



MOFGA Testimony In Support Of Funding For Agricultural Programs As Proposed in
LD 258 - *An Act Making Unified Appropriations and Allocations from the General Fund and Other
Funds for the Expenditures of State Government and Changing Certain Provisions of the Law Necessary
to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2023, June 30, 2024
and June 30, 2025*

February 28, 2023

Good afternoon Senator Rotundo, Representative Sachs, Senator Ingwersen, Representative Pluecker and members of the Joint Standing Committees on Appropriations and Financial Affairs and Agriculture, Conservation and Forestry. My name is Heather Spalding and I am deputy director of the Maine Organic Farmers and Gardeners Association (MOFGA). A broad-based community, MOFGA is creating a food system that is healthy and fair for all of us. Through education, training and advocacy, we are helping farmers thrive, making more local, organic food available and building sustainable communities. I appreciate the opportunity to advocate today for financial commitment to Maine's agricultural community.

MOFGA certifies 535 organic farms and processing operations representing roughly \$90 million in sales and we are 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.

MOFGA is very happy to see the proposed budget support for Maine food and agriculture programs including:

- \$600,000 for the Fund to Address Food Insecurity/Provide Nutrition Incentives.
- \$3 million for the Maine Healthy Soils Program.
- Additional funds for PFAS detection and mitigation in multiple departments, including sampling in landfills and testing wildlife.
- \$2 million for Drought Relief for farmers.
- Funding for universal free meals in schools (\$58 million) for two additional years (until 2025).

There are so many important lines in the budget that will support critical needs of Maine's agriculture community. I'd like to advocate for a critical need that is not in the current budget in hopes that it will come forward in this legislative session. It's the **need for emergency relief for Maine's dairy sector**.

We greatly appreciate the funding that you supported in the supplemental budget for studying the costs of production in the dairy industry. However, we want to reiterate that dairy farmers are struggling under a perfect storm of extraordinary circumstances and need help now. Skyrocketing grain and energy costs, a diminishing labor pool, disrupted supply chains from international conflict and lingering effects of the Covid-19 pandemic, and recurring drought during recent growing seasons



have contributed to the loss of dozens of Maine dairy farms, four in the past month alone. Since 2017, Maine has lost 122 dairy farms and Maine's Milk Commission recently reported to the ACF that many more dairy farms are perilously close to going out of business.

Maine dairy farms sit at the heart of all Maine agriculture. Farmers of all sizes and management practices benefit from dairy farms dispersed through rural Maine as they drive the agricultural economy, supporting farm stores, equipment dealers, veterinarians, and many other services essential to the food and agriculture system. The loss of any dairy farm, large or small, organic or conventional, has a serious adverse impact on neighboring farms.

Organic farms have been particularly hard hit by the escalating costs of production. Prices for organic soybeans in the United States rose to \$40.52 per bushel in May 2022, up nearly 110% from January 2021's \$19.37 per bushel. Today organic soybean prices are still between \$24 - \$26 per bushel. During that same timeframe, conventional soybean prices ranged between \$13 and \$17 per bushel, and now are \$15 per bushel.

Organic dairy farmers are having to max out lines of credit to feed their cows, cut back on feed rations and make painful exits from production. Organic dairy farmers and their families are under tremendous stress and the impacts of this crisis ripple throughout Maine's local food supply.

As of year-end 2022, Maine had 54 organic dairy farms that shipped 42 million pounds of milk out of state to be processed. The average herd size of organic dairy farms in Maine is small – roughly 60 cows. Such small farms often are excluded from funding opportunities or aid packages as in the case of recently announced dairy relief from the US Department of Agriculture (USDA).

Dairy farmers are in critical need of support. MOFGA hopes that the AFA and ACF committees will join forces in efforts to secure emergency funding for our heroic dairy farmers and help create a sustainable and vibrant future for Maine agriculture.

Thank you and I'd be happy to answer questions if you have any.

The Maine Organic Farmers and Gardeners Association (MOFGA) started in 1971 and is the oldest and largest state organic organization in the country. We're a broad-based community that educates about and advocates for organic agriculture, illuminating its interdependence with a healthy environment, local food production, and thriving communities. We have 15,000 members, we certify more than 500 organic farms and processing facilities representing \$90 million in sales, and we are working hard to provide training and 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.