

Maine Dairy Industry Association
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TESTIMONY BEFORE THE JOINT STANDING COMMITTEE ON HOUSING AND ECONOMIC DEVELOPMENT

IN OPPOSITION TO

LD1664 An Act to Repeal the Dirigo Business Incentives Program

Senator Curry, Representative Gere and members of the Joint Standing Committee on Committee on Housing and Economic Development,

This testimony is presented on behalf of the Maine Dairy Industry Association. MDIA represents the 138 cow-dairy farms in the state shipping milk. Our farms are located in 15 of Maine's 16 counties. MDIA represents all of Maine's dairies, no matter the size or style of operation. Our producers range in size from five to 2,000 cows. We have 91 farms producing milk using conventional systems of production, and 47 using organic systems. Twelve of these farms are producer dealers, while the remaining 126 ship their milk to a processor. All but two of these farms are owned and managed by Maine families. Some are multi-generational families who have stewarded Maine's farmland for hundreds of years, while many are first generation farmers, just starting on their own family's farm journey. It is on behalf of these farms that we present these comments in opposition to LD 1664.

It is now more critical than ever to support local businesses—especially those in agriculture—with the tools they need to grow, adapt, and remain viable. Dairy farms, like so many other small and mid-sized enterprises across our state, face mounting challenges: fluctuating milk prices, labor shortages, high feed and energy costs, and the need to invest in modern, environmentally responsible practices. Programs like the Dirigo are not just helpful—they are essential.

The Dirigo Business Incentive Program creates an environment where farms can hope to thrive, not just survive. By offering targeted tax incentives for capital investment and workforce training, it enables farmers to upgrade aging equipment, invest in energy-efficient technologies, and train the next generation of farmworkers—all of which are critical for long-term success and sustainability. Even modest incentives can make the difference between expanding a herd or downsizing, between hiring new help or cutting back. Dirigo empowers farmers to make smart decisions that improve productivity while keeping jobs and dollars rooted in our rural communities.

But the benefits go beyond the farm gate. Maine's dairy industry contributes more than \$570 million annually to the state's economy and supports thousands of jobs—from feed suppliers and veterinarians

to truck drivers and grocers. When dairy farms invest and grow, the entire ecosystem of rural Maine benefits.

What sets Dirigo apart is its recognition in rural innovation and how that matters to our state. Farms and fisheries are as deserving of strategic economic support as tech startups or manufacturers. It says clearly: if you are building something in Maine, Dirigo stands with you.

We urge you to continue supporting this forward-thinking program, by voting ought-not-to-pass on LD 166.. Strengthening Maine's agricultural base means strengthening our local economies, food security, and way of life. Let's keep Maine's business backbone strong, from the cow pastures to the coast.

Thank you for your time and for your consideration..