



MOFGA Testimony In Support Of
LD 384 - *An Act Addressing Agriculture, Conservation and Forestry*
March 20, 2023

Good morning Senator Ingwersen, Representative Pluecker and members of the Joint Standing Committee on 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. 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.

I am speaking in support of LD 384 - *An Act Addressing Agriculture, Conservation and Forestry*, the amendment of which would provide a one-time allocation of \$5.5 million to allow distribution of pandemic volatility payments to Maine dairy farmers who meet specific milk production criteria. Dairy farmers are struggling under a perfect storm of extraordinary circumstances and need help now. We hope this legislation will have an emergency provision and will include a cap on the distribution of funding set at five million pounds of production, given that the small farms cannot gain the production efficiencies that the larger farms access.

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 January 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.

Thank you so much for the support you have shown already for dairy farmers during this legislative session. We greatly appreciate your efforts to secure \$1 million in the supplemental budget in recognition of the lack payments from Maine's Dairy Stabilization Program for 18 months. Although that request to the Appropriations and Financial Affairs Committee resulted only in a \$50,000.00 line item to study the cost of dairy production, it signaled that the Legislature was gaining understanding of the problem and laid the groundwork for your subsequent action to request \$1.5 million for Maine's dairy sector in the biennial budget. While any amount of funding will be appreciated by Maine dairy farmers, we know that much more is needed to stabilize the farms and help them through this challenging time.

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).

The funding in LD 384 will be a lifeline to our heroic dairy farmers who work incredibly hard, 365 days a year to bring us fresh, local milk. They are the foundation of Maine agriculture and they need our help now.

Thank you very much and I would 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.