



MILKHOUSE

FARM & CREAMERY
MONMOUTH, ME



March 3, 2023

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Senator Rotundo, Representative Sachs, and members of the Committee on Appropriations and Financial Affairs; Senator Ingwersen, Representative Plueker and members of the Agriculture, Conservation and Forestry Committee:

My name is Andy Smith and my partner Caitlin Frame and I own The Milkhouse, an organic dairy located in Monmouth. We farm around 250 acres of hay and pasture, milk about 40 Jersey cows, as well as produce beef and pork. Our farm also runs a state licensed creamery, and between the creamery and farm operation we employ up to 10 people during the peak growing season. We are one of only 2 dairies left in Monmouth, a town that not too long ago was home to many family farms.

I've been involved in the dairy industry in Maine for over a decade, and now serve as the president of the Maine Organic Milk Producers. I have never experienced the anxiety and despair that is felt in our community today. The dairy industry is in the midst of an ongoing crisis, including the organic market, and without intervention I fear we will see the collapse of the Maine organic dairy sector. While the long term fixes lie in regulatory changes at the federal level, it is my hope that you all will support issuing emergency funds to help buy our industry time.

As many of you already know, most dairy farms, organic and conventional alike, ship milk into commodity markets where they have zero control over the price they are paid for milk. Don't like the price you're getting? That's too bad because for several years now it has also been nearly impossible to change buyers and the pool has shrunk to only 2 organic buyers for all of Maine.

Organic pay prices have been nearly stagnant, well below the cost of production, for several years, while prices for all inputs have soared. Organic soybean prices have nearly doubled sending the cost of organic grain rations up by more than 25%. Electricity rates are up, at our farm we now pay over \$2,000/month during the winter. Diesel has nearly doubled in price. Local labor, if you can find it, now commands over \$15/hour. We want to pay our workers a living wage, but farm owners also need to be paid fairly. Soaring interest rates are making financing investments and upgrades impossible. Just affording basic maintenance has become a problem for many producers. Many have stopped buying grain altogether because they can't afford it,

which negatively affects both their herd's health and milk production as well as farm income. The region's only organic feed mill has liens on several New England organic dairies. Several Maine organic dairies have been forced out of business in the last two years, with at least 4 lost in 2022 alone. Without emergency relief, more will go under in 2023.

There is great value in the existence of Maine's dairies which are a multibillion dollar industry. They provide jobs, a product our state can be proud of, and they command hundreds of thousands of acres of farmland which make up an important land base for food production. Dairies are anchors in our agricultural economy, keeping large animal veterinarians, equipment dealers, and feed mills operating. They contribute to the beauty of our state, which is deeply valued by both longtime residents and the millions of annual visitors who come to experience the bucolic character of Maine. Their farmland is often used by the public for hunting, hiking, and snowmobiling. Nearly every dollar that goes through our state's dairies passes directly back into our local communities. Maine dairy farms need sustained support during this current crisis, or our state risks losing them forever.

Sincerely,
Andrew Smith
Caitlin Framø