

RE: Support for 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

April 7, 2025

Senator Talbot Ross, Representative Pluecker, and esteemed members of the Joint Standing Committee on Agriculture, Conservation and Forestry,

On behalf of American Farmland Trust (AFT), thank you for the opportunity to submit testimony **in support of LD 1072.**

My name is Eliza Paterson, and I am AFT's Senior New England Policy Associate. AFT is the nation's leading conservation organization dedicated to protecting farmland, promoting sound farming practices, and keeping farmers on the land. Since its founding in 1980 by farmers and citizens concerned about the rapid loss of farmland to development, AFT has helped protect over 6.5 million acres of farmland and has led the way for the adoption of conservation practices on millions more. Established in 1985, AFT's New England Program works to save the land that sustains us across the region. AFT has a long history of working in Maine, stemming back to our role in supporting the first farmland protection projects undertaken through the Land for Maine's Future program.

LD 1072 makes a few notable revises including the governance of the Land for Maine's Future program and the operation of the Land for Maine's Future board. Additionally, Section B of LD 1072 speaks to the ability to complete farmland protection projects with a farmland access tool known as the Option to Purchase at Agricultural Value (OPAV) and would allow OPAVs to be purchased with public dollars. By codifying OPAV into state law, public funds can be used for this purpose and the state will have another farmland access tool in the toolbox. This will help to keep farmland in the hands of farmers and in agricultural production for current and future generations.

Maine's farmland plays a vital role in our regional economy and food security. Maine has the most agricultural land of any of the six New England states by far, as well as the largest amount of prime and important farmland. According to AFT's Farms Under Threat: The State of the States, roughly 18,000 acres of Maine's agricultural land were converted to urban development or low-density residential land use between 2001 and 2016. This loss of farmland is enough to generate \$10 million in annual revenue. To date, Maine has protected less than five percent of the state's farmland. Additionally, without adequate tools for additional farmland protection efforts in Maine, according to AFT's Farms Under Threat 2040, an estimated 53,400 acres of Maine's farmland will be lost to development in the next 17 years. Farmland owners across the state leverage a variety of different tools to ensure their land remains in agricultural production. One of these tools is agricultural conservation easements.

Agricultural conservation easements are purchased by the State from willing sellers through Maine's Department of Agriculture, Conservation and Forestry (DACF's) Working Farmland Access and Protection Program (WFAP). The impact and efficacy of this program, however, can be strengthened by passing LD 1072. This bill will allow the state to work with land trusts to place an OPAV on a parcel of farmland and further the state's farmland protection efforts. This mechanism has been used successfully in Massachusetts and Vermont for many years, helping those states address the growing challenge of farmers being outbid on farmland purchases by non-farming buyers seeking to purchase a hobby farm or investment property.

DACF has experience with the process and mechanism that ensure protected farms can be resold at agricultural value. This bill will clarify how this process works in Maine, further the ability to utilize the tool, and create a pathway for more OPAVs to be completed. By codifying OPAVs into General Law, Maine will further farmland affordability for established and aspiring farmers around the state. This tool has been successfully used in Vermont over 500 times and is also regularly included in Massachusetts's Department of Agricultural Resources Agricultural Preservation Restriction easements.

LD 1072 provides land trusts with the ability to voluntarily purchase OPAVs with landowners interested in adding this tool to their agricultural conservation easement. A landowner could choose to sell an OPAV to a qualified land trust or municipality, giving them the option to step in and purchase the protected land in the event the landowner seeks to sell the land to those who will not maintain it as a working farm.

An OPAV strengthens a traditional conservation easement by requiring that the affected farmland is sold at a price that reflects its agricultural value, rather than a price influenced by non-farming market demand. The farm must also be sold to a qualified farm operator or a family member. While land protected through the state's WFAP Program cannot be developed, there is no requirement that the land remain in active agricultural use. A well-capitalized homebuyer or investor with no plan to farm can purchase farmland that has been protected can currently outbid an interest farmer when land comes up for sale on the speculative market. With the addition of an OPAV, that well-capitalized homebuyer or investor would be precluded from purchasing the property if there were a qualified farmer buyer or family member. Additionally, the purchase price of the property would be limited to its agricultural value, which is typically less than what the non-farming buyer would pay. Lastly, the Natural Resource Conservation Service's Agricultural Conservation Easement Program – Agriculture Land Easements or ACEP-ALE, can be used as a match to place an OPAV on a farm property that also has an easement.

The use of an OPAV provides the selling landowner with additional financial compensation, as well as more confidence that their farm legacy will continue. Additionally, this provision will significantly increase the state's return on its investment in protecting farmland while playing an important role in increasing local food production and innovation in our agricultural economy.

Maine's farmland directly supports the state's economy with over 7,600 farm businesses, close to 13,700 producers, and 15,600 farm laborers. In 2021, the state's agricultural sector produced \$21 billion in direct sales with an overall economic impact of \$3.6 billion.¹ Maine's farmland protection and access efforts are a key component of the state's strategies to combat climate change. Human activity on an acre of farmland produces 66 times fewer greenhouse gas

¹ Land for Maine's future project data, found at https://www.maine.gov/dacf/lmf/docs/lmf-brochure-regional-2023.pdf

emissions than that on an acre of developed land, and participation in farmland protection programs has been proven to encourage the adoption of soil conserving and carbon sequestering regenerative farming practices. Farmland also provides a range of reliable, cost-saving environmental and climate-resilient services, such as preservation of open space, air pollution removal, wildlife habitat, flood mitigation, and carbon sequestration.

By passing LD 1072, Maine has the opportunity to increase farmland protection and access efforts in the state, helping to strengthen food security, the economy, and overall resiliency.

As a national and regional leader in farmland protection, AFT fully supports this legislation and urges the committee to pass it this session. If you have any questions, please feel free to reach out to me at epaterson@farmland.org, or Jim Habana Hafner, AFT New England's Regional Director, at jhafner@farmland.org.

On behalf of AFT, thank you for your time and for the opportunity to submit testimony in support of LD 1072.

With sincere regards,

Eliza Paterson Senior New England Policy Associate American Farmland Trust

American Farmland Trust is an agricultural non-profit organization with a mission to save the land that sustains us by protecting farmland, promoting sound farming practices, and keeping farmers on the land. AFT is the only national agricultural organization that approaches its work in this comprehensive, holistic manner. We recognize the connection between the land, forward-looking farming practices, and the farmers who do the work.