

Sen. Ingwerson and distinguished members of this august committee, thank you for the opportunity to present to you LD 384, a bill I would recommend amending the title to: " An Act to Provide Emergency Aid to Dairy Farmers Affected by the Crisis in Production Costs."

This committee has already taken steps twice now to attempt to address what we know is a crisis within our Maine dairy industry. In the last two years we have lost approximately 25% of our dairy farms in the State of Maine. This is dozens of families that have lost their way of life. Dairy business is core to our whole agricultural industry in Maine. These businesses pump millions of dollars annually back into the infrastructure that keeps all farms up and running. From feed stores, to trucking, to equipment dealers, there are hundreds of ancillary businesses in the state that depend on dairy farms to make payroll.

This state has a long running commitment to the dairy industry that we demonstrate through the Milk Tier program. However, our current runaway inflationary economic environment, combined with the pressures resulting from the pandemic, the Tier Program has been insufficient to keep farmers in business. In the supplemental budget that we just passed, a new Cost of Production Study has been paid for, and should be completed by this coming January. At that time, this committee can begin our deliberations on how to address the issues of increasing costs of production despite a lack of a similar increase in prices. In the meantime, we are in danger of even more farms closing.

One thing we cannot know for sure is how many farms or acres are necessary for maintaining the entire industry. There is a tipping point, where there just won't be enough cows being milked to keep the milk haulers, equipment dealers, and processing facilities open. Once we have crossed that line, there won't be much anyone can do but to say goodbye to an industry that has made Maine what it is today. Our dairy farms are responsible for keeping agricultural land productive and open. If we want to stave off development on our open land, we need to have ways to make a living on that land. Dairy is a major way that we do that in Maine.

This bill is an attempt to get the Dairy farms through till the new prices go into effect. We cannot afford to lose another 10% of our industry this year while we are waiting for the new Tier payment schedules to be implemented. We need to act now, or this industry will face irreparable harm that we may never be able to recover from.

During the pandemic, and even now in the after effects, we have learned that the supply chain of essential items is easily disrupted by events happening hundreds or thousands of miles away from us. The price of milk in the US is kept down by mammoth, 10,000 cow dairies, operating out West. Milk is 87% water. Operating a dairy in a place where the water is disappearing makes no sense, but that is what our national dairy supply is built upon. The days are numbered for enormous dairies built in deserts, as the droughts and vagaries of weather grow more extreme. Our state has always been blessed with a more reliable water supply, though even here we are facing more drought issues than ever before. If we can keep the fundamental industry viable, we will see the demand for New England to produce its own milk supply return. Maine will be vital to that effort because of our land base. I see this bill as a vital link towards that future.

Maine's agricultural industry is of enormous significance to our resiliency as a state, our economic growth, and our ability to stave off food insecurity in these capricious, unpredictable times. Without support, our dairy industry's days are numbered. As the legislature's Agriculture, Conservation, and Forestry Committee we are tasked with providing the policy recommendations that will get our state through these times of hardship, and build the agricultural foundations for our state's future. This bill is a vital building block for that foundation and our state's future.

Thank you.