

STATE OF MAINE DEPARTMENT OF AGRICULTURE, CONSERVATION & FORESTRY OFFICE OF THE COMMISSIONER 22 STATE HOUSE STATION AUGUSTA, MAINE 04333

JANET T. MILLS GOVERNOR AMANDA E. BEAL COMMISSIONER

## TESTIMONY BEFORE THE JOINT STANDING COMMITTEE ON AGRICULTURE, CONSERVATION AND FORESTRY

## **NEITHER FOR NOR AGAINST LD 1252**

An Act to Amend the Laws Governing the Maine Agriculture, Food System and Forest Products Infrastructure Investment Advisory Board

## April 1, 2025

Senator Talbot Ross, Representative Pluecker, and members of the Joint Standing Committee on Agriculture, Conservation and Forestry, my name is Michelle Webb, and I am the Director of the Agriculture Resource Development Division within Bureau of Agriculture, Food and Rural Resources. I am speaking on behalf of the Department of Agriculture, Conservation and Forestry (DACF) as neither for nor against LD 1252, "An Act to Amend the Laws Governing the Maine Agriculture, Food System and Forest Products Infrastructure Investment Advisory Board."

This bill would require that disbursements be made only to a producer of agricultural, food, or forest products that has or is seeking to establish a processing or manufacturing facility located in the state, and that for facilities to be eligible, they must obtain, to the extent practicable, agricultural, food or forest products from a farm or forest or waters in the State or from offshore waters to be collected in the State. This bill would also modify provisions of the law governing the Fund's Advisory Board, requiring Board members to recuse themselves from any vote when they have a conflict of interest, specifically when they or a family member would acquire a direct and substantial financial benefit distinct from that of the general public.

At the outset, it is the Department's policy that anyone serving on a grant review committee must sign a conflict-of-interest statement, and this will apply to the Agriculture, Food System and Food Products Infrastructure Investment program board members.

Further, current statute is explicit that the goals of the Agriculture, Food System and Forest Products Infrastructure Investment Fund are to strengthen the <u>state's</u> agricultural, food and forest products economy (7 MRSA §320-A(2A) and expand infrastructure investments (2B). The Fund's Advisory Board members, appointed four months ago, are only just beginning to dive into an abundance of data that will inform its decision-making regarding the Fund's funding priorities, preferred financial instruments, and application process. It has established an

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Phone: (207) 287-3200 Fax: (207) 287-2400 WEB: www.maine.gov/dacf ambitious timeline to complete rulemaking addressing the Fund's structure and funding priorities, and is meeting regularly to move that work forward expeditiously.

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From DACF's experience administering the \$20 million Agriculture Infrastructure Investment Program (AIIP), we know that a highly conservative estimate of the demand for infrastructure investment in the agricultural sector alone exceeds \$160 million. This points to the need for substantial future investment in this Fund to meet the infrastructure support needs of the agriculture, food system, and forest products sectors.

Thank you for your time. I am happy to answer any questions now or at the work session.