



**Testimony of the Maine Organic Farmers and Gardeners Association
in support of
LD 1894 - *An Act to Address Consumer Grocery Pricing Fairness*
May 12, 2025**

Good afternoon Senator Curry, Representative Gere and members of the Joint Standing Committee on Housing and Economic Development. My name is Heather Spalding and I am deputy director of the Maine Organic Farmers and Gardeners Association (MOFGA). Thank you for the opportunity to advocate for LD 1894 - *An Act to Address Consumer Grocery Pricing Fairness*.

A broad-based community, MOFGA is transforming our food system by supporting farmers, empowering people to feed their communities, and advocating for an organic future. MOFGA currently certifies 520 organic farms and processing operations representing more than \$120 million in sales. We're working hard to create opportunities for Maine's next generation of farmers. Each of these farmers is a Maine businessperson for whom economic health and environmental health are interdependent. While MOFGA envisions a future of healthy ecosystems, communities, people, and economies sustained by the practices of organic agriculture, we attribute our success to collaboration and outreach to growers across the management spectrum.

Since 1971, MOFGA has worked to create a food system that is healthy and fair for all Maine citizens. Today, that mission faces unprecedented challenges as dominant national retailers increasingly control market access for local and organic producers. Our organic farmers repeatedly encounter a troubling pattern: they watch as large national chains secure preferential pricing from major suppliers while local independent grocers -- often the most reliable partners for small Maine producers -- struggle to remain competitive. When these independent retailers lose ground or close entirely, our farmers lose crucial market access.

MOFGA's annual survey of certified organic producers revealed that 68% of our farmers reported declining sales to independent retailers over the past five years, with many citing these retailers' inability to compete with large chains as the primary cause. Meanwhile, direct sales to dominant retailers remain inaccessible to most small producers due to volume requirements and distribution barriers. The practical effect is a narrowing of marketing channels for Maine's organic farmers. This threatens not just individual farm viability but also our state's progress toward a more sustainable, resilient food system. When local food infrastructure weakens, our communities become more dependent on distant supply chains -- a vulnerability clearly exposed during recent disruptions.

LD 1894 offers a sensible solution by requiring price transparency and prohibiting discriminatory pricing that gives dominant retailers unfair advantages. The bill thoughtfully includes provisions for genuine efficiencies while preventing the abuse of market power. The supplier immunity provisions recognize the impossible position many food producers face when dealing with dominant retailers. For Maine's organic farmers, this legislation represents hope for a level playing field -- one where their carefully grown products can reach consumers through diverse, vibrant local food channels. It aligns perfectly with MOFGA's vision of a food system that supports rural communities, protects environmental resources, and ensures fair treatment throughout the supply chain.

This bill is not about handicapping efficient businesses. It's about preventing the use of raw market power to extract preferential terms that strangle competition and ultimately harm Maine's farmers, food businesses, and consumers. On behalf of MOFGA's members, I urge your support LD 1894. Thank you for your consideration.

