



**Testimony of Shelley Megquier, Policy & Research Director, Maine Farmland Trust, to the 132nd
Legislature's Joint Standing Committee on Agriculture, Conservation, and Forestry
May 6, 2025**

Good afternoon Senator Talbot Ross, Representative Pluecker, and members of the Joint Standing Committee on Agriculture, Conservation, and Forestry. 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 1450 – *An Act Regarding the Voluntary Municipal Farm Support Program*.

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.

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 and we lost over 560 farms.¹ Farmland in Maine is at risk from 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 agricultural production.

Given the complex challenges contributing to the declines in farms and farmland, a range of tools and strategies are needed to support the viability of farms and ensure that Maine's working farmland is not lost to agriculture. The state's Voluntary Municipal Farm Support Program (VMFSP) was enacted by Maine's 123rd Legislature in 2007 and provides an additional tool for municipalities that are wishing to take proactive steps to maintain local farms and farmland. Under state guidelines, Maine towns can choose to adopt a local VMFSP and enter into farm support arrangements with the owners of qualified farmland. Through these voluntary arrangements, the municipality provides property tax relief to participating farms (beyond the reduction available through the state's current use tax programs), and in exchange, farmers agree to keep their land in farming and place a non-permanent agricultural conservation easement on their land. Importantly, the VMFSP offers towns a means by which to provide tax relief on eligible farm buildings in addition to land. This distinction from the current use tax program is important since for many farmers a considerable portion of their tax liability may be tied up in their farm's infrastructure.

This program serves an important function, as in many communities across the state, the costs of property taxes for farmland and the agricultural structures needed to support farm operations can be so high as to impact the profitability of farm businesses, or may pressure farmers to sell portions of their

¹ USDA NASS, *Census of Agriculture for 2022, Maine*, "Land: 2022 and 2017."

land for development. At the same time, many communities are looking for ways to control the fiscal², community, environmental, and economic costs associated with low-density development and sprawling land use patterns on working lands and in rural areas. Moreover, many towns recognize the critical importance of local agriculture and are interested in acting in concrete and meaningful ways to help their local farms remain in business.

MFT supports LD 1450 because it aims to strengthen the VMFSP as an underutilized tool that is available to Maine communities for simultaneously supporting farms, farmland, smart growth, and municipal budgets. We outline below the specific changes this bill is seeking to make to the VMFSP statute, but we want to clarify first that this bill does not create a new program, rather it proposes changes to an existing program to help it be more effective. There is no fiscal impact to these changes that we are aware of.

Despite the benefits that the VMFSP could provide to communities and farmers, it is underutilized in Maine, with just two towns that we are aware of that have established a local program. Through our municipal outreach and technical assistance work, MFT has engaged with many municipalities that have explored the program, but have not yet pursued it for a variety of reasons.

LD 1450 addresses several specific areas of feedback we have heard from farmers, municipal officials, and other stakeholders about how this program could be improved by proposing the following changes to the VMFSP statute:

- **Re-locate the program from Title 7 to Title 36 (Taxation)** as the more logical location where planners and municipal officials will be likely to learn about the program. Many stakeholders who could benefit from this program are unaware that it exists as an option in Maine.
- **Reduce the minimum qualified easement term from not less than 20 years to not less than 10 years** to create more flexibility within the program and make it more feasible and appealing for farmers, including those who may be nearing retirement and feel hesitant about committing to a 20-year arrangement.
- **Enable more flexibility in the approval process for each farm support arrangement** so that municipalities are not required by statute to have each individual farm's application to the town's program be approved by the town's legislative body. Instead, approval by the legislative body would still be required in order to adopt a VMFSP, but the town's ordinance establishing the program could dictate what the farm application approval process looks like depending on their community's context and capacity. In smaller communities, required approval of each farm support arrangement by the legislative body may mean each farmer applying to the program would have to go before Town Meeting, which can feel uncomfortable and present barriers to participation for some farmers, and in larger communities, it may not be the best use of town/city council time and resources to have to approve each farm's application, when implementation of the program could be carried out by municipal staff or another designated committee. A community may decide that approval of each farm support arrangement by the legislative body still makes sense and the changes proposed by this bill would still allow for that.

² According to American Farmland Trust (AFT), more than 30 years of Cost of Community Services studies across the country show that, even when assessed at its agricultural value, farmland only requires a median cost of \$0.37 in services for every dollar of tax revenue collected, whereas residential properties consistently require more in municipal services than the revenue they generate in property taxes—a median cost of \$1.16 per dollar collected. See AFT's Farmland Information Center, *Cost of Community Services Studies*, p. 1 (September 2016), available at: www.farmlandinfo.org/publications/cost-of-community-services-studies/.

- **Clarify a portion of the language describing the program's purpose** (within §6906 section 1 of the bill) by specifying the connection between the program and reducing the fiscal burden for municipalities that can result from new development.

MFT also supports the amendment shared by the bill sponsor that rulemaking under this subsection should change to routine technical rather than major substantive rulemaking. We support this amendment given the limited scope and voluntary nature of the program.

Thank you for the opportunity to provide testimony in support of LD 1450. We hope you will support this bill and help to strengthen the VMFSP as an important additional tool that is available to municipalities for supporting agricultural viability and retaining working lands in their communities.

I'd be happy to answer any questions now or at the work session.