



February 27th, 2024

Senator Henry Ingwersen
Representative William D. Pluecker
Members of the Committee on Agriculture, Conservation, and Forestry

RE: Testifying in Support of LD 2212 An Act to Strengthen Maine's Agriculture, Food System and Forestry Products Infrastructure Investment

My name is Eric Venturini, and I am the President of the Agricultural Council of Maine.

The Agricultural Council of Maine (AGCOM) brings together the major sectors comprising our agricultural economy. The council meets monthly to provide a forum for ongoing communication and coordination between and amongst these sectors, and provides leadership and advocacy on the most pressing agricultural issues of today.

AGCOM strives for consensus-based decision-making. Our organization represents the full array of Maine's diverse agricultural sectors. Each sector brings to the table its own unique perspective, issues, and opportunities. When these diverse perspectives all find common cause and AGCOM takes a stand, you can be sure the issue is of vital importance to Maine agriculture.

AGCOM is deeply appreciative of Speaker Talbot Ross's work to create this program. Last year the program itself passed, but the funding that was allocated fell far short of what was requested, and what is needed, for this program to be successful. We thank her for her continued efforts to fund this program.

In January of this year, AGCOM considered, discussed, and prioritized bills before the legislature in terms of their potential impact to Maine agriculture. This bill is one of only two bills that our council agreed, unanimously, to support. We ask not only for your support in passing this bill, but also for your help as we communicate the importance of funding this program to your colleagues on the Committee on Appropriations and Financial Affairs.

At our monthly meeting yesterday, AGCOM discussed this bill at length. I would like to relay to you some of the comments and questions raised during that discussion.

1. Sec. 3 7 MRSA §320-C, sub-§8, describes the use of the funds and states that, "*A producer that receives a disbursement from the fund must have a processing or manufacturing facility that is located in the State...*" Our members pointed out that there are many farmers currently without processing or manufacturing infrastructure who are interested in developing that infrastructure. By our interpretation, this language excludes those farmers. We suggest revising the language so that this program can also help develop *new* food processing and manufacturing infrastructure.
2. The second part of Sec. 3 7 MRSA §320-C, sub-§8 states that producers receiving funds, "*...shall use the disbursement to obtain the primary agricultural, food or forest product used in its commercial products from a farm or forest...in the State.*" While AGCOM agrees with the intent of this language, we recognize that Maine products are often only available seasonally, and in

some years a specific Maine crop could be a complete failure. In the event of an apple crop failure for example, processing and manufacturing with, e.g., New Hampshire apples allows the business to continue to function. Similarly, seasonal products are only processed for a period of weeks in Maine. Economic viability of an agricultural processing facility is far more challenging if that facility is not allowed to import products from other States or even Canada. These imported foods are typically processed here in Maine before or after the Maine crop is available, extending the period of time in which the processing facility can be in operation. AGCOM encourages the Committee and the sponsors to consider how to both protect these funds to benefit Maine farms, while also avoiding restrictions that could impede the viability of participating Maine food processing and manufacturing facilities.

3. Sec. 2. 7 MRSA §320-C, sub- §7, is a conflict of interest clause. Our members believe the intent of this clause is to prevent anyone serving on the board from voting on a topic that results in a direct financial benefit to them or their business. We fully support the idea of a conflict of interest provision, but ask this Committee and the bill's sponsors if "conflict of interest" in this provision should be more clearly defined.

On behalf of the Agricultural Council of Maine, I once again thank Speaker Talbot Ross for putting forward this promising legislation. I would be happy to try and answer any questions that you may have.

Sincerely,

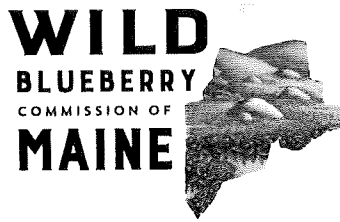


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Agricultural Council of Maine Members:

Maine Aquaculture Association
Maine Association of Conservation Districts
Maine Christmas Tree Association
Maine Dairy Industry Association
Maine Farm Bureau
Maine Farmland Trust
Maine Maple Producers
Maine Organic Farmers and Gardeners Association
Maine Organic Milk Producers
Maine Potato Board
Maine Sheep Breeders Association
Maine Beef Producers Association
Maine State Pomological Society
Maine Sustainable Agriculture Society

Maine Vegetable and Small Fruit Growers Association
Ornamental Horticulture Council
Wild Blueberry Commission of Maine



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My name is Eric Venturini, and I am the Executive Director of the Wild Blueberry Commission of Maine.

The Wild Blueberry Commission (the "Commission") works on behalf of Maine's 485¹ wild blueberry farmers and businesses who grow our iconic wild blueberries on 39,400² acres across the state and on Passamaquoddy tribal land. In 2023, Maine produced 74 million pounds of wild blueberries representing nearly 100% of all **wild blueberries** grown in the United States. Our industry contributes an estimated \$361 million dollars³ in sales to the state's economy each year.

First, I would like to thank Speaker Talbot Ross for her ongoing efforts to fund this program, a program that she created with the help of this Committee last year. The program passed, but the Committee on Appropriations and Financial Affairs virtually eliminated its funding. Thank you Speaker Talbot Ross for your continued support on this issue.

I want to make it absolutely clear to this committee that the economic condition of the wild blueberry industry is, today, at an all-time historic low. We estimate that the average price paid to wild blueberry producers, adjusted by the Producer Price Index, has declined 45% between 2002 and 2022.⁴ Last year, producers paid money for the privilege of being a wild blueberry farmer. As the price has steadily declined, the cost of inputs has risen. Critical farm inputs have increased across the US by 78% over the last 3 years.⁵

It is programs like the one in this bill, that give me hope of a brighter future for this industry. To survive,

¹ USDA National Agricultural Statistics Service. 2017. Berries: 2017.

https://www.nass.usda.gov/Publications/AgCensus/2017/Full_Report/Volume_1_Chapter_2_County_Level/Maine/st23_2_0033_0033.pdf

² USDA National Agricultural Statistics Service. 2023. News Release, Maine wild blueberry production down 26% from 2021.

<https://extension.umaine.edu/blueberries/factsheets/statistics-2/crop-production-statistics-2019/>

³ Camoine Associates. Unpublished Data. Economic and Fiscal Impacts of the Maine Wild Blueberry Industry. Wild Blueberry Association of North America – US, October 2023.

⁴ USDA National Agricultural Statistics Service (NASS) average published (processed and fresh) prices, as adjusted by the Producer Price Index commodity data for farm products, to account for inflation. Illustrates commodity price cycle and decline from 2002 to 2022. Analysis by Dr. Aaron Hoshide, University of Maine.

⁵ United States Senate Committee on Agriculture, Nutrition, and Forestry. 2023. USDA Says High Farm Production Costs Not Easing in 2024. July 13th, 2023.



producers need to reinvent their businesses, develop value-added manufacturing, diversify their farm business incomes, and develop new ventures that help to break their businesses away from commodity price swings and the race to the bottom. To do that, they need capital, pure and simple.

Some of your colleagues in the House and the Senate may not understand the dire need for this capital. I remind them of the Governor's Agricultural Infrastructure Investment Program (AIIP) which used a one-time allocation to make 64 awards ranging between \$41,000 – \$500,000, for a total injection of \$19.3 million in agricultural capital. While 64 farms and businesses received awards, in total, 850 farms and businesses requested \$180 million. That leaves 786 Maine farms that did not receive \$160.7 million in grants. If this does not demonstrate the desperate need for agricultural capital, then I don't know what would.

On behalf of Maine's wild blueberry industry, I ask you to give this bill your full support. I also ask for your help educating the Committee on Appropriations and Financial Affairs about the critical need for this funding, and the importance of fully funding this program.

Finally, I encourage this Committee to consider closely the testimony of the Agricultural Council of Maine, and the questions, comments, and suggestions brought forward by its members regarding eligible uses of this funding.

Thank you for your time and consideration. I would be happy to answer any questions that you may have.

Sincerely,



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