

Testimony of Shelley Megquier, Policy & Research Director, Maine Farmland Trust, to the 132nd Legislature's Joint Standing Committee on Agriculture, Conservation, and Forestry March 27, 2025

Good afternoon Senator Talbot Ross, Representative Pluecker, and members of the Joint Standing Committee on Agriculture, Conservation, and Forestry. My name is Shelley Megquier and I am the Policy & Research Director at Maine Farmland Trust (MFT). I am providing testimony on behalf of MFT in support of LD 1072 – An Act to Amend the Laws Governing the Land for Maine's Future Program and to Authorize the Use of Options to Purchase at Agricultural Value.

MFT is a member-powered statewide organization that works to protect farmland, support farmers, and advance the future of farming. Our goals are to keep agricultural lands working and help farmers and their communities thrive. Since our founding in 1999, MFT has helped to permanently protect farmland in every county in Maine, amounting to nearly 57,000 acres across 345 farms. Our Farm Network includes more than 550 farms that have participated in MFT's programming either through an agricultural easement or through one of our programs. Our main program areas are Farmland Protection, Farmland Access, Stewardship, Farm Business Planning, PFAS Support, Climate Resilience, and Policy and Research.

Protecting farmland is critical for ensuring we have the land base needed to grow our agricultural economy and strengthen food security for our communities, state, and region. But, farmland in Maine is at risk. The 2022 Census of Agriculture showed that between 2017 and 2022, more than 82,000 acres of farmland in Maine fell out of agricultural production. Farmland in Maine is being lost to agriculture due to increasing development pressures, a growing interest in farmland from non-farming buyers, dramatic increases in the cost of land, and farm viability challenges that are making it harder for farmers to afford to keep their land in agriculture.

Farmland conservation is an important tool to counter the complex challenges contributing to farmland loss but a standard agricultural conservation easement isn't always enough to keep working lands working and to ensure affordable access to farmland. Other tools and strategies are also critically important. Another available tool is a resale restriction called an "Option to Purchase at Agricultural Value" that can be incorporated into an agricultural conservation easement at the time when the easement is first put into place or, under certain circumstances, a conservation easement can be amended to include an OPAV after the fact. This added layer of encumbrance establishes a legal means to ensure that any future sale of the farmland will be to another active farmer. The Option to Purchase at Agricultural Value or OPAV requires landowners to notify the entity holding the easement of any future sales, and if the farm goes under contract to a buyer who is not a commercial farmer or a family member, the holder of the easement can exercise its option to purchase the conserved property at agricultural value and then resell it to another farmer who will keep the land in agricultural production. This strategy may be increasingly relevant in the Maine context given rising real estate prices and the interest of non-farmers in farm properties as desirable estate properties. In 2024 alone, MFT protected 545 acres with an OPAV across 5 farms. If an OPAV is included in a conservation easement, then the easement value increases to compensate for this additional encumbrance.

¹ USDA NASS, Census of Agriculture for 2022, Maine, "Land: 2022 and 2017."

Before moving on to speaking specifically about LD 1072, it's also important to share how OPAVs can be used to increase affordability and access for incoming or expanding farmers. It is possible to add an OPAV to the already-existing conservation easement, which lowers the cost of the farmland for the incoming farmers. MFT did this type of a project with Wormell Farms in Cumberland in 2023 and has permission to share that family's story.

MFT originally protected the farmland at Wormell Farms in 2016 with an agricultural conservation easement, which prevents the land from being subdivided or transformed into commercial or residential development, and caps its value as an indivisible parcel. Without an easement in place, the estimated open market price tag for the Wormell Farms property would be over \$1 million. Sadly, several years later in 2021 the Wormells got news of the devastating loss of their contract with Horizon Organic, which shuttered their dairy business. In 2023, Brendon and Brianna Wormell as fifth-generation farmers were exploring a purchase of the farm from the current owners, Brendon's grandparents Lee and Carole Wormell. Brendon and Brianna wanted to re-establish the farm by raising beef cattle but they encountered a significant barrier: the cost of the farmland. The price of the 78-acre farm just 20 minutes from Portland was out of reach, even when protected by an easement, and if the farm were to hit the open market in a hot real estate market like Cumberland, it would be likely to attract competition from non-farmers who might view the farm as a desirable estate property. By working together with MFT to add an OPAV to the already-existing conservation easement on the farm, Brendon and Brianna were able to afford the purchase, while also establishing new legal means to ensure any future sale outside the family will be to another active farmer.

According to Brendon and Brianna, "We could not have purchased the farm without Maine Farmland Trust's involvement. We are the fifth generation to own and operate a working farm, and we hope to eventually make our two young children the sixth. It is incredibly meaningful to us to keep this farm in our family..."

Though in this case the OPAV allowed the farmland to successfully transfer between different generations of farmers within the same family, it can also be used as a tool for successful farmland transfer between unrelated farmers.

LD 1072 makes a number of revisions to the law governing the Land for Maine's Future program and the operation of the Land for Maine's Future board. Most of the changes are straightforward and commonsense adjustments to provide the Board a bit more discretion, make technical fixes, and to remove redundant provisions within the law. Section B speaks directly to the ability to complete farmland protection projects with Option to Purchase at Agricultural Value encumberments with public dollars. Currently, the types of projects that have been described in this testimony are not possible using public funds. LD 1072 adds another tool to the toolbox of those working to protect and increase access to Maine's farmland for current and future generations of farmers. For this reason, we ask that you support LD 1072.

Thank you for the opportunity to provide testimony in support of LD 1072.