

Maine Dairy Industry Association
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**TESTIMONY BEFORE THE JOINT STANDING COMMITTEE ON
APPROPRIATIONS AND FINANCIAL AFFAIRS**

in SUPPORT of

***“LD1140 An Act to Authorize a General Fund Bond Issue to Strengthen the Resilience and
Growth of Maine's Agricultural Economy***

April 10, 2025

Good morning Senator Rotundo, Representative Gattine, and members of the Joint Standing Committee on Appropriations and Financial Affairs, my name is Annie Watson and I am a dairy farmer from Whitefield, and along with Heath Miller, we represent the Maine Dairy Industry Association. (MDIA)

MDIA represents the 138 cow-dairy farms in the state shipping milk. Our farms are located in 15 of Maine's 16 counties. MDIA represents all of Maine's dairies, no matter the size or style of operation. Our producers range in size from five to 2,000 cows. We have 91 farms producing milk using conventional systems of production, and 47 using organic systems. Twelve of these farms are producer dealers, while the remaining 126 ship their milk to a processor. All but two of these farms are owned and managed by Maine families. Some are multi-generational families who have stewarded Maine's farmland for hundreds of years, while many are first generation farmers, beginning their own family's farm journey. It is on behalf of these farms that we would like to submit this testimony in support of LD 1140.

It is clear that we, as a state, need to prioritize investments in our agricultural sector, not only at the farm level, but in the infrastructure that holds up our markets. These are the markets that support our 138 dairy farms, who together are stewarding approximately 700,000 acres of Maine's open landscape. The investment of \$35,000,000 into the Maine Agriculture, Food and Forest Products Investment Fund would offer a solid foundation for this fund, and help provide resources to support both emerging and existing processing capacity. Due to the volatility and uncertainty in the larger dairy markets, many dairy producers are exploring other opportunities and looking to divert some portion of their milk supply to smaller markets to help diversify their income streams. Increasing the capacity of small, on-farm processors, as well as supporting any other larger processing looking to scale-up or update would expand the local market, and ultimately the availability of local dairy.

Support for the expansion of dairy processing, on-farm and stand-alone, was a focus of the Dairy Task Force, and as a result, was one of the recommendations in our final report. We urge you to review the final report, as it succinctly presents both the challenges, as well as the opportunities

for Maine's dairy sector. While the \$5,000,000 directed to the Maine Milk Commission is appreciated, we would suggest a more targeted investment into an established program, such as the Dairy Improvement Fund, which supports on-farm infrastructure investments. The Milk Commission is responsible for setting, and overseeing minimum milk prices throughout the state, as well as administering the Maine Pool and the Maine Dairy Stabilization Fund, however, the funding in this bond is not targeted enough, and would better serve the dairy community using a different vehicle. Investments on-farm can be challenging for our dairies, as margins are often non-existent. The Dairy Task Force Recommendations also offers other suggestions for programmatic changes to help support our farms sustainability and financial viability.

The initiatives offered in this Bond all work in tandem with one another. Supporting infrastructure investments on and off the farm are necessary to help maintain the vast land-base our farms steward, a land base that deserves protecting. We, as a state, must continue to support conservation programs in order to ensure we have a vibrant agricultural sector in the future, further protecting our food safety as a state at "the end of the line." In addition, support for farmers impacted by catastrophic weather events is of utmost importance. Maine's farmers are on the front lines of our changing climate, and we are consistently looking for ways to become more adaptable to the changing weather. Today's changing weather, however, often brings with it challenges we cannot begin to foresee. Allowing farmers to more easily and more quickly access support from these events is necessary, as the USDA's disaster programs often do not apply to the challenges we are seeing today. Maine needs a robust program to help supplement anything the USDA might be able to offer in these situations.

We appreciate Senate President Daughtry bringing this Bond forward, and you allowing us the time to comment, however, we would also urge you to consider all the Bond measures yet to be presented, to ensure the support offered to our agricultural sector is most impactful and meaningful.

Thank you for your time and consideration, and please reach out with any questions.