

STATE OF MAINE DEPARTMENT OF AGRICULTURE, CONSERVATION & FORESTRY OFFICE OF THE COMMISSIONER 22 STATE HOUSE STATION AUGUSTA, MAINE 04333

JANET T. MILLS GOVERNOR Amanda E. Beal Commissioner

TESTIMONY BEFORE THE JOINT STANDING COMMITTEE ON APPROPRIATIONS AND FINANCIAL AFFAIRS

NEITHER FOR NOR AGAINST LD 362

An Act to Authorize a General Fund Bond Issue to Replenish the Land for Maine's Future Program

April 10, 2025

Good afternoon, Senator Rotundo, Representative Gattine, and members of the Joint Standing Committee on Appropriations and Financial Affairs. My name is Laura Graham, and I am the Director of the Land for Maine's Future (LMF) program at the Department of Agriculture, Conservation and Forestry (DACF). I am here today to testify neither for nor against LD 362, *An Act to Authorize a General Fund Bond Issue to Replenish the Land for Maine's Future (LMF) Program.*

This bill proposes that the voters authorize a bond issue of \$50,000,000 to be used by the Land for Maine's Future Board to acquire land and interest in land for conservation, water access, wildlife or fish habitat, including deer wintering areas, outdoor recreation including hunting and fishing, working farmland preservation, and working waterfront preservation.

LMF is the State of Maine's primary funding vehicle for conserving natural and working lands. The program was established in 1987 when Maine citizens voted to fund \$35 million to purchase lands of statewide importance.

LMF has garnered broad-based support ever since. LMF respects landowner rights by funding land acquisitions from willing sellers only. LMF pursues a mission defined by the public, provides a tangible return to everyone who cherishes Maine's landscape (from hunter and hiker to snowmobiler and bird watcher), and leverages federal and private funding for state priority purchases.

In the State's climate action plan, *Maine Won't Wait*, Strategy E (Protect the Environment and Natural and Working Lands and Waters in Maine) calls for an increase by 2030 in the total acreage of conserved lands to 30% through the voluntary purchase of land and working forest or farm conservation easements. *Maine Won't Wait* also calls for doubling permanently protected farmland by 2030 to strengthen access to food grown and harvested in Maine, and protecting our food system from supply chain disruptions while preserving and creating jobs. LMF is an

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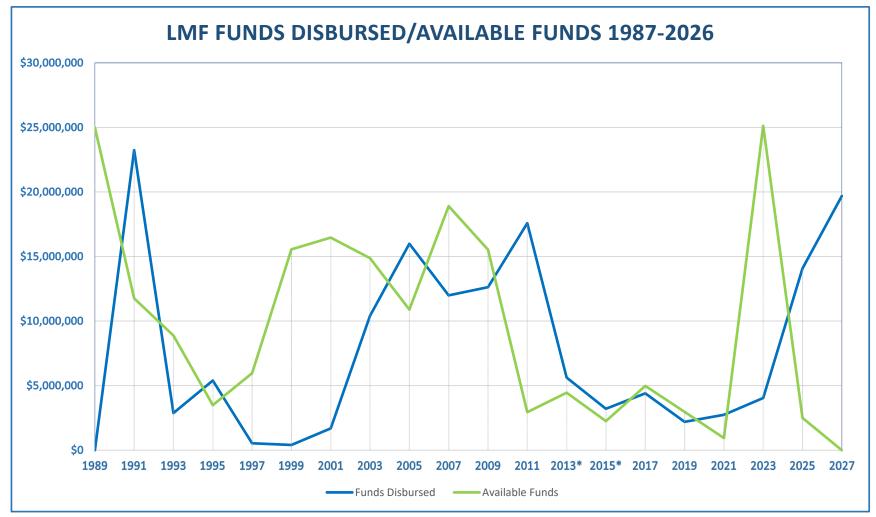
PHONE: (207) 287-3200 Fax: (207) 287-2400 WEB: WWW.MAINE.GOV/DACF essential partner in this strategy, having protected almost 10,000 working farmland acres. Achieving this goal will require the protection of an additional 2,000 acres each year.

The LMF Board has proven to be a highly responsible and effective steward of the State's land acquisition priorities, and the Board's response to the most recent allocation to advance those priorities was no exception. In less than 4 years, the LMF Board has protected public access to over 35,000 additional acres by successfully closing on 44 projects. This \$17 million in project awards was matched by \$28 million in federal and private funding. The Board's latest Request for Proposals generated many high-quality project inquiries that together far exceed the remaining available funding.

The success of the last LMF allocation effort by Governor's Mills and the legislature means that the Working Farmland account is nearly depleted. Of the \$40 million allocated to LMF in 2021, just \$1.2 million remains unallocated for Working Waterfront (we expect those funds to be encumbered in the next request for proposals in January 2026), and a little over \$1.3 million remains for Water Access. Staff have prepared <u>an annotated graph</u> to depict the flow of LMF funds through the years.

While this legislation is not in any of the Governor's current proposals, there remains consistently strong public support for LMF's programs. They provide a practical and effective response to the significant development pressure facing farmland, forests, and working waterfronts, the rising costs of land, and the importance of sequestering carbon. Related and importantly, the DACF recommends that the two limited-term full-time positions previously funded to enable the efficient administration of these funds be supported as permanent positions as proposed in the Governor's 2026 – 2027 Biennial Budget.

Thank you, and I would be happy to answer any questions now or at the work session.



Biennial Reports summarize data from the previous two full years. A Biennial Report dated 1991 will therefore include all transactions closed between 1/1/1989 and 12/31/1990. NO LMF transactions closed prior to 1989. Data for 2027 is projected with a combination of completed closings between 1/1/2025 and 12/31/2025 coupled with projected closings on active projects through 12/31/2025 and project inquiries received through 1/31/25. Interest earned in the LMF Trust Fund as of 1/31/2025 is included in these calculations.

Land for Maine's Future



Source: Land for Maine's Future 2/6/2025 LBG

Year	LMF funds (in millions)	Funding Source
1987	35.00	Bond
1998	3.00	General fund approp
1999	50.00	Bond
2005	12.00	Bond
2007	20.00	Bond
2009	9.25	Bond
2011	5.00	Bond
2022	40.00	General fund approp
Total	174.25	

Land for Maine's Future Program Funding

History

¹ "Available Funds" attempt to capture the net balance remaining for allocations (after deducting allocations for projects with awards not-yet-disbursed). For early years this was limited to a simple deduction of disbursements from all authorized bond funds. In later years it was determined by reference to the Biennial Report or, where that did not \$40M³ include allocated funds for existing projects, the Biennial Report and the last board report of that era.

²\$5M allotment first year, \$10M each year after

³\$10M/yr maximum disbursements

⁴\$1,946,825 earned in interest as of 1/31/2025

*2013-2015 - this is the time period in which the Governor prohibited the sale of LMF bonds to meet the Board's obligations. The funds identified as "available" during this time are reflective of the LMF Board's triage/reallocation of funds previously obligated that the LMF Board could not honor. Funds actually available from the bonds (after deducting promised allocations) were in the negative numbers.



Source: Land for Maine's Future 2/6/2025 LBG

Funding	Year	Disbursed	Available Funds ¹
\$35M ²	1987	\$0	0
	1989	\$0	\$25,000,000.00
	1991	\$23,242,345	\$11,757,655.00
	1993	\$2,877,500	\$8,880,155.00
	1995	\$5,389,073	\$3,491,082.00
\$3M	1997	\$531,612	\$5,959,470.00
\$50M ³	1999	\$405,824	\$15,553,646.00
	2001	\$1,687,325	\$16,464,000.00
	2003	\$10,401,566	\$14,873,434.00
\$12M	2005	\$15,984,374	\$10,889,060.00
\$20M	2007	\$11,988,983	\$18,900,077.00
\$9.25M	2009	\$12,622,721	\$15,527,356.00
\$5M	2011	\$17,581,848	\$2,945,508.00
	2013*	\$5,622,954	\$1,280,000.00
	2015*	\$3,205,338	\$2,400,000.00
	2017	\$4,402,950	\$2,447,515.00
	2019	\$2,195,800	\$2,966,725.00
\$40M ³	2021	\$2,736,655	\$937,727.00
	2023	\$4,040,318	\$25,126,162.00
	2025	\$14,070,795	\$2,500,000.00
\$1.9M ⁴	2027	\$19,687,111	\$0.00

