



Senator Curry

Representative Gere

Members of the Committee on Housing and Economic Development

RE: Support of LD 195 – An Act to Create the Small Business Capital Savings Account Program

My name is Eric Venturini and I'm the Executive Director of the Wild Blueberry Commission of Maine testifying in support of this bill.

The Wild Blueberry Commission (WBCM) works on behalf of Maine's 512¹ farms who grow wild blueberries on 47,600¹ acres across the State. In 2024, Maine produced approximately 85 million pounds of wild blueberries representing nearly 100% of all *wild* blueberries and approximately 10% of all *blueberries* grown in the US. Our industry contributes \$361 million dollars to the state's economy annually² and is the only state with significant commercial production of wild blueberries.

Today, the industry is confronting head-on a host of challenges. The global cultivated blueberry industry, of a size with the Maine wild industry 20 years ago, now annually produces 45 times Maine's production. The producer price index, a measure of the cost of doing business, hit records levels in '21, '22, and '23. Producers are still struggling with dramatically higher costs even as pressure from cheaper Canadian wild blueberry imports, and cheaper cultivated blueberries from across the globe, depress our market. Grower profits have been below break-even for most growers for two years.

Wild blueberry businesses are trying to innovate to segregate markets, and to expand operations in the most profitable sides of the business. To strategically invest in their businesses to address these challenges they need steady access to capital.

According to the USDA, National Agricultural Statistics Service, the value of utilized production of Maine wild blueberries can swing by a factor of three or more from year to year. In 2020, the direct value of utilized production was 28.5M, in 2021 it was \$80M, and the next year it was \$55.5M. These dramatic fluctuations in producer income are caused by a myriad of factors that make farming unpredictable including weather, market dynamics, labor shortages, pest and disease outbreaks, and much more. Yet, in profitable years, producers are incentivized to spend down their earnings to avoid certain taxes, making strategic business investment nearly impossible.

This is an excellent bill and I thank Senator Stewart for proposing it. My only suggestion is to make it significantly larger.

Don't restrict the number of participating businesses – Maine has 512 wild blueberry farms, and over 7,000³ farms in total. Most of them would qualify as "small" farms. The bill as written would only offer this program to 0.14% of Maine farms. This program should be open to all farms.

Don't restrict the program to small farms – Although the majority of wild blueberry farms are small, larger operations are vital parts of the industry that smaller growers rely on for processing, packing, storing, marketing, shipping, and more. These larger businesses are also struggling with profitability and

¹ USDA National Agricultural Statistics Service. 2022. Berries: 2022. United States Census of Agriculture.

² Camoine Associates. Unpublished Data. Economic and Fiscal Impacts of the Maine Wild Blueberry Industry. Wild Blueberry Association of North America – US, October 2023.

³ USDA National Agricultural Statistics Service. 2022. Berries: 2022. United States Census of Agriculture.

market challenges. Opening the program to include large farms will not overburden the program because a large farm would be subjected to the same account cap and there are relatively few farms with over 99 employees in Maine.

Increase the cap on the capital savings account to \$500,000 or more – The cutting edge business technology that producers need to increase competitiveness and profitability is increasingly expensive. A single deep well, pump house, and irrigation system capable of irrigating a mid-sized Maine wild blueberry farm could easily cost \$400,000 or more. Laser sorters that some small producers are adding into their small fresh pack lines can cost over \$100,000. A higher cap brings the program into alignment with capital investment needs.

Thank you for your time and the opportunity to provide this testimony.

