



MAINE FARMLAND TRUST

**Testimony of Shelley Megquier, Policy & Research Director, Maine Farmland Trust, to the
131st Legislature's Joint Standing Committee on 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 Shelley Megquier and I am testifying today on behalf of Maine Farmland Trust (MFT) in support of the Amendment to LD 384 – An Act Addressing Agriculture, Conservation and Forestry.

MFT is a member-powered statewide organization that works to protect farmland, support farmers, and advance the future of farming. Since our founding in 1999, MFT has helped to permanently protect more than 330 farms and keep nearly 60,000 acres of farmland in farming. In 2022 alone, MFT supported 48 farm businesses with workshops, technical assistance, and grants – delivering over 680 hours of technical assistance and \$309,000 in business and seed grants to help businesses grow their profitability. Our main program areas are Farmland Protection, Farmland Access, Stewardship, Farm Business Planning, PFAS Support, Climate Resilience, and Policy and Research.

The Maine dairy sector is in an acute crisis and needs emergency relief funding. Since 2017, Maine has lost 122 dairy farms, and the Maine Milk Commission recently reported to this Committee that many more dairy farms are perilously close to going out of business. MFT was glad to see the inclusion of the Maine Milk Commission Study in the approved supplemental budget and have been closely following the Agriculture, Conservation, and Forestry Committee's efforts to support emergency relief for Maine's dairy farms, such as through the biennial budgeting process and through LD 384.

MFT enthusiastically supports LD 384 and are grateful to the bill sponsor for introducing and championing this important effort. LD 384 seeks to provide a one-time allocation of \$5.5 million to the Maine Milk Commission to allow for the distribution of pandemic volatility payments to Maine dairy farmers who meet specific production criteria. Milk producers who produced milk in calendar year 2022 and participate in the Maine Dairy Stabilization "Tier" Program would qualify for a payment of \$1 per hundredweight of milk production.

Costs of production have skyrocketed due to dramatic increases in grain and energy costs, a decreased labor pool, and supply chain disruptions. Farmers have not received Tier Program payments over the past 13 months because milk payment prices have exceeded the outdated cost of production rates that are established in statute. It is critical that financial support relief reaches Maine dairy farmers for income losses they've already incurred and for financial losses that are ongoing so that they are able to stay in business until Tier program payments can be adjusted for inflation. Dairy farms are often described as "anchor farms" because they provide

the necessary threshold of business for veterinarians, feed suppliers, and machine suppliers to set up shop in the towns containing these farms. In doing so, these dairy farms contribute to the success of farms of all types and sizes. Providing emergency relief for dairy farms is therefore important for Maine's entire agricultural sector and for rural communities across the state.

Thank you for the opportunity to testify today to support for LD 384. I'm happy to answer any questions you may have.