGA envisions a future of healthy ecosystems, communities, people and economies sustained by the practices of organic agriculture, we attribute our success to collaboration and outreach to growers across the management spectrum.*