

MAKING MAINE THE FOOD BASKET FOR NEW ENGLAND

POLICIES TO SECURE MAINE'S FOOD FUTURE

In order to secure Maine's food future, we have to work together. The ideas outlined in this plan stem from hundreds of conversations with experts from throughout the state. Many thanks to the incredible farmers, fishermen, small business owners, food producers and organizations that worked with me to develop this document, which I view as an important step toward making Maine the food basket for New England.

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MAKING MAINE THE FOOD BASKET FOR NEW ENGLAND

Creating a future where Maine has the potential to feed itself and help feed New England.

INTRODUCTION

For generations, Mainers have been making a living off of our abundant land and coastal shores. Our farms and fisheries are central to our history and our brand as a state, and with the right leadership, they could significantly boost our economy and position Maine as a leader in the food sector.

Food production in Maine holds great promise. Farming is on the rise, while seafood remains one of Maine's greatest assets.

ACCORDING TO A RECENTLY RELEASED STUDY ¹, NEW ENGLAND IS POSITIONED TO SUPPLY 50% OR MORE OF ALL OF ITS FOOD NEEDS BY 2060 (UP FROM ABOUT 10% TODAY.) MAINE HAD A BIG ROLE TO PLAY IN THIS VISION – AS WE HAVE THE LAND AND WATERS NEEDED TO SIGNIFICANTLY EXPAND FOOD PRODUCTION.

But this future is not inevitable, due to the many challenges facing farming and fishing.

These include:

- Current economic realities, which keep demand for Maine food lower than it could be;
- Development pressure that threatens farmland and working waterfront (and often makes properties unaffordable for farmers and fishermen);
- The loss of so much infrastructure (over the last 50 years) that once supported farming and fishing; and,
- Climate change, which will require us to think about farming and fishing differently.

Yet, I believe that with the right strategies and leadership, we can overcome these challenges and become the "Food Basket of New England."

In February 2014, I started a conversation about that vision when I released my **MAINE MADE** plan. **MAINE MADE** outlined common-sense policy initiatives that will grow our economy and create jobs by investing in the strengths that make our state great. Included in the plan were specific policy initiatives that focused on expanding our capacity to grow, harvest, process and export food in Maine.

These initiatives included:

- Fostering the creation of food hubs;
- Increasing institutional buying of Maine food products;
- Protecting farmland and working waterfronts;
- Increasing access to capital for Maine farmers; and,
- Helping Maine play its part in combatting global warming by investing in renewable energy.

MAINE MADE was meant to begin a conversation with voters about the best path forward for this state. That's exactly what it's done. Since its release, I've continued to speak with Mainers and food leaders from all over the state in an effort to broaden the discussion around food and agricultural policy. Based on input from those leaders, I've expanded upon my earlier initiatives outlined in **MAINE MADE**, further developing and refining how best we can advance farming, fishing and food production.

MAINE HAS THE POTENTIAL TO FEED ITSELF AND HELP FEED NEW ENGLAND,
BUT ONLY IF STATE GOVERNMENT TAKES THE RIGHT STEPS IN THE NEXT FEW
YEARS. WE NEED NEW LEADERSHIP AT THE TOP – A GOVERNOR WHO FULLY
UNDERSTANDS FARMING AND FISHING, AND WHO IS FULLY COMMITTED TO
MAINE'S FOOD FUTURE.

1. A CALL FOR LEADERSHIP

It is LEADERSHIP—more than money—that Maine needs in order to realize the full promise of farming and fishing.

Maine needs a governor who fully understands the challenges and opportunities within the food sector at this critical point in our history. Maine will only become the **food basket of New England** if we take the right steps in the next few years.

WE NEED A GOVERNOR WHO PULLS THE AGRICULTURAL COMMUNITY TOGETHER- RECOGNIZING THAT TO SUCCEED, MAINE NEEDS FARMS OF ALL TYPES OPERATING AT ALL SCALES.

We need a governor who cares deeply about our fisheries, recognizing the strength of this sector all along our coast and what it will take to sustain that strength, while also recognizing that the future will vary from the past. We need a governor who understands the economic and environmental value of our natural resource base, and the unique opportunity Maine holds to increase food production; a governor who will help create jobs for Maine's people in the food sector in a way that ensures the ongoing quality of our land, water and air.

To that end, Maine needs a governor who is committed to pursuing a comprehensive food policy—one that sets the state on the right track.

ACTION:

- Create a forward-looking, action-oriented, high-level group within the Administration to help develop a clear vision for state food policy and then effectively implement it across various state departments.
 - Review state policies and regulations to identify those that get in the way of building the local food economy—and then pursue corrective actions.
 - Participate in and support efforts that are now occurring outside state government that are exploring needs and opportunities within the food system.
 - Advocate at all times for the people of Maine who grow, harvest, process, distribute, cook and eat Maine food.
 - Demonstrate, through action, that state government is fully committed to making Maine the food basket of New England.
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2. NEW INFRASTRUCTURE

Maine's food industries are poised to grow. The next wave of agricultural development in Maine will require new investments in a broad range of infrastructure.

As Maine's farms try to access new markets, they increasingly need facilities that can efficiently serve some or all of these functions: aggregation, storage, processing (of various types), distribution and animal slaughter. Similar needs exist in the fishing industry, particularly as Maine's iconic lobster fishermen diversify into other, smaller volume fisheries.

In some cases, new infrastructure is needed; in other cases, existing infrastructure could be expanded or modernized, for example with more efficient equipment or energy systems. A wide range of infrastructure could result, ranging from new food hubs to mobile processing units to on-farm facilities. Likewise, many different organizational structures are possible — from regular business models to cooperative models to new models that blend for-profit and non-profit elements. Such infrastructure is critical to building a robust food system; yet because of low margins, it's unlikely this will occur at the level needed without some form of public support.

Maine has a proven track record of supporting needed infrastructure through the Potato Improvement Fund and the Ag Marketing Loan Fund — models that could be refined and expanded to meet Maine's growing needs and opportunities.

ACTION:

- A. Create a competitive grant program to provide match funding for feasibility studies and business planning for new infrastructure that would operate in service to Maine's farms and fisheries.
- B. Provide low interest loans or other incentives to help implement promising business plans. Any loan would be for no more than 50 percent of capital needs, ensuring that state funds leverage private dollars.

ESTIMATED COST & FUNDING:

- A. \$150,000 a year over three years; funding for this purpose could be provided through the accumulated interest in the Ag Marketing Loan Fund.
- B. The Ag Marketing Loan Fund will be refocused on all food-related infrastructure (both land and sea.) This step would involve changing the fund's name and recapitalizing it with \$5 million in new bond funding.

3. INSTITUTIONAL BUYING PROGRAM

Double the value of buying locally grown food purchased by Maine schools and governments and partner with Maine's food pantries to increase access to quality, fresh products.

Maine's public institutions – schools, hospitals, etc. – purchase millions of dollars worth of food each year. Directing even a small percentage of that to local producers would have significant benefits for Maine's food industry.

For a growing number of products, Maine can already compete on cost. But often the barrier is not price, but lack of leadership, restrictive contracts with distributors, untrained kitchen staff or institutional facilities that are not set up to either store or utilize local food.

The promise of institutional purchases would not only increase sales, but give producers confidence to scale up their operations in way that would allow them to better serve other wholesale accounts, such as supermarkets.

ACTION:

- A. Push state institutions to buy more local food wherever they can, and to stress local sourcing in all future distributor contracts by doubling the value of locally grown food.
- B. Provide incentives to help public schools buy more local food, including grants to improve facilities and provide training—so that schools can better handle whole, fresh local food.
- C. Provide assistance to food producers and infrastructure businesses to help them better supply institutions as discussed in our New Infrastructure section and Technical Assistance and Capital section.

ESTIMATED COST & FUNDING:

A and B. Funding for these actions would be provided through a \$1 million incentive program to encourage institutional buying and a \$1 million matching grant fund as outlined in my **MAINE MADE** plan.

C. Funding will be provided through resources accounted for in the New Infrastructure and Technical Assistance and Capital section of this plan.

4. LAND PROTECTION & LAND ACCESS

Maine's farming and fishing industries are uniquely valuable assets. We need to lock-in Maine's food-industry competitive advantage by protecting our farmland and working waterfronts.

Farming relies on farmland. Fishing relies on working waterfronts. Both are highly vulnerable. It is estimated that the ownership of as much as 400,000 acres of farmland will transition this decade², while Maine's working waterfront has dwindled to less than 20 miles³.

IT'S IMPOSSIBLE TO GROW FISHING AND FARMING IN MAINE WITHOUT SECURING WORKING WATERFRONT AND FARMLAND.

Farmland protection helps remove the primary barrier for farmers, which is the high cost of land; in fishing, the need for working waterfront is different, but just as critical.

Land protection keeps costs down because protected land sells at its value as working farmland or working waterfront, not at its value for development. Some of this need is addressed by the Land for Maine Future (LMF) program, which is highly successful at what it does. Maine needs to expand those parts of LMF that target farmland and working waterfront, but it also needs broader programming that uses land protection more directly to help landowners reinvest in farming and fishing.

In the case of fishing, the compensation for protecting working waterfront can provide funds for investing in shoreside infrastructure such as holding and processing facilities. In the case of farming, it can allow the farmer to obtain funds to innovate, expand or diversify. The idea is to target resources for land protection on properties and people who — with new business planning services — are poised to reach new levels of success.

ACTION:

- A. Reinvest in the Land for Maine's Future (LMF) program, with a focus on those LMF efforts that protect farmland and working waterfront.
 - B. Create two new "Protection, Planning and Profits" (PPP) programs (one targeting farmland; one targeting working waterfront) that couple land protection with business planning to enhance the profits of farmers and fishermen.
 - C. Utilize land protection strategies as a way to remove financial barriers for incoming farmers or working waterfront owners and/or to help landowners who need to sell to do so in a way that retains the land in service to food production.
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ESTIMATED COST & FUNDING:

- A. This action would benefit from \$10 million of targeted funds within a larger LMF bond.
 - B. This action would utilize \$2.5 million in bond funding a year over 10 years as proposed in my **MAINE MADE** plan, to protect 60,000-75,000 acres and spur \$100 million in new economic activity annually.
 - C. This action would occur as a matter of program priorities (within A & B) with no extra cost.
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5. TECHNICAL ASSISTANCE & CAPITAL

Farms and fisheries are not just sectors we should support out of tradition, they are a competitive advantage with the potential to generate significant economic growth in the coming decade.

With so much happening within the food sector, there is increasing need for technical assistance and capital. These are not new areas for the state, which provides technical assistance in various forms and administers several loan funds.

In addition, the state since 2000 has sponsored the highly successful Farms for the Future (FFF) program, which couples individualized business planning with the opportunity for a farmer to secure a small grant to help implement that plan. Despite FFF's past success, the program has been underfunded even as farming has rebounded and the value of such a program is greater than ever.

ACTION:

- A. Re-energize and expand the Farms for the Future program. Consider how FFF might again be run as a State-NGO partnership, as was once done with great success.
- B. Create a Fisheries for the Future program that mimics FFF but focuses on wild fisheries and aquaculture.
- C. Provide grants for feasibility studies and business planning for infrastructure projects.
- D. Provide more low-interest loans in support of food-related infrastructure. This could be realized by restructuring, re-capitalizing, and re-naming the Ag Marketing Loan Fund. (See #2 above)
- E. Provide business planning services to food producers who are protecting their farmland or working waterfront. (See #4)
- F. Support private sector efforts to infuse capital into food-related business, including current efforts aimed at creating a new credit union that will serve farming and fishing in Maine as described in my **MAINE MADE** plan.

ESTIMATED COST & FUNDING:

- A and B. \$500,000 a year for 10 years—which could be provided through bond funding.
- C and D. These actions will be funded by costs outlined in section 2. Infrastructure.
- E. The cost of this action will be funded by costs outline in section 4. Land Protection & Land Access.
- F. There would be no additional cost to the state.

6. RESEARCH, DEVELOPMENT & TECHNOLOGY TRANSFER

A successful food future doesn't just lie with our farms and out at sea. By ensuring Maine's farmers and fishermen have access to research and development tools, they can continually innovate and adapt to meet new challenges.

As Maine rebuilds its food system, farmers, fishermen and other food entrepreneurs are often looking for the kind of services that can be provided by university researchers and/or Cooperative Extension and Sea Grant.

This includes production assistance, product testing, value-added processing, appropriate-scale technology (including biotech), support with food safety issues and ways to deal with the challenges of climate change and the long-term sustainability of our farms and fisheries. Such services are critical to the future growth of the food sector. And yet, Cooperative Extension and Sea Grant, which are partially funded by state dollars, have seen reduced funding for years, while the University of Maine does less work around farming, fishing and local food production than its role as a Land Grant and Sea Grant institution suggests it should.

The Maine Technology Institute has in recent years taken steps to advance innovation within farming and fishing, but more is warranted if Maine is to realize its potential in food production.

ACTION:

- A. Appoint (as vacancies arise) new trustees to the University of Maine System who—in addition to other qualifications—fully understand food system issues and will be strong advocates for food-related research, Cooperative Extension and Sea Grant.
- B. Work with the University of Maine to help ensure that Cooperative Extension and Sea Grant focus on the issues that are critical to the future of Maine food production and that adequate state resources flow to these needs.
- C. Direct MTI to continue to enhance R&D that supports sustainable farming, fishing, and local food production.

ESTIMATED COST & FUNDING:

- A. This would not require any state funding.
- B and C. These actions would not necessarily require new state funding, because with the right leadership, Maine could leverage more private dollars and federal dollars for these purposes.

7. FOOD SAFETY

One-size-fits-all food safety regulations put small and mid-sized farms and producers at risk. By finding the right balance between food safety and regulation we can protect and foster a strong diversified network of farms.

Food safety rules are a major concern for many food producers, and particularly for small and mid-sized producers, who often find rules overly burdensome and not well suited to operations of their size.

A lot of recent attention focused on FDA's rule making under the Food Safety and Modernization Act because FDA's first attempt resulted in proposed rules that would have devastated many Maine farmers.

Maine has, at times, crafted state rules that are friendlier to farmers than federal rules, and the federal government has allowed the state rules to govern (example: red meat inspection); but now a shortage of state inspectors puts this in jeopardy. Still other state rules (examples: poultry processing; shellfish sanitation) need to be examined and modernized.

ACTION:

- A. Undertake a comprehensive review of all state policies relating to food safety (including the Maine Meat Act, poultry exemptions, raw milk rules, shellfish sanitation, fish processing rules), with the goal of finding the balance between the need to protect public health and the desire to provide opportunity and flexibility to food producers.
- B. As part of that review, explore areas where Maine might take over the regulatory role (that would otherwise fall to the federal government), if it would benefit state's industries.
- C. Provide sufficient state resources, including inspectors and other staff, as needed, to better support food producers.
- D. Advocate strongly for appropriate federal food safety policies, with an immediate focus on the pending FMSA rules.

ESTIMATED COST & FUNDING:

A, B and D. These actions could be undertaken as part of general governmental functions without an outlay of new state dollars.

C. This action would require additional state resources to address the state's current under-investment in this critical piece of food infrastructure. Specific needs could be identified as part of the review in A and B.

8. FOOD INSECURITY

Maine's farms and fisheries play a key role to address food insecurity among Maine children and families. By increasing the accessibility of locally grown and produced food to Mainers of all incomes we can strengthen the economy and work to eradicate hunger.

Hunger and food insecurity are bigger issues in Maine than many people realize, with approximately 200,000 Mainers at risk of hunger⁴. Maine ranks 1st in New England in food insecurity⁵.

Though **MAINE MADE** outlines specific policies that will help working families improve their economic security, there will continue to be demand for food assistance.

State policy can help ensure as much food assistance as possible comes from local sources (Maine farms and fisheries), thus maximizing the overall economic benefits. There are also opportunities to better utilize funding available through various federal programs, such as funding for summer nutrition programs.

In Maine, only 17.5 percent of eligible children receive this support⁶, which means that we leave on the table millions of federal dollars that could be directed to local food producers, while serving needy persons.

ACTION:

- A. Participate actively in the rule-making process for the new SNAP incentives program (recently authorized by the Farm Bill), with the goal of helping to create a solid program in which Maine would enthusiastically participate.
- B. Expand Maine's involvement in efforts that help distribute more local food to needy populations (in summer nutrition programs, Senior Farm Share, and other such initiatives, and by expanding the number of farmers markets with EBT machines.)
- C. Re-examine state rules that hinder distributing seafood at food pantries or at farmers markets.

ESTIMATED COST & FUNDING:

None of these actions require new state funding. Action A could help attract millions of federal dollars into the state food economy, but would not require new state funding, nor would any of the remaining actions.

9. DAIRY SUPPORT

Maine's dairy farms are an essential part of our economy and our heritage. Together we can create an environment where Maine's dairy farmers can thrive and flourish for future generations.

Maine is a great place for dairy farming, given its cool climate and handy access to major markets. Yet federal policy has set the milk price paid to farmers below their cost of production for much of the last decade.

Recognizing the importance of dairy farming as an anchor in Maine's agricultural economy, the state in 2004 created the Dairy Stabilization Program ("Tier Program".)

From 2004 to 2011, this program helped Maine farmers, limiting the level of decline that would have otherwise occurred. During this period, Vermont lost more than half its dairy farms, while Maine lost 19 percent⁷.

But the program has been insufficiently funded since 2011, and Maine has since seen an increase in the number of farms going out of business. Beyond this, the newly-passed Farm Bill changes the game, by creating a new margin insurance program. Maine should again show its leadership, by crafting a state response to the new federal rules.

Meanwhile, Maine's dairy farmers need to actively explore various other strategies to help them thrive, which may include expansion, new innovations (such as robotic milkers), diversifying farm operations (perhaps by making value-added products or raising cattle for meat as well as milk) or diversifying income streams (for example, selling electricity made in a methane digester.) Beyond this, there may be a role for the state to play to help lower electricity costs for dairy farms.

ACTION:

- A. While retaining Maine's Dairy Stabilization Program, actively work with Maine's dairy sector to craft a new initiative tailored to current needs and opportunities, in light of the new Farm Bill.
 - B. Utilize other state programs (such as "Protection, Planning and Profits" and Farms for the Future outlined on pg. 7 and pg. 9) specifically to help dairy farmers expand, innovate and diversify.
 - C. Continue to advocate strongly for systemic changes in federal policy that would treat Maine farmers fairly.
 - D. Explore creative ways to help lower electricity costs by expanding renewable energy, taking advantage of federal or state efficiency programs and authorizing dairy farmers to pay off-peak rates.
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ESTIMATED COST & FUNDING:

A. By using the same model that is currently used by the Dairy Stabilization Program, costs would be covered through "the market" – with little or no drain on the General Fund.

B. Funding will be provided through resources accounted for in the Land Protection & Land Access and Technical Assistance and Capital sections of this plan.

C and D. There would be no additional cost to the state other than oversight and support.

10. CONSUMER EDUCATION AND MARKETING

Maine's farms and fisheries provide an abundance of quality, affordable food. By encouraging and educating consumers to buy local we can secure Maine's food future, not just in Maine, but throughout New England.

There are many great reasons to eat more local food, including the quality and freshness of the food itself; support for Maine's environment and rural communities; all the economic ripple effects of reinvigorated farms and fisheries.

Education is key to getting people to eat more local food and encouraging them to make healthier choices. Both of these goals can be achieved together.

The state should support educational efforts wherever practical. In addition, Maine needs a major marketing and branding program that includes products from both land and sea. For more than a decade the "Get Real, Get Maine" campaign has played a valuable role in educating and marketing to Maine consumers but, times have changed. It's essential that we think outside of the box and work together to develop a new program that is not only suited to meet today's needs and opportunities but also is focused on products from both land and sea.

ACTION:

- A. Support school-based education programming organized around local food and good nutrition.
- B. Launch new consumer education programming at public institutions, in concert with the new institutional buying program.
- C. Work in partnership with players along the entire value chain (i.e., Maine's food producers, processors, distributors, and retailers) to develop and then launch a new statewide marketing/branding program, one that is driven by current needs and opportunities—and that is focused not just on instate sales, but on establishing Maine's place helping to feed New England.

ESTIMATED COST & FUNDING:

- A and B. Undertaken with minimal state resources.
 - C. This action would utilize bonding accounted for through the "Maine Competitive Advantage Fund" as outlined in my **MAINE MADE** plan.
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11. TRAINING THE NEXT GENERATION

Maine's farming and fishing economy, legacy and future is dependent on fostering the next wave of Maine's food economy leaders.

If Maine's farms and fisheries are to realize their full potential, it is critical to give new entrepreneurs the training they need to succeed.

On the farming side, though the University of Maine has a solid Sustainable Agriculture degree program, and Maine Organic Farmers and Gardeners Association has for years inspired beginning farmers with its apprenticeship program and journey-person program, there has been a void between formal four-year degree and less-formal programming. **That is now changing, with the launch of Kennebec Valley Community College's associate degree program.**

On the fisheries side, there are no degree programs designed to train practitioners and no organized apprenticeships other than modest programs in lobstering and aquaculture.

A new multi-high school program for future fishermen has been launched in eastern Maine.

MAINE, OF ALL STATES, SHOULD ENSURE TRAINING AND AFFORDABLE ENTRY SO THAT FUTURE FISHERMEN ARE READY FOR THE RESPONSIBILITIES OF A 21st CENTURY FISHERY.

Sea Grant and Cooperative Extension, as well as several nonprofit organizations, have played roles in helping train fishermen and farmers and these entities could play an even larger role in the future. Training and education needs to go beyond the skills necessary to farm or fish. It also includes business skills and entrepreneurship. Developing entrepreneurs dedicated to the food sector is key to long-term success.

ACTION:

- A. Support relevant agricultural educational programs at KVCC and elsewhere, as appropriate.
 - B. Pursue the development of educational programs in both wild fisheries and aquaculture.
 - C. Encourage the development of organized apprenticeships for both wild fisheries and aquaculture.
 - D. Stress business skills and entrepreneurship in training programs.
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ESTIMATED COST & FUNDING:

Each of these actions could be undertaken through funding partnerships that may not require any state funds, just as KVCC jump-started their new degree program with a combination of federal funds and philanthropic dollars.

¹ "A New England Vision, " Brian Donahue, et al, Food Solutions New England, <http://www.foodsolutionsne.org/sites/foodsolutionsne.org/files/media/LowResNEFV.pdf>

² Maine Farmland Trust, <http://www.maineFarmlandtrust.org/about-maine-farmland-trust/>

³ The Island Institute, "The Last 20 Miles: Mapping Maine's Working Waterfront," May 2007.

⁴ Good Shepherd Food Bank, <http://www.gsfb.org/hunger/>

⁵ Good Shepherd Food Bank, <http://www.gsfb.org/hunger/>

⁶ "Maine Compass: Maine's hungry children need their lawmakers," Mark Swann, Kennebec Journal, Feb. 6, 2014. http://www.centralmaine.com/2014/02/06/maine_compass_maine_s_hungry_children_need_their_lawmakers/

⁷ "To survive and grow, Maine farmers must keep innovating," John Piotti, Bangor Daily News, June 13. 2014. <http://bangordailynews.com/2014/06/13/opinion/to-survive-and-grow-maine-farmers-must-keep-innovating/>