

February 5<sup>th</sup>, 2024

Senator Teresa Pierce Representative Traci Gere Members of the Committee on Housing

## RE: Testifying in Support of LD 2169, An Act to Support the Development of Workforce Housing to Promote Economic Development in Maine

My name is Eric Venturini, and I am the Executive Director of the Wild Blueberry Commission of Maine.

The Wild Blueberry Commission (the "Commission) works on behalf of Maine's 485<sup>1</sup> wild blueberry farmers and businesses who grow our iconic wild blueberries on approximately 39,400<sup>2</sup> acres across the state and on Passamaquoddy tribal land. In 2023, Maine produced 74 million pounds of wild blueberries representing nearly 100% of all *wild blueberries* grown in the United States. Our industry contributes an estimated \$361 million dollars<sup>3</sup> in sales to the state's economy each year.

The Commission itself is comprised of industry members. These individuals are wild blueberry farmers, processors, or both. Some farm organically, some are carrying on a business that has been in their family for more than 5 generations, some are small operators with a belt sorter and a direct sales business model, and others represent some of the largest frozen fruit companies in the nation. The Commission seeks to create an agricultural business environment that promotes a vibrant wild blueberry community and fosters profitability, innovation, and the social, economic, and environmental sustainability of Maine's wild blueberry farms and food processors across all scales of production.

Every year, the Commission sets priorities based upon the greatest needs in the industry. For the past four years, the Commission has identified as one of those priorities the need to, *"Help address labor and workforce housing challenges."* Labor remains one of the biggest hurdles to viability on farms from small to large. Agriculture is by its nature seasonal, and in today's economy, finding reliable seasonal workers is a growing challenge. In fact, according to a recent report from the Maine Technology Institute,

<sup>&</sup>lt;sup>1</sup> USDA National Agricultural Statistics Service. 2017. Berries: 2017.

https://www.nass.usda.gov/Publications/AgCensus/2017/Full Report/Volume 1, Chapter 2 County Level/Maine/st23 2 0033 0033.pdf <sup>2</sup> USDA National Agricultural Statistics Service. 2023. News Release, Maine wild blueberry production down 26% from 2021.

https://extension.umaine.edu/blueberries/factsheets/statistics-2/crop-production-statistics-2019/

<sup>&</sup>lt;sup>3</sup> Camoine Associates. Unpublished Data. Economic and Fiscal Impacts of the Maine Wild Blueberry Industry. Wild Blueberry Association of North America – US, October 2023.

farmers pay their workers on average \$1.34 more per hour than they pay themselves.<sup>4</sup> Despite this disparity, they still struggle to identify and employ a reliable workforce.

This struggle is not limited to the wild blueberry industry. Agricultural sectors across the nation have increasingly turned to the H2-A Agricultural Worker Visa Program to help solve this workforce crisis. In fact, in the three-year period between 2020 and 2023 the use of the H2-A program has increased by more than 20% in the northeast.<sup>5</sup> Workforce housing is a prerequisite of program participation, and many producers that would use the program are unable to simply because workforce housing is unavailable and they lack the capital needed to develop it.

Unfortunately, in the wild blueberry industry today, the capital is often a non-starter. The 5-year inflation adjusted averaged price for wild blueberries has <u>declined</u> by 31% over the last 15 years (2004-2008 vs. 2018-2022).<sup>6</sup> The cost of major farm business expenses has <u>increased</u> 78% in the last 3 years.<sup>7</sup> Interest rates for farm-related bank loans has risen faster in the past two years than at any point in the prior 40.<sup>8</sup>

I thank the sponsor, Senator Daughtry and co-sponsors for submitting this bill. On behalf of Maine's wild blueberry industry, I offer strong support. We ask that the sponsor and the committee include agriculture in the discussion, to help ensure that the bill and eventually the program itself can help meet Maine farmers' need for workforce housing.

Thank you for your time and consideration. I would be happy to answer any questions that you may have.

Sincerely,

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https://www.agriculture.senate.gov/newsroom/minority-blog/revisiting-farm-production-expenses



<sup>&</sup>lt;sup>4</sup> MTI. 2023. Maine Technology Institute (MT) Sector Assessment. October 2023. Funding provided by the Office of Business Development and the Maine Jobs and Recovery Plan.

<sup>&</sup>lt;sup>5</sup> V. Nigh. 2023. H-2A Growth Slows, But Remains Strong. American Farm Bureau. Released December 7, 2023. <u>https://www.fb.org/market-intel/h-2a-growth-slows-but-remains-</u>

<sup>&</sup>lt;sup>6</sup> Analysis provided to the Commission by Bluet Sparkling Wines using data from United States Department of Agriculture (USDA) National Agricultural Statistics Service (NASS) and the United States Bureau of Labor Statistics.

<sup>&</sup>lt;sup>7</sup> US Senate Committee on Agriculture, Nutrition, and Forestry. 2023. USDA Says High Farm Production Costs Not Easing in 2024. Released July

<sup>13&</sup>lt;sup>th</sup>, 2023. <u>https://www.agriculture.senate.gov/newsroom/minority-blog/usda-says-high-farm-production-costs-not-easing-in-2024</u> <sup>8</sup> US Senate Committee on Agriculture, Nutrition, and Forestry. 2023. Revisiting Farm Production Expenses. Released May 9<sup>th</sup>, 2023.

