



MAINE FARMLAND TRUST

**Testimony of Shelley Megquier, Policy & Research Director, Maine Farmland Trust, to the 132nd
Legislature's Joint Standing Committee on Appropriations and Financial Affairs
April 10, 2025**

Good afternoon Senator Rotundo, Representative Gattine, and members of the Joint Standing Committee on Appropriations and Financial Affairs. My name is Shelley Megquier and I am the Policy & Research Director at Maine Farmland Trust (MFT). I am providing testimony on behalf of MFT in support of LD 1140 – *An Act to Authorize a General Fund Bond Issue to Strengthen the Resilience and Growth of Maine's Agricultural Economy*.

MFT is a member-powered statewide organization that works to protect farmland, support farmers, and advance the future of farming. Our goals are to keep agricultural lands working and help farmers and their communities thrive. Since our founding in 1999, MFT has helped to permanently protect farmland in every county in Maine, amounting to nearly 57,000 acres across 345 farms. Our Farm Network includes more than 550 farms that have participated in MFT's programming either through an agricultural easement or through one of our programs. Our main program areas are Farmland Protection, Farmland Access, Stewardship, Farm Business Planning, PFAS Support, Climate Resilience, and Policy and Research.

MFT strongly supports LD 1140 because a thriving agricultural economy in Maine is critical to rural economic development, to farmers' ability to keep their land in agricultural production, and to ensuring a vibrant and resilient food system for our state and communities. We often talk about agriculture being the backbone of Maine's economy. Each of the programs that are included for funding in LD 1140 were chosen intentionally as a strategy towards strengthening that backbone and ensuring that farms have what they need to continue to feed Maine residents and power our communities. Please find more detail below on each of the four initiatives funded through LD 1140.

1. Capitalizing the Maine Agriculture, Food and Forest Products Investment Fund

Expanded agricultural infrastructure in Maine is critical to helping farmers grow and diversify their businesses and to supporting local and regional supply chain development. The Maine Agriculture, Food and Forest Products Investment Fund (MAFFPIF) was established by the 130th Legislature to facilitate strategic investments in the state's agricultural, food and forest products processing and manufacturing industries, but the Fund has yet to be provided with the financial resources necessary to carry out its purpose and meaningfully move the needle on increasing in-state agricultural infrastructure and processing capacity.

In our work at MFT we have seen how Maine farmers need improved infrastructure, processing and other innovative opportunities, on and off the farm and across all agricultural sectors in every part of the state, in order to increase the supply of Maine-grown products, scale up production, reduce costs, and create and access new market opportunities. For instance, the lack of meat processing capacity has been a long-standing challenge for livestock farmers in the state. As Maine's immigrant population grows, so too does the need for religiously and culturally appropriate meat processing, including halal processing. Improved infrastructure for the dairy sector, including processing capacity for value-added products and in proximity to dairy farms, could help dairy producers grow their businesses and lower costs. And the seasonality of fruit and vegetable production in the state requires innovation to produce

shelf-stable local products that can feed Mainers and create market opportunities all year long. The lack of food processing infrastructure weakens Maine’s food and agriculture economy and serves as a challenge for individual farm businesses that are seeking to strategically grow and diversify their operations.

At the same time, there is enormous growth potential for the food sector in Maine and the sectors that support it like farming. Governor Mills’ 10-year economic development strategy identifies the food sector in Maine as one of the four areas most ripe for economic development because of the state’s current strengths, the growing global demand, and the potential for job creation in that sector.¹ But investment in food processing infrastructure is a necessary first step to growing this important segment of Maine’s economy. As the economic development strategy notes, “[f]rom aquaculture to traditional seafood harvesting to value-added food production, growth is anticipated in these food industries and Maine can benefit greatly by growing our capacity to meet these markets.”² This type of investment will also be necessary to meet the state’s 2024 climate action plan goal of increasing the amount of food consumed in Maine from state food producers to 30 percent by 2030, including through the strategy of “strengthen[ing] the viability of Maine farms, fisheries, aquaculture, and other food producers through expanded, equitable, and ongoing access to funding, technical assistance, and processing and distribution infrastructure.”³ These strategies recognize the importance of growing our local food sector to ensure food security for the state given the supply chain disruptions that are anticipated to result from climate change in the future as well as economic security for Mainers.

- **LD 1140 proposes \$35 million to fund the Maine Agriculture, Food and Forest Products Investment Fund.** Though estimated need for infrastructure investment in the agriculture sector exceeds this amount by more than 4-fold, this investment would make a substantial impact in support of Maine farmers, food processors, and consumers.⁴

2. Supporting Maine’s dairy industry

The economic viability of Maine dairy farms allows for vast acres of farmland across the state to stay in agriculture, contributes to the strength of our entire agricultural sector, and supports the vitality of rural communities. But Maine’s dairy farmers are facing a myriad of challenges staying in business including massive increases in the costs of production, increasingly limited access to farmland, difficulty finding labor to support their operations, and other challenges. The economic viability of dairy farms in Maine is important for Maine’s entire agricultural sector and for rural communities across the state. Dairy farms are often described as “anchor farms” because they provide the necessary threshold of business for veterinarians, feed suppliers, and machine suppliers which also support other farm operations. Maine’s dairies are strongly integrated within local economies across the State in a myriad of ways – supporting businesses both within and outside of the ag sector (e.g. welders, electricians, lumber mills and many more). Given that agriculture is a key component of Maine’s economy, contributing billions in economic impact, infrastructure investment to support Maine dairy farms is an important step towards solidifying this critical segment of Maine’s economy.

¹ *Maine Economic Development Strategy (2020-2029): A Focus on Talent and Innovation* (2019) at 14, available at: <https://www.maine.gov/decd/strategic-plan>.

² *Id.* at 18.

³ Maine Climate Council, *Maine Won’t Wait: A Four-Year Plan for Climate Action*, p. 116 (2024), available at: <https://www.maine.gov/climateplan/the-plan>.

⁴ Department of Agriculture, Conservation, and Forestry estimates that demand for agriculture infrastructure investment exceeds \$160 million based on their experience administering the \$20 million Agriculture Infrastructure Investment Program.

- In 2024, DACF created and convened a task force to develop a set of recommendations on how the State can support the long-term sustainability and resiliency of Maine’s dairy sector. **LD 1140 proposes \$5 million to support the recommendations coming out of this Dairy Task Force.** MFT would appreciate the perspective of other experts on which program should receive this \$5 million allocation but wholeheartedly supports its inclusion in the bond proposal.

3. Making a long-overdue public investment in working farmland access and protection

Protecting farmland is critical for ensuring we have the land base needed to grow our agricultural economy and strengthen food security for our communities, state, and region. But, farmland in Maine is at risk. The 2022 Census of Agriculture showed that between 2017 and 2022, more than 82,000 acres of farmland in Maine fell out of agricultural production.⁵ Farmland in Maine is being lost to agriculture due to increasing development pressures, a growing interest in farmland from non-farming buyers, dramatic increases in the cost of land, and farm viability challenges that are making it harder for farmers to afford to keep their land in agriculture. At the same time, less than 5 percent of Maine’s farmland is currently protected through an agricultural conservation easement – this is the lowest amount of any state in New England. Protecting farmland through a conservation easement keeps land available for agricultural use and creates more affordable access to farmland for both new and established farmers.

Agricultural conservation also helps to build resilience to climate change for our state and communities. In fact, the state’s updated 2024 climate action plan Maine Won’t Wait establishes new targets specific to farmland protection – calling for Maine to secure and commit ongoing, dedicated funding for farmland conservation to double the amount of permanently protected farmland in the state by 2030 and ensure no net loss of farmland in Maine. In order to realize this goal, we need to meet the rapid growth in development pressure across the state with an equally rapid expansion of our farmland protection efforts, especially publicly funded farmland protection.

The Department of Agriculture, Conservation and Forestry (DACF) Bureau of Agriculture, Food and Rural Resources’ Working Farmland Access and Protection Program (WFAPP) is a perfect vehicle for dedicated funding to farmland conservation, as it is designed to protect Maine’s most productive and economically significant farmland. This bond should be amended to include language that was put forth in the Governor’s biennial budget to ensure that WFAPP can receive the funding intended for it by LD 1140.

- *7 MRSA §164, sub-§5 is enacted to read: Funding. A separate nonlapsing, interest-bearing account, administered by the department within the Bureau of Agriculture, Food and Rural Resources, is established in the department to support public-private partnerships to carry out the purposes of the program. The account consists of money appropriated or allocated to it by the Legislature or received from any private or public source.*

This language and approach and the dedicated funding of \$2.5 million proposed through LD 1140 aligns with the recommendations coming out of the Maine Climate Council’s Natural and Working Lands Work Group for there to be a well-funded, sufficiently staffed, stand-alone state program or mechanism for farmland conservation *in addition to the Land for Maine’s future program.*

- **LD 1140 proposes \$2.5 million to support farmland protection projects through the Working Farmland Access and Protection Program.** To best support Maine farmers, funding for farmland conservation must be included as part of agricultural infrastructure investment.

⁵ USDA NASS, *Census of Agriculture for 2022, Maine*, “Land: 2022 and 2017.”

4. Enabling farmer to withstand weather-related disasters

Maine farmers are increasingly facing extreme weather events and need help ensuring their businesses can stay viable and resilient in these unpredictable conditions. In spring and summer of 2024, MFT's Policy team spent time interviewing farms to better understand the climate change impacts that farmers are experiencing, what programs they are relying on and where there are gaps in support, and what policy changes they want to see. We interviewed 12 farms across the state and of varying production types, from Caribou to Charleston, Farmington to Washington, and elsewhere. Despite the diversity of the farms we visited, we heard some consistent themes:

- extreme weather events, heat, and inconsistent precipitation are leading to income loss that can't be recouped;
- difficulty predicting weather and the need to respond to heavy rain and wind storms are causing increased uncertainty and mental strain;
- farmers are relying on United States Department of Agriculture conservation programs and other programs to reduce risk to climate change impacts but those programs are oversubscribed and not always accessible to a range of producers; and
- there is a desire to see a stronger safety net for Maine farms, many of whom don't benefit from federal crop insurance programs.

Farmers are eager to see state policy that supports farmers as they build climate resiliency and recover from climate disasters. What would help is a flexible pool of funding that farmers could more easily and quickly tap into when climate disaster strikes and they experience damage to infrastructure, crop loss, or another negative impacts. MFT's understanding is that LD 1140 proposes dedicating \$2.5 million to start to build that safety net for farms in face of natural disaster.

- **LD 1140 proposes \$2.5 million to Maine's Department of Agriculture, Conservation and Forestry for farmer disaster relief.** This funding will allow for Maine farms to stay viable in the face of disaster.

Thank you for the opportunity to provide testimony in support of LD 1140. We urge you to support this bond measure and would be glad to try to answer any questions you may have either now or during the work session.