

**Testimony of Amanda E. Beal, Commissioner
Department of Agriculture, Conservation & Forestry**

**Before the Joint Standing Committees on
Appropriations and Financial Affairs and
Agriculture, Conservation, and Forestry**

**LD 2212 - “An Act Making Supplemental Appropriations and Allocations from the
General Fund and Other Funds for the Expenditures of State Government and Changing
Certain Provisions of the Law Necessary to the Proper Operations of State
Government for the Fiscal Years Ending June 30, 2026, and June 30, 2027”**

Hearing Date: February 27, 2026, 1:30 pm

Good afternoon, Senators Rotundo and Talbot Ross, Representatives Gattine and Pluecker, and Members of the Joint Standing Committees on Appropriations and Financial Affairs and Agriculture, Conservation and Forestry. My name is Amanda Beal, and I am the Commissioner of the Department of Agriculture, Conservation and Forestry (DACF). I am here today to testify in support of LD 2212, the Governor’s Supplemental Budget proposal for State fiscal years 2026 and 2027. This testimony addresses each item, proceeding sequentially from pages A-6 through A-12, and includes language found on pages 10 and 49-54.

This is the final budget proposal from the Administration. The proposal delivers financial relief to Maine people, preserves programs lawmakers and Maine people support, and addresses some emergent issues, including impacts of new federal legislation. Governor Mills’ guiding belief has always been that our strongest asset is the people of Maine, and that’s why this budget, like those in the past, seeks to invest in and support them. We look forward to working with the Legislature in the coming weeks to enact a balanced budget that supports Maine people and protects the fiscal health of our state.

DACF is charged with promoting and advancing Maine’s agricultural resources; protecting and enhancing nearly 18 million acres of forestland; managing more than 700,000 acres of state parks and public lands; and administering numerous science-based programs focused on resource management, land use planning, and conservation. Our work supports a large part of our overall natural resource-based economy, as our agriculture, forestry, and outdoor recreation sectors combined contribute more than \$17.2 billion to our State’s economy annually and support approximately 87,000 jobs.¹ DACF’s work is carried out statewide by our 778 year-round and seasonal staff, who oversee and fulfill a wide range of duties through our four Bureaus and 110 diverse programs.

The State’s collective bargaining unit agreements include negotiated language related to this process. Reclasses may be employee- (usually referred to as reclass) or management-initiated (usually referred to as reorganization). Approved employee-initiated actions include a retroactive

¹ <https://www.farmcrediteast.com/en/about/NewsRoom/press-releases/241030FarmCreditEastReleasesEconomicImpactReport>
<https://www.trailblazerroadmap.com/roadmap/>

pay component back to the date the request was signed. Our Department's reclass and reorganization requests are summarized at the end of testimony as **Appendix A**. While we won't read the specifics, we have included the blippie and justification in this testimony on the relevant page in italics for your reference.

Our proposal includes allotment adjustments, the result of the State's independent Revenue Forecasting Committee (RFC). Our Department's RFC adjustments are summarized at the end of this testimony as **Appendix B**. Again, we won't read the specifics, but we have included the blippie and justification in this testimony on the relevant page in italics for your reference.

Our proposal also includes language Part AA, requesting the move of some Personal Services to All Other. This language will allow DACF to self-fund a small number of emergent operating expenses through this biennial. This amounts to \$236,531 and \$309,136 in FY26 and FY27, respectively. I will be testifying in detail on what our agency needs are related to the amount in this language.

You will see that our supplemental budget requests address urgent and ongoing work and critical needs within our programs. Of the 19 initiatives and 13 language items you will be asked to vote on in this budget, 3 are related to position reclassifications approved by the Bureau of Human Resources, and 10 are generally housekeeping in nature. Hopefully, these introductory comments provide helpful background information as you consider the following initiatives.

In addition, there are two Language requests I will address toward the end of my testimony.

Bureau of Agriculture (0393)

This program is responsible for animal and plant health, farm and consumer quality assurance, and agricultural product marketing. It also helps to promote rural educational events and seeks to develop the public understanding of Maine agriculture's importance to the State's economy, the vitality of rural communities, and Maine's quality of life. This program includes the Divisions of Agricultural Resource Development, Animal and Plant Health, and Quality Assurance and Regulation.

The **first initiative** on page **A-6** continues one limited-period Contract/Grant Manager position previously continued by Financial Order CV0824 F6 to create sustained capacity within the Bureau to administer both one-time and ongoing financial assistance programs. This position will end on June 19, 2027.

Continues one limited-period Contract/Grant Manager position previously continued by Financial Order CV0824 F6. This initiative increases Other Special Revenue Funds by \$71,086 in fiscal year 2027.

The next initiative on page **A-6** transfers funding from fiscal year 2026-27 to fiscal year 2025-26 to replace a Somascope for the Milk Quality Lab, an essential piece of equipment to measure milk quality.

This initiative increases General Funds by \$75,000 in fiscal year 2026 and reduces General Funds by \$75,000 in fiscal year 2027.

DACF Administration (0401)

This program provides leadership, oversight, and operational direction for the Department. This program is responsible for the centralized budget for services provided by the Office of Information Technology, Natural Resources Service Center, the Attorney General's Office, and related items.

The only initiative in this program on page A-6 provides funding for the approved range change of one Natural Resource Marketing and Economic Development Specialist position and is included in Appendix A.

This initiative increases General Funds by \$22,533 in fiscal year 2026 and by \$23,421 in fiscal year 2027.

Division of Forest Protection (Z232)

This program provides forest fire and forest resource protection to Maine's 18 million acres of forest land. The Division protects landowners through wildfire readiness, prevention, detection, suppression, and natural resources law enforcement.

The only initiative on page A-7 provides funding for the approved reorganization of 3 Forest Fire Prevention Specialist positions and is included in Appendix A.

This initiative increases General Funds by \$23,752 in fiscal year 2027 and increases allocation in the Federal Expenditures Fund by \$9,614 in fiscal year 2027.

Forest Resource Management (Z233)

This program preserves the overall health of Maine's forest resources by protecting forest, shade, and ornamental tree resources of the state from significant insect and disease damage and providing pest management and damage prevention. The program conducts an inventory of Maine's forest resources on a five-year cycle. Technical assistance, scientific and economic information, and educational services to Maine's family forest owners, the forest industry, landowners, and the public are also provided by this program.

There are four initiatives for this program beginning on page A-8. These move four vital Forest Health and Forest Management positions from federal funds to the General Fund due to reduced or proposed elimination of federal funding for these critical operations.

The first initiative on page A-8. transfers one Senior Planner position from Federal Expenditures Fund to General Fund in fiscal year 2026-27.

This initiative increases General Funds by \$131,964 in fiscal year 2027 and decreases allocation in Federal Expenditures Fund by \$138,569 in fiscal year 2027.

The next initiative on page A-8 transfers one Resource Management Coordinator position from Federal Expenditures Fund to General Fund in fiscal year 2026-27.

This initiative provides General Funds of \$134,596 in fiscal year 2027 and reduces allocation in the Federal Expenditures Fund by \$141,333 in fiscal year 2027.

The third initiative on page A-8 reallocates one Natural Resource Pathologist position to better align funding with work effort.

This initiative provides General Funds of \$6,271 in fiscal year 2026 and \$26,157 in fiscal year 2027 and reduces allocation in the Federal Expenditures Fund by \$6,585 in fiscal year 2026 and by \$27,467 in fiscal year 2027

The final initiative on page A-8 reallocates one Entomologist II position to better align funding with work effort.

This initiative provides General Funds of \$13,154 in fiscal year 2026 and \$55,059 in fiscal year 2027 and reduces allocation in the Federal Expenditures Fund by \$13,813 in fiscal year 2026 and by \$57,815 in fiscal year 2027.

Geology and Resource Information (Z237)

The Maine Geological Survey focuses on groundwater, aquifer analysis, coastal geology, including coastal hazards, and mapping the geologic framework of the state.

The initiative in this program on page A-9 corrects the legislative count in this program related to a limited-period position that was transferred previously to the Maine Office of Community Affairs.

Harness Racing Commission (0320)

This program provides oversight, support, and promotion for Maine's harness racing industry to ensure the integrity of live racing and wagering at facilities in Maine.

There is one initiative in this program on page A-9 to reflect the December 2025 Revenue Forecast, and is included in Appendix B.

The adjustment decreases the allocation by \$1,330,589 in fiscal year 2026 and by \$872,337 in fiscal year 2027.

Land Management and Planning (Z239)

This program manages more than 600,000 acres of Public Reserved and Non-reserved land and other publicly owned lands, for multiple uses including recreation, wildlife, ecological protection and timber management. The program generates self-sustaining income through forest management and leasing activities to support these programs. The program manages land under principles of multiple use to produce a sustainable yield of products and services for Maine citizens.

The first initiative on page **A-10** provides funding for the approved reorganization of one Senior Technician position to a Lead Technician position and is included in **Appendix A**.

This initiative increases allocation in Other Special Revenue Funds by \$12,050 in fiscal year 2027.

The next 3 initiatives on page **A-10** address a financial deficit in Public Lands due to a dramatic decline in state and regional timber markets. These initiatives reallocate 2 positions and provide a one-time appropriation in fiscal year 2026 for Public Lands operating expenses. The corresponding increase for these 2 position reallocations are on page **A-11** in the Parks General Operations program.

This initiative reallocates the cost of one Director Real Property Management position and aligns position funding with position responsibilities while also recognizing significantly diminished funding within the Public Lands account due to the overall downturn in timber revenue.

The next initiative reallocates the cost of the Director of the Bureau of Parks and Lands position to 100% General Fund in the Parks General Operations program. This request aligns position funding with position responsibilities of the Bureau Director while also recognizing significantly diminished funding within the Public Lands account due to the overall downturn in timber revenue.

These initiatives reduce allocation in Other Special Revenue Funds in fiscal year 2026 and 2027 and provide General Funds of \$2,250,000 in fiscal year 2026.

Milk Commission (0188)

This program sets the minimum wholesale and retail price of milk. The Commission staff manages daily operations, conducts audits of dairy product processors to ensure proper payment to farmers, and conducts studies required by statute to establish retail milk prices.

There is one initiative in this program on page **A-10** to reflect the December 2025 Revenue Forecast and is included in **Appendix B**.

The adjustment increases the allocation by \$5,674,198 in fiscal year 2026 and decreases the allocation by \$1,654,305 in fiscal year 2027.

Off-Road Recreational Vehicles Program (Z224)

This program plans, develops, and maintains snowmobile and ATV trails directly and through grants-in-aid to clubs and municipalities; manages approximately 300 miles of state-owned or leased multi-use rail trails; purchases, builds, and maintains state-owned public boat launch sites; is responsible for marking navigational hazards in selected lakes; and provides grants and technical assistance to municipalities and others in developing and maintaining locally owned boat launch sites.

There is one initiative in this program on page A-11 to reflect the December 2025 Revenue Forecast and is included in Appendix B.

The adjustment increases the allocation by \$803,132 in fiscal year 2026 and by \$804,726 in fiscal year 2027.

Parks – General Operations (Z221)

This program manages approximately 100,000 acres, including 48 state parks and historic sites. Parks staff service over three million visitors each year and offer many public service activities such as the Take It Outside (TIO) program, an initiative to bring kids and their families into the outdoors for recreation year-round. This program also provides recreational opportunities and the construction and management of fire-safe public campsites in the West Branch Penobscot River Corridor.

The two initiatives on page A-11 reallocates Personal Services for 2 positions to as mentioned in the Land Management and Planning program on page A-10.

These initiatives provide General Funds of \$42,844 in fiscal year 2026 and \$180,842 in fiscal year 2027.

Pesticides Control-Board of (0287)

This program was established to protect public health and safety and the public interest in the soil, water, forests, wildlife, agricultural and other resources of the state by assuring scientific and proper use of chemical pesticides.

The one initiative in this program on page A-12 reallocates one Environmental Specialist III position to align funding with work effort.

This initiative decreases the allocation in the Federal Expenditures Fund by \$15,120 in fiscal year 2026 and by \$63,007 in fiscal year 2027 and increases the allocation in the Other Special Revenue Funds by \$15,120 in fiscal year 2026 and by \$63,007 in fiscal year 2027.

LANGUAGE

Part F on page 10 changes the amount to \$4,000,000 that the Governor, during a declared state of emergency, in accordance with rules adopted by the Commissioner of DACF, may distribute from the stabilization fund to nonprofit entities, including food banks, food pantries and soup kitchens, that provide or distribute food to low-income, indigent or unemployed individuals or households, without charge.

Part U on page 49 changes the name of the Farmers Drought Relief Grant Program to the Farmers Drought Resilience Program to better reflect the program's purpose.

Part V on pages 50-51 creates two new trusts within the Land Management and Planning program to enable the investment of funds to provide perpetual funding for conservation easement monitoring and enforcement and to enable strategic investment of funds for a balance of growth and liquidity as agreed on by DACF and Treasury. There is an error in this language as proposed. Section V-1 as written should be voted out. The department is not proposing any changes to this portion of the statute. The addition of Sections V-2 A and V-2 B is accurate and we are requesting that they be voted in.

Part W on page 51 authorizes the State Controller to carry forward up to \$500,000 of unspent funds in All Other to complete the replacement of the feed, seed, and fertilizer database in the Bureau of Agriculture, Food and Rural Resources.

Part X on page 51 authorizes the State Controller to carry forward up to \$1,500,000 of unspent funds in Capital Expenditures to complete the replacement of the licensing and inspection database in the Bureau of Agriculture, Food and Rural Resources.

Part Y on page 52 authorizes the State Controller to carry forward up to \$750,000 of unspent funds in Capital Expenditures to complete the upgrade of the Cony Road facility in Augusta.

Part Z on page 52 can be voted out. Funding to begin this work will be provided by the Maine Government Facilities Authority (MGFA). This is one of the two language items I mentioned in my opening remarks.

Parts AA-1 thru AA-6 on pages 53-54 authorizes DACF to transfer funds, if available, from Personal Services to All Other or Capital Expenditures to fund vehicle leases, early detection and response to eradicate invasive stiltgrass, update Maine's Official List of Threatened and Endangered Plants, various technology upgrades, stakeholder engagement for the Comprehensive Land Use Plan update, and for facility maintenance at the Old Town hangar.

Part AA-1 on page 53 authorizes DACF to transfer Personal Services to All Other to fund four vehicle leases for the Maine Conservation Corps.

Part AA-2 on page 53 authorizes DACF to transfer Personal Services to All Other to fund early detection and rapid response to eradicate invasive stiltgrass.

Part AA-3 on page 53 authorizes DACF to transfer Personal Services to All Other to fund an update to Maine's Official List of Threatened and Endangered Plants.

Part AA-4 on page 53 authorizes DACF to transfer Personal Services to All Other to fund various technology upgrades.

Part AA-5 on page 54 authorizes DACF to transfer Personal Services to All Other to fund a stakeholder engagement by the Maine Land Use Planning Commission in preparation for updates to the Comprehensive Land Use Plan.

Part AA-6 on page 54 authorizes DACF to transfer Personal Services to Capital Expenditures to fund facility maintenance at the Old Town hangar.

I would also like to speak in support of **Language Part S**, found on **page 40** under Department of Administrative and Financial Services, to fund the stabilization of geographic information system (GIS) functions. GIS is critical to DACF operations, and support for this is essential to our work.

Lastly, I am introducing a new **Language Part UUU** that Commissioner Clark mentioned on February 25. This Language is the result of collaboration with the Governor's office, stakeholders, and natural resources agencies and would secure ongoing funding for both the Land for Maine's Future Trust Fund and the Irrevocable Trust Fund for Other Post-employment Benefits for the state employee plan, by redefining the distribution of the budget stabilization fund investment earnings.

This concludes the presentation on DACF's Supplemental Budget. I, along with my team here today, would be glad to respond to any questions you may have.

APPENDIX A: Reclasses/Reorgs/Range Changes

Civil Service Rules require the State’s Human Resources Officer to maintain the classification plan and establish the processes and procedures with which to do so. There is a long-standing process in place to evaluate proper classification of positions and determine through a functional job analysis whether a position meets the requirements for reclassification, including any pay adjustment. The State’s collective bargaining unit agreements include negotiated language related to this process. Actions may include changing classification or keeping the same classification, but changing pay range (usually referenced in blippie as range change). Requests may be employee-initiated (usually referred to as reclass) or management-initiated (usually referred to as reorganization). Approved employee-initiated actions include a retroactive pay component back to the date the request was signed. Reclass/reorg/range change initiatives in Part A of the budget are necessary to fund these approved actions, which is required before the action can be processed and paid. Reclass initiatives in Part B are self-funded.

Page	Program	Job Title	Fund	FY26 Amt	FY27 Amt
A-6	0401	Natural Resource Marketing/Economic Develop Specialist	GF	22,533	23,421
A-7	Z232	Forest Fire Prevention Specialist (2)	GF		23,752
A-7	Z232	Forest Fire Prevention Specialist (1)	Federal		9,614
A-10	Z239	Senior Technician	OSR		12,050
B-1	0401	Natural Resource Marketing/Economic Dev Specialist	GF	-	

APPENDIX B: Allocation Adjustments

Adjusts funding to align with revenue projections from the December 1, 2025, Revenue Forecast Committee forecast.

Page	Program	Program Name	FY26 Amt	FY27 Amt
A-9	0320	Harness Racing Commission	(1,330,589)	(872,337)
A-10	0188	Milk Commission	5,674,198	(1,654,305)
A-11	Z224	Off-Road Recreational Vehicles Program	803,132	804,726

PART UUU

Sec. UUU-1. 5 MRSA, §1532, sub-§4, as enacted by PL 2005, c. 2, Pt. A, §5, is amended to read:

1. **Investment of funds.** The money in the stabilization fund may be invested as provided by law ~~with the earnings credited to the stabilization fund.~~

Sec. UUU-2. 5 MRSA, §1532, sub-§4-A is enacted to read:

4-A. Investment proceeds. At the close of every month during which the stabilization fund is below the 18% limitation described in subsection 1, the State Controller shall credit investment proceeds as follows.

A. 50% of the investment earnings must be credited to the stabilization fund;

B. 25% of the investment earnings must be transferred to the Irrevocable Trust Fund for Other Post-employment Benefits established in section 286-B, subsection 2 for the state employee plan, as defined in section 286-B, subsection 1, paragraph D; and

C. 25% must be transferred to the Land for Maine’s Future Trust Fund established in section 6203-D.

Sec. UUU-3. 5 MRSA, §1532, sub-§5, as amended by PL 2023, c. 643, Pt. F, §2, is repealed.

Sec. UUU-4. 5 MRSA, §1532, sub-§5-A is enacted to read:

5-A. Investment proceeds; exception. At the close of every month during which the stabilization fund is at the 18% limitation described in subsection 1, the State Controller shall transfer investment proceeds as follows.

A. 75% of the investment earnings must be transferred to the Irrevocable Trust Fund for Other Post-employment Benefits established in section 286-B, subsection 2 for the state employee plan, as defined in section 286-B, subsection 1, paragraph D; and

B. 25% of the investment earnings must be transferred to the Land for Maine’s Future Trust Fund established in section 6203-D.

PART UUU
SUMMARY

This Part adjusts how the Budget Stabilization Fund interest earnings are distributed when the Fund is below its statutory limitation of 18 percent. This Part also adjusts how the Budget Stabilization Fund interest earnings are distributed when the Fund is at its statutory limitation of 18 percent.



STATE OF MAINE
DEPARTMENT OF AGRICULTURE, CONSERVATION & FORESTRY
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JANET T. MILLS
GOVERNOR

AMANDA E. BEAL
COMMISSIONER

February 27, 2026

Senator Talbot Ross
Representative Pluecker
Members of the Joint Standing Committee on
Agriculture, Conservation, and Forestry

Please see our responses to the requests for additional information received during our budget work sessions on the FY26/27 Supplemental Budget on February 24 and February 26, 2026.

Maine Milk Commission – Revenue Forecasting budget adjustment

When was the last reset of the Tier Program?

- The current safety net levels for each Tier were put in place effective July 1, 2024. The tier levels range from \$21.88/cwt for Tier 4 to \$24.51 for Tier 1.
- Additional context: In February 2024, the ACF Committee of the 131st Legislature reviewed the data from the 2022 Cost of Production study (LD 2188) to determine how to apply it to the Maine Dairy Stabilization “Tier” Program safety net levels. Due to budget impact considerations, LD 2188 was passed using modified Cost of Production target prices that increased each Tier level by 25% of the difference between the 2019 study and the 2022 study.

How much have we paid out to dairy farmers since then?

- FY 2025 (7/1/24 – 6/30/25) = Total Tier payment = \$6,519,140
- FY 2026 (7/1/25 – 2/26/26) = Total Tier Payment to date= \$14,711,759

How much is expected to go out with this adjustment?

- Predicted Payments for Remainder of FY 2026 (3/1/26 – 6/30/26): \$8,277,835, which would bring FY 2026 totals to \$22,989,594.

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What does the market look like going forward?

- After over 3 years of milk prices to farmers at \$20/cwt and above, the current milk pricing forecast (1/30/2026) reflects significant challenges facing the US dairy industry. Calendar year 2025 ended with an average price to farmers of \$19, with current forecasts predicting that the average price for calendar year 2026 could be in the \$17 range. Market volatility is creating insecurity among economists when trying to predict global dairy exports (as impacted by new and shifting tariffs and reduced international demand for US dairy products), which impacts milk prices. These lower prices present challenges for Maine dairy farmers, who are already facing increased operating costs due to inflationary pressures, increases in labor costs, and the expectation of higher feed costs this winter as a result of low feed crop yields last summer/fall, and poor-quality feed due to the wet spring and subsequent drought conditions.

Public Lands Management -

Could we get a fact sheet including volumes cut?

- We have prepared a summary document (attached) that provides an overview of Public Reserved Lands funding dynamics. It includes a table illustrating volumes cut on Public Lands over time, as well as data on how that tracks with an overall downward trend in harvesting statewide. Harvest levels on Public Lands have declined substantially in the past decade due to weak markets, from a high of 140,000 cords in FY 2014 to a low of 70,000 cords in FY 2024.

Does this \$2.25 million pay for salaries?

- This sum will be used for all Public Lands expense categories, including salaries. Major expense categories include Staff (64% of budget), Recreation Management (11.1%), Road Construction and Maintenance (10.5%), Vehicles and Mileage (6%), and Other, including rent, utilities, equipment, and supplies (8.4%). The \$2.25 million will be used proportionally across all of these expense line items.

What do you mean by recreational costs included in this program?

- Managing recreational opportunities across 645,000 dispersed acres is a complex process. These lands include 461 campsites, 417 camp lot leases, 228 miles of hiking trails, 56 boat launches, 1,579 miles of snowmobile trails, 549 miles of ATV trails, and 253 miles of maintained woods roads which, in addition to being necessary for timber management, enable public access for recreational pursuits. Recreational costs include managing a wide range of seasonal and weekly needs, such as removing hazard trees at campsites for both safety and aesthetics,

cleaning out fire rings, mowing parking areas, removing trash, and cleaning outhouses. These forms of maintenance are the foundation for ensuring the public has a safe and enjoyable visit and are essential for providing memorable recreational experiences. Recreational costs also include interacting with the public at the most popular locations to provide orientation and wayfinding, sometimes in person, but often by maintaining up-to-date kiosks and maps. Finally, each year, recreation staff undertake physical improvement projects such as installing new or repairing old signage, kiosks, picnic tables, and outhouses. Each year, a portion of the hiking trail mileage is brushed, blazed, and repaired to address erosion or hazardous conditions. Due to the widespread nature of Public Lands, there is a significant cost in time and travel to reach remote sites throughout the State.

What is the breakdown of where the revenue comes from, and how will this be spent?

- Expense categories and percentages, and how the \$2.25 million will be spent, are addressed in response to the earlier question about salaries (two bullets above). Regarding revenue sources, Public Lands are highly reliant on timber revenue, with the strength or weakness of timber markets greatly influencing this percentage. In FY 26, timber revenue accounts for 59% of revenue due to weak markets. Historically, this figure has been as high as 90%. Other revenue sources include leases, grants, and earned interest. As timber revenue declines, the balance has been met with a combination of cost-saving strategies and the use of OSR funds, which ultimately reduce operating funds for future harvest activities to generate new revenue.

Part F - What is the Governor's discretion regarding the use of these funds?

- In a state of emergency, this language would allow the Governor to provide emergency funding from the Stabilization Fund (found here [Title 5, §1532: Maine Budget Stabilization Fund](#)) to the Department of Agriculture, Conservation, and Forestry (DACF) to enhance resources available to nonprofit entities that address food insecurity throughout the state. Prior to any fund distribution, DACF would be tasked with drafting the rules for distributing these funds to nonprofit entities, including food banks, food pantries, and soup kitchens, that provide or distribute food to low-income, indigent, or unemployed individuals or households without charge.

Can it be used for Mainer's Feeding Mainers or Harvest Bucks?

- At this time, we don't foresee why these funds wouldn't be available to these entities (and others), and we would seek to explore the options during the public rule development process.

What is DICAP, how much is in it, and what does it cover?

The Department Indirect Cost Allocation Plan (DICAP), also known as an indirect cost calculation, is assessed on federal and other special revenue funds on a monthly basis. The current balance is \$1,995,518; however, this balance is not static and fluctuates throughout the year. These funds pay department-wide administrative costs, including the Natural Resources Service Center (finance and human resources), Attorney General costs, and computer and technology expenses. The FY 26 budget for the account is \$4,763,745.

Can you provide a list of DACF programs that address food insecurity with the annual budget?

Program	General Fund*	Federal Fund**	Other Special Revenue Funds (OSR)***	Total
Temporary Emergency Food Assistance Program (TEFAP)	82,500	10,393,960	-	10,476,460
Commodity Supplemental Food Program (CSFP)	-	2,304,067	-	2,304,067
Emergency Food Assistance Program Fund (tax check off)			191,800	191,800
Maine Senior Farm Share	17,003	829,974	-	846,977
Hunters for the Hungry	-	-	6,243	6,243
Ending Hunger Corps	109,298	276,803	197,122	583,223
Statewide Hunger Relief (Mainer's Feeding Mainers)	1,000,000	-	-	1,000,000
Nutrition Incentive Fund	600,000	-	-	600,000
*GF based upon FY26				
**Federal based upon last approved grant				
***OSR is based upon FY26 available cash				

Public Reserved Lands Funding Overview
Department of Agriculture, Conservation and Forestry
February 27, 2026

Maine's Public Reserved Lands are comprised of 645,000 acres reserved for habitat, recreation, and timber management, and include 461 campsites, 417 camp lot leases, 228 miles of hiking trails, 56 boat launches, 1,579 miles of snowmobile trails, and 253 miles of maintained woods roads. All of these resources are free and open to the public for various recreational activities, providing an important base for our state's recreational economy, which contributes \$3.4 billion to the state's GDP (3.7% of total) and supports nearly 30,000 jobs in this sector.¹

For nearly 50 years, the Department's Public Reserved Lands finances (12 MRS § 1849(2)) have been entwined with Maine's timber economy, with land management funded largely by timber revenue² and, to a significantly lesser degree, by lease payments and recreation-oriented grants. The direct economic impact of Public Lands timber harvesting, road work, and other management activities ranges from \$15-\$20 million per year, making a vital economic contribution to rural areas of the state.

Market trends in the forestry sector, therefore, directly impact Public Lands funding. The Department has been working with Forest Economist Eric Kinglsey to assess current and future timber market opportunities, as well as the outlook for future sales of timber to support the stewardship and maintenance activities critical to upholding widespread access to our public lands. The following is excerpted from Kingsley's 2025 analysis:

Maine's total timber harvest, a direct...reflection of the market for forest products, has shrunk significantly in the past sixteen years (2007 through 2023, the most recent year that Maine Forest Service data³ is available). In 2007, Maine mills used nearly 15 million green tons of wood to make a range of products – including lumber, paper, panels, and electricity. By 2023, this market had shrunk to about 8.6 million green tons.

¹ Maine's 10-Year Outdoor Economy Roadmap (2025): <https://www.trailblazerroadmap.com/roadmap/>

² Over the past decade, timber revenue has covered about 85% of the Lands budget on average (with a once historic high of 90%), whereas in FY 26, timber revenue accounted for 59%. As timber revenues have declined, the balance has been met with a combination of cost-saving strategies and the use of OSR funds, which ultimately reduces operating funds for future harvest activities to generate new revenue.

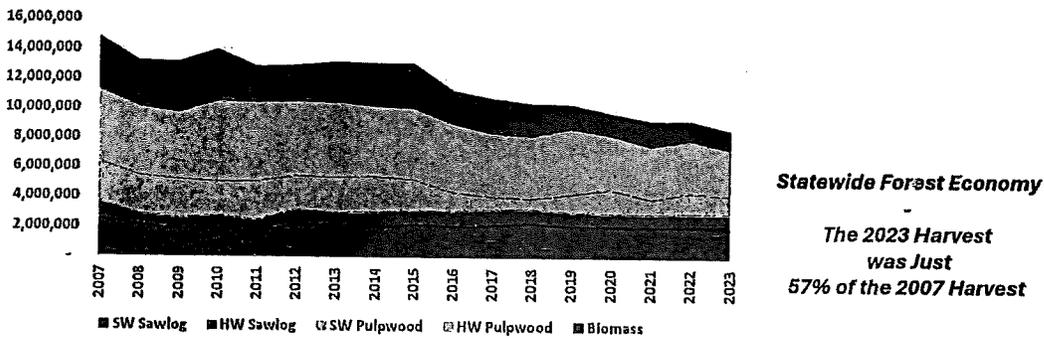
³ Data from: Maine Forest Service, Wood Processor Reports, 2007 – 2023

(https://www.maine.gov/dacf/mfs/publications/annual_reports.html#woodproc). Data analysis by Innovative Natural Resource Solutions, LLC.

Demand for pulpwood has dropped significantly in Maine since 2014; the state has experienced numerous pulp mill closures since that time. Mills have closed in East Millinocket (2014), Bucksport (2014), Lincoln (2015), Madison (2016), Jay (2020), and Old Town (2023, claimed to be temporary). The total market loss from these mills is roughly 4.6 million green tons of wood utilization annually, or 415 truckloads every day of the year.

Figure 2. Wood Use at Maine Mills, 2007 – 2023 (green tons)

Figure 2. Wood Use at Maine Mills, 2007 – 2023 (green tons)

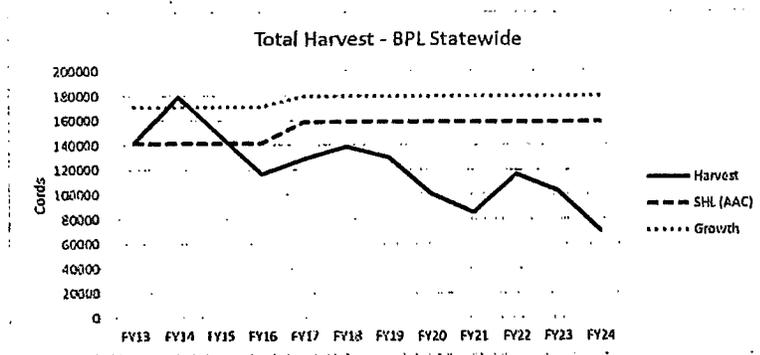


It is important to note that every major product category has lost market over this time period (2007 – 2023):

	2007 Harvest	2023 Harvest	2023 as a % of 2007
	Green Tons		
Softwood Sawlogs	2,544,101	2,151,307	85%
Hardwood Sawlogs	1,133,139	783,180	69%
Softwood Pulp	2,781,891	1,368,425	49%
Hardwood Pulp	4,799,754	3,042,822	63%
Biomass	3,522,654	1,277,664	36%

Overall, Kingsley concluded that markets will likely remain weak for the foreseeable future. While Public Lands have plenty of high-quality timber available, the market is highly limited, complex, and competitive. The decline in Public Lands timber revenue has closely mirrored the statewide timber market. While markets have steadily declined, so has the value of timber relative to inflation, with sawlog values down 10%, and pulpwood values down 50% since 2007.

Figure 2- BPL Timber Harvest FY13-FY24 (cords)



* SHL is Sustainable Harvest Level, also known as Annual Allowable Cut (AAC).

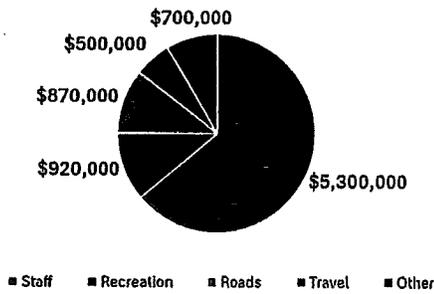
The current trend of reduced timber demand, coupled with the steady decline in timber prices and the impact of tariffs on trade, creates an unstable financial equation. Although important investments have been made in the forest sector, it will undoubtedly take time for those, and any future investments, to impact current market dynamics.

Over the last 18 months, Public Lands staff have proactively focused on both cost reductions and some limited opportunities to increase timber market access. Major costs include personnel, road construction and maintenance, and staff travel. These expenses benefit the public, including outdoor recreation, as well as contractor employment for logging and road work.

Major Public Lands expense categories and cost savings measures taken to date (Note: Across all expense categories, average cost reductions equal 20%):

- Personnel: ~\$5.3M/yr: 19% of Public Lands positions are being kept vacant, accomplished through attrition. There have been no external hires since November 2024.
- Roads: ~\$1M/yr: Calendar year 2026 will require further reductions without new funding. Potential impacts include reduced access, public safety, and environmental concerns resulting from degraded road conditions.
- Travel: ~\$500K/yr for 600,000+ miles: Mileage reductions resulting from staff attrition.

FY26 Public Lands Expenses: \$8.3M Projected



The Department is taking multiple steps to enhance revenue:

- **Timber Markets:** Work is ongoing to increase Public Lands timber market access in very limited markets.
- **Grants:** Department staff are increasingly seeking grants to fund recreation work, easement monitoring endowments, climate-friendly forestry, and other projects.
- **New External Revenue:** To maintain public access, water quality, timber production, and other benefits, Public Lands will likely require ongoing revenue from new sources to supplement timber revenue.

The ongoing efforts of BPL staff to bolster revenue and reduce costs, coupled with the requested \$2.25 million general fund allocation, are expected to keep Public Lands solvent through FY 27. In the coming months, the Department will convene key stakeholders (i.e., recreation interests, forest products sector representatives, conservation organizations) to re-evaluate the funding model for Maine's Public Lands and better understand how other states fund their ongoing Public Lands stewardship needs. Outcomes from these discussions will inform recommendations regarding our Public Lands revenue model going forward and how best to approach the next biennial budget.