



Testimony in Opposition to LD 2004:

“An Act to Enhance Support of Local Nutrition Incentive Programs by Modifying the Eligibility Requirements of the Fund to Address Food Insecurity and Provide Nutrition Incentives”

Senator Talbot Ross, Representative Pluecker, and the distinguished members of the Committee on Agriculture, Conservation and Forestry, my name is Harris Van Pate, and I am a policy analyst at Maine Policy Institute, a nonprofit, nonpartisan organization that works to advance individual liberty and economic freedom in Maine. I am here today to testify in strong opposition to LD 2004.

Background: A Well-Meaning Program, Loosened Oversight

LD 2004 proposes to broaden the eligibility requirements for the Fund to Address Food Insecurity and Provide Nutrition Incentives, a program originally established to provide matching funds to enhance federal nutrition assistance benefits—specifically for the purchase of locally grown fruits and vegetables. Under current law, this fund is capped at \$50,000 annually in state matching dollars, contingent on private or public contributions, and tied closely to programs like SNAP.

The bill seeks to expand access to the fund by removing specific references to federal food programs and allowing a wider range of organizations to apply, by removing ties to federal food programs. While the intent may be to increase flexibility and local access, this shift significantly loosens the oversight and accountability mechanisms surrounding the use of public dollars.

The Risk of Waste, Abuse, and Mission Creep

By decoupling the fund from federal nutrition assistance programs and weakening eligibility criteria, LD 2004 opens the door for public funds to flow to a broader array of nonprofit organizations, many of which may lack proven track records, established compliance processes, or even nonpartisan missions.

This change could not come at a worse time. Across the country, and here in Maine, there is growing scrutiny of publicly funded nonprofit programs and the potential for fraud. Minnesota's “Feeding Our Future” scandal saw more than \$250 million in taxpayer funds stolen through a loosely overseen meal program.¹ Similarly, Maine has

¹https://www.foxbangor.com/news/national/how-a-single-discrimination-claim-helped-minnesota-s-largest-food-aid-fraud-slip-past-state/article_7ab4bfbe-95aa-5788-a496-987221609896.html



witnessed troubling reports of waste and mismanagement in MaineCare healthcare services.²

LD 2004, though small in fiscal scale, risks repeating those mistakes by expanding a state match program without ensuring proportionate safeguards. Relying on “periodic” reports and discretionary audits is simply not sufficient when public money is at stake.

Public Funds Should Not Favor Private Market Segments

In addition to the oversight risks, LD 2004 uses taxpayer dollars to artificially promote one segment of the food economy, namely “local” agricultural producers, over others. While many Mainers appreciate the availability of local produce, it is not the role of government to direct consumer behavior through subsidies or favoritism. Doing so distorts the market and undermines the principles of consumer choice and voluntary exchange.

Moreover, state matching funds crowd out private philanthropic efforts that might otherwise fully support these programs. Public funding should not be used to subsidize nonprofit or quasi-commercial efforts that could and should be sustained voluntarily by consumers, donors, and community partners. Tying these funds to federal programs at least creates some semblance of reasonable limitations to how and when these funds are used.

Conclusion: Caution, Not Expansion, is Needed

Public officials must remain vigilant stewards of taxpayer dollars. Especially in a time of fiscal uncertainty and with heightened awareness of the risks posed by opaque nonprofit funding structures, LD 2004 moves Maine in the wrong direction.

Maine Policy Institute urges the committee to reject LD 2004 or, at a minimum, amend it to preserve strict eligibility standards, link funding to verifiable federal assistance participation, and require mandatory transparency and auditing for all recipients.

Thank you for your time and consideration.

2

<https://www.mainepublic.org/politics/2025-12-23/state-suspends-maine-care-payments-to-portland-provider-over-suspected-fraud>