



# MAINE FARMLAND TRUST

**Testimony of Ellen Stern Griswold, Policy and Research Director, Maine Farmland Trust,  
before the 130<sup>th</sup> Legislature's Joint Standing Committee on Agriculture, Conservation and  
Forestry**

January 25, 2022

Good morning Senator Dill, Representative O'Neil, and members of the Joint Standing Committee on Agriculture, Conservation, and Forestry. My name is Ellen Griswold, and I am testifying today on behalf of Maine Farmland Trust (MFT) in support of the changes being proposed for LD 219 – *An Act To Enhance the Agricultural Marketing Loan Fund by Establishing a Variable Interest Rate for Loans and To Allow Participants in the Maine Farms for the Future Program to Borrow at That Rate.*

MFT is a member-powered statewide organization that works to protect farmland, support farmers, and advance the future of farming. Since our founding in 1999, MFT has helped to permanently protect nearly 300 farms and keep over 60,000 acres of farmland in farming, while supporting over 800 farm families with a range of services. Our four main program areas are Farmland Protection, Farmland Access, Farm Viability in the form of business planning and technical assistance to help farmers become and remain economically viable, and Public Outreach and Policy to grow the future of farming in Maine.

MFT believes that to support Maine's rural economic development, farms must be economically viable. Over the years, MFT has collaborated with farmers, food businesses, and economic development organizations to establish enterprises and deliver a range of programs and services focused on establishing a vibrant and resilient agricultural sector and food system in Maine. We work directly with farmers of all experience levels as they develop markets and grow successful businesses. MFT's support services and programs for farmers include individualized farm business planning and workshops and technical assistance that are designed to help farmers develop their businesses strategically and scale up their wholesale operations to obtain more market resilience and economic stability. We also support the expansion of new markets that connect more Mainers with Maine-grown food.

In our work we have seen how Maine farmers need improved processing infrastructure and other innovative opportunities across all agricultural sectors to increase the supply of Maine-grown products and to create new market opportunities for local farms. For instance, the lack of meat processing capacity in particular has been a long-standing challenge for livestock farmers in the state. Expanding dairy processing capacity, particularly 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 outside of the state all year long. The lack of food processing infrastructure can also serve as a challenge for farms that are seeking to strategically scale up their business operations.

At the same time, there is enormous growth potential for the food sector in Maine and the sectors that support it like farming. In fact, 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.<sup>1</sup> But investment in market and infrastructure development 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."<sup>2</sup> This type of investment will also be necessary to meet the state's new climate action plan strategy of "increase[ing] the amount of food consumed in Maine from state food producers from 10 percent to 20 percent by 2025 and 30 percent by 2030 through local food system development."<sup>3</sup> This strategy recognizes 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.

The changes proposed for LD 219 would help to provide the needed investment in Maine's food sector to realize these important goals. The Agricultural Development Grant (ADG) program is an incredibly popular program for farmers to obtain cost-share grants for market development, value-added processing projects, and new technology demonstration projects. Providing \$750,000 of consistent, dedicated annual funding for the program will allow more farmers to engage in these critical initiatives. Similarly, the structural changes proposed for the Agricultural Marketing Loan Fund (AMLF) program, including reducing the match burden for borrowers to 10% and providing the same interest rate as the Potato Marketing Loan Fund, will ensure that more farmers are able to take advantage of this important financing for projects that enhance farm viability and improve the production and marketing of farm products.

MFT is also very supportive of the expansion of the types of projects that can receive AMLF funding to include climate-related and irrigation projects and land acquisition for new farmers. An important recommendation included in the new climate action plan is to provide farmers with greater support to build soil health through increased financial, technical, and research assistance, thereby enhancing farm resilience and profitability, and sequestering greenhouse gas emissions.<sup>4</sup> Expanding the AMLF Program to include support for climate-related projects is an important step towards providing that greater support. In addition, in our work we are frequently confronted with the challenges that farmers, especially new farmers, face in affording and accessing the land they need to grow thriving businesses. The expansion of AMLF to include land acquisition will help to address this important need.

For all of these reasons, MFT hopes that you will support the proposed changes to LD 219 and support the growth of Maine's agriculture sector and all of the economic and climate benefits it provides.

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<sup>1</sup> *Maine Economic Development Strategy (2020-2029): A Focus on Talent and Innovation* (2019) at 14, available at: [https://www.maine.gov/decd/sites/maine.gov.decd/files/inlinefiles/DECD\\_120919\\_sm.pdf](https://www.maine.gov/decd/sites/maine.gov.decd/files/inlinefiles/DECD_120919_sm.pdf).

<sup>2</sup> *Id.* at 18.

<sup>3</sup> Maine Climate Council, *Maine Won't Wait, A Four-Year Plan for Climate Action* (Dec. 2020) at 13, available at [https://www.maine.gov/future/sites/maine.gov.future/files/inline-files/MaineWontWait\\_December2020\\_printable\\_12.1.20.pdf](https://www.maine.gov/future/sites/maine.gov.future/files/inline-files/MaineWontWait_December2020_printable_12.1.20.pdf).

<sup>4</sup> See e.g. Maine Climate Action Plan at 66, 69, 78-80.