

OLYMPIA J. SNOWE
MAINE

154 RUSSELL SENATE OFFICE BUILDING
(202) 224-5344

Web Site: <http://snowe.senate.gov>

DEPUTY WHIP

United States Senate

WASHINGTON, DC 20510-1903

COMMITTEES:
COMMERCE, SCIENCE, AND
TRANSPORTATION

OCEANS, ATMOSPHERE, FISHERIES AND
COAST GUARD SUBCOMMITTEE

FINANCE

INTELLIGENCE

RANKING MEMBER, SMALL BUSINESS

March 26, 2010

The Honorable Daniel K. Inouye
Chairman
Senate Appropriations Committee
S-131 The Capitol

The Honorable Thad Cochran
Ranking Member
Senate Appropriations Committee
S-146 A The Capitol

The Honorable Herb Kohl
Chairman
Senate Subcommittee on Agriculture,
Rural Development & Related Agencies
184 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Sam Brownback
Ranking Member
Senate Subcommittee on Agriculture
Rural Development & Related Agencies
184 Dirksen Senate Office Building
Washington, DC 20510

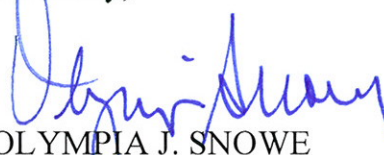
Dear Senators Inouye, Cochran, Kohl, and Brownback,

I am writing to request your support for funding in the Fiscal Year 2011 (FY2011) Agriculture, Rural Development and Related Agencies appropriations bill for programs and projects that are important to Maine. A description of these requests in alphabetical order by organization follows.

I certify that neither I nor my immediate family members has a pecuniary interest in the congressionally directed spending items that we have requested, consistent with the requirements of paragraph 9 or Rule XLIV of the Standing Rules of the Senate. I further certify that I have posted a description of the items requested on my official website, along with the accompanying justification.

Once again, thank you for your time and consideration. Please feel free to contact my staff with any further questions.

Sincerely,



OLYMPIA J. SNOWE
United States Senator

AUBURN
TWO GREAT FALLS PLAZA
SUITE 7B
AUBURN, ME 04210
(207) 786-2451

AUGUSTA
40 WESTERN AVENUE, SUITE 408C
AUGUSTA, ME 04330
(207) 622-8292

BANGOR
ONE CUMBERLAND PLACE, SUITE 306
BANGOR, ME 04401
(207) 945-0432

BIDDEFORD
227 MAIN STREET
BIDDEFORD, ME 04005
(207) 282-4144

PORTLAND
3 CANAL PLAZA, SUITE 601
PORTLAND, ME 04101
(207) 874-0883
MAINE RELAY SERVICE
TDD 1-955-3323

PRESQUE ISLE
169 ACADEMY STREET, SUITE 3
PRESQUE ISLE, ME 04769
(207) 764-5124

Aroostook County Empowerment Zone, Aroostook County, Maine – \$1,000,000.

The USDA Rural Development Program designated a large portion of Aroostook County, Maine, as a Round III Empowerment Zone in January 2002. Despite the fact that Empowerment Zones must be reauthorized, which the Senate approved, the legislation is currently pending in the House. As a Round III Empowerment Zone, Aroostook County is able to secure critical funds to address Northern Maine's distressing pattern of out-migration. Funds from the Rural Development Program are used to develop and implement the region's long-term strategic plan.

The closure of Loring Air Force Base in 1994, which caused the immediate outmigration of 8,500 residents from Aroostook County, has rendered economic development of the area extremely difficult. The effect of this initial exodus from the area was to cause further outmigration of families and businesses that depended on Loring as their customer base. Census figures show that Aroostook County lost 15 percent of its population between 1990 and 2000.

The Northern Maine Development Commission, other economic development organizations, and the private sector in Aroostook have joined forces to stabilize, diversify, and grow the area's economy. This region's continued designation as an Empowerment Zone is vital to its future economic survival. Funding is crucial to ensuring that the ACEZ Strategic Plan is updated and remains in compliance with Empowerment Zone regulations.

Bethel Area Retirement Committee, Green Affordable Senior Housing: Creating Walkable - Livable Neighborhood Options, Bethel, Maine – \$2,868,000.

The Bethel Area Retirement Committee (BARC) has completed two professional Feasibility Studies that document the need for affordable retirement housing for active independent retirees, congregate and assisted living, and memory loss residents. These studies show there is an existing full occupancy local market capacity for 24 active independent retiree cottage homes, 50 congregate and assisted living apartments, and 10 memory loss apartments. There is additional market capacity when considering the potential out of area market.

This request would fund the construction of the Bethel Area Retirement Village, a Senior Retirement Neighborhood within walking distance of Bethel Village. The project provides 160,000 work-hours (76 work years) of skilled construction jobs during the first two phases, and 20 to 30 permanent full time jobs (skilled care and administrative) during operation. The 30 unit Village Apartment Residence (congregate and assisted living) and all active independent retiree cottage clusters

use leading technology wood pellet heating systems for a green carbon neutral heating solution which would be locally provided and serviced. The assisted living facility includes a memory loss unit – the first in the region. There are few residential alternatives for Bethel area retirees, no local assisted living services, and no support for memory loss residents in the entire region. Residents with these retirement needs are faced with leaving their families, friends, and community to find the services they need.

Maine Department of Agriculture, Potato Marketing Improvement Fund, Presque Isle, Maine – \$2,000,000.

This project will provide Maine Potato Growers with the financial tools necessary to comply with Maine Chapter 587 rules regarding In-Stream Flows and Lake and Pond Water Levels, to make investments in equipment for the efficient application of supplemental irrigation water, and will be administered by the PMIF program in Maine through the Maine Department of Agriculture. The State of Maine has invested over \$3.4 million over the last three years, which has led to improved water conservation, less environmental impact due to water withdrawals, and a more competitive and therefore stable industry.

Maine Department of Marine Resources - Bureau of Sea Run Fisheries and Habitat, Penobscot River Restoration Project, Augusta, Maine – \$2,000,000.

To implement eco-system wide restoration of Penobscot River, the funding request will support ancillary needs that will improve economic opportunities for business along the river and benefit endangered species. For example, the removal of the Great Works Dam and impoundment in Old Town, Maine, will eliminate the process water source for the Old Town Fuel and Fiber pulp mill, which currently employs 200 people. Under a federal (DOE) grant, the mill is developing commercial scale biofuel production from pulping by products. The mill has historically been a pulp mill and this is still one component of its operations today. As a result of two years of engineering work, the Penobscot River Restoration Trust and the mill have agreed upon the design for a replacement water intake system that will cost an estimated \$5.5 million. This system consists of pumps located in the mill that will pump water directly from an in-river structure.

The \$2 million will be matched by state jobs/economic bond and Maine energy efficiency funding and state River bond and other sources to meet the total need of \$5.5 million. This is an excellent opportunity to leverage both economic/community development and natural resource goals by helping secure a

more energy efficient intake system designed to be safe for fisheries including endangered Atlantic salmon and other sea-run fish.

Maine Public Broadcasting Network, Grants to Broadcasting Systems Program, Bangor, Maine – \$2,000,000.

The purpose of the Grants to Broadcasting Systems Program is to demonstrate that rural public television stations can be instrumental in delivering services and specialized programs to audiences in rural areas. This program ensures that the eligible public broadcasting systems located in rural areas are able to research, develop, produce, promote, and broadcast programming which specifically addresses the rural concerns and issues of its audiences.

The program fulfills an important part of USDA's Rural Development mission by specifically addressing rural issues that impact a number of states throughout the nation. Through the programs and materials that have been produced, citizens have received a wide variety of indispensable information that has imparted a better understanding of issues of importance in their states and regions. Eligibility is limited to four public broadcasting systems: Maine, Vermont, Alaska, and North Dakota. Eligibility is defined in the statute as "statewide, private, non-profit public television systems whose coverage is predominantly rural."

Maine Rural Partners, Rural Innovation Network, Orono, Maine – \$248,000.

This project will enable rural community development practitioners to collaborate using online networking and discussion tools, directories of existing projects and recommended resources, conference scheduling calendars, and success stories.

These tools will reduce wasted and duplicated efforts and to the fullest extent possible, the site will collect information from existing workflows. Practitioners have repeatedly requested these tools during outreach efforts since 2004.

Community development practitioners from a variety of sectors say that better tools are needed to help them share their findings with colleagues – and even simply to find the appropriate colleagues to approach with a particular concern. In the field, additional assistance is also needed to keep track of their colleagues' great success stories, as well as the grant opportunities and resources that could help them replicate these successes.

Rural Water Circuit Riders, Rural Water Grassroots Source Water Protection, and USDA Rural Water Grants and Loans; Support Requested by the Maine Rural Water Association (MRWA), Nationwide – \$671,890,000.

USDA Circuit Riders provide much-needed on-site technical assistance and aid Maine communities in compliance with the Safe Drinking Water Act. Ensuring that Maine rural water systems are in compliance with the Safe Drinking Water Act reduces the threat to public health. This includes not only the protection against disease, but also increased security to Maine drinking water supplies. USDA Source Water Protection and Groundwater Protection Initiatives encourage rural communities to work together in an attempt to identify threats to the water supply and take preventative protection actions. Protected water supplies not only safeguard the precious resource, but it also eliminates costly clean ups. Source Water Protection plans focus on the protection of Maine's resources from non-point source runoff. The economic viability of rural communities is directly related to its water supply and sanitation. To overcome their lack of density, rural communities have turned to USDA water loans and grants to build or extend water systems and repay the loans at reasonable rates and terms. Without this assistance, they could not construct new systems, expand existing ones, or comply with mandates. With new infrastructure, water and wastewater systems are able to come into compliance, therefore decreasing the number of MCL violations and affording better protection of public health.

Resources First Foundation, RFF Websites: Privatelandownernetwork (PLN), Conservationtaxcenter (CTC),California and Mississippi state sites, Yarmouth, Maine – \$300,000.

RFF websites are the largest source of conservation information on both federal and state programs on the internet. Importantly they include the largest compendium of non-public service providers in the US, every Ag extension office, every Conservation District, every Land Trust, over 1,000 attorneys, over 2,000 consulting foresters, clean fuel, green building, and energy conservation service providers. The sites drive business to the businesses serving rural America. Many government agencies use the sites and refer landowners to them. Many FWS Partners offices refer landowners to PLN on a daily basis. Traffic to the sites has doubled every year since 2003.

The sites are more effective than any federal or state sites. They are free to public viewers and cost one-tenth of federal funding of comparable sites. The sites are free market, non-advocacy, and serve to drive business to businesses serving rural America, and support jobs across our rural economy. RFF sites provide one stop shopping for every program relating to land conservation, community supported agriculture, clean fuels, energy conservation, and green building. With the federal

budget constraints and 48 of 50 states facing huge deficits, an easy, cost effective mechanism is needed to encourage conservation stewardship across rural America. RFF websites are the leading national internet provider of Conservation information, and a Maine success story of national repute.

Town of Sanford, Maine, CGA Site, Sanford, Maine – \$802,000.

Funding would clean up the remains of a defunct recycling business contaminating the soil and threatening groundwater in a rural area. The contamination is concentrated on four acres of a 17-acre parcel and includes 4,000 tons of shredded circuit boards, a building, and an underground storage tank. It is estimated that removing the debris will take approximately 540 dump truck loads. Cleaning up the surface contamination will make the site eligible for EPA Brownfields funding to remediate copper that has leached into the soil. No contamination has yet been detected although the site is within 1,000 feet of a well field of the Sanford Water District.

In sequence: the surface contamination will be removed, after which the town will seek Brownfields funding to remove underlying contamination. Cleanup under the Brownfields program will be followed by redevelopment of the site. Possibilities of redevelopment include expanded hiking trails and other passive recreation, workforce housing, sustainable agriculture programs involving the Sanford Regional Vocational Center or York County Community College.

Sustainable Bioplastics Council of Maine, Bio-based Plastics, Bangor, Maine – \$1,250,000.

The Sustainable Bioplastics Council of Maine (SBCoM) – a consortium of manufacturers, the University of Maine, and nonprofits – has raised \$2 million over the past 3 years to advance the R&D of bioplastics made from Maine potatoes and forest biomass. They seek funding to complete research and development of a production-ready technology that will allow for the commercialization in Maine of the rapidly-growing bioplastics industry. The aim is to position Maine to attract \$160 million in capital investment, which will create over 2,500 jobs in manufacturing, construction and related fields, with the potential to generate over \$250 million annually in economic benefits to Maine. Maine's manufacturers like Aroostook Starch, Co., True Textiles, Inc., Rynel, Inc., and Tom's of Maine will commercialize products made from bioplastics in an effort to grow their business and expand this emerging industry.

University of Maine, Wood Utilization Research, Orono, Maine – \$7,000,000, of which \$720,000 would come to the University of Maine.

The Wood Utilization Research program is the only funding mechanism that exists to support university-based wood utilization research. There are no other competitive grant programs focused on utilizing wood as a material, and no other special grants to support the types of wood research that are vital to the country. The University of Maine is one of twelve universities to be awarded a Wood Utilization Research special grant. In fact, the University of Maine has assumed the lead position among the wood utilization universities. These competitive grants are used to generate the new knowledge and technologies that are necessary to balance the sustainable use of our Nation's forest resources with the need to maintain a vigorous, competitive, domestic forest products industry.

A 2006 Government Accountability Office (GAO) report highlighted the importance of research at Universities on wood utilization, pointing out that this research addresses a national need. Wood utilization researchers are currently at the forefront in using wood to develop: bio-based liquid fuels, lightweight high performance wood hybrid composites, and low cost, high strength carbon nanotubes and nanocomposites. More wood is used each year in the United States than all cement, steel, and plastics combined.

University of Maine, National Cold Water Marine Aquaculture Center Construction, Orono, Maine – \$1,500,000.

The Agricultural Research Service (ARS) of USDA is working to build a national finfish aquaculture research center in Franklin and Orono, Maine. When completed, the ARS scientists will focus on finfish industry challenges relating to: Genetic Improvement (genetics, genomics, and breeding); Growth and Development (physiology and nutrition); Finfish Health (pathology and immunology); and Sustainable Production Systems (engineering, sensors and containment). The University of Maine aquaculture facilities at Franklin are completed and a research team is in place. An additional \$7.5 million is required to design and begin construction of the Aquaculture Research facility in Orono.

Between 1975 and 2005, aquaculture's contribution to the global seafood supply rose from a modest 7% to almost 40%. While aquaculture is now the fastest growing segment of U.S. food production, the United States ranks only tenth in the world in aquaculture production. Actions must be taken to accelerate the growth of sustainable U.S. aquaculture, and to reduce the enormous trade deficit attributable to imported seafood. The U.S. is the second largest seafood market in the world and currently it imports roughly 70% of the seafood that its people

consume. Farm-raised fish account for more than 50% of imports, leading to a trade deficit in the region of \$9 billion.

University of Maine, Vaccines to Prevent Aquatic Animal Diseases, Orono,

Maine – \$500,000. Vaccines and other bioreactor products form a vital part of the U.S. aquaculture industry, yet the U.S. lacks a dedicated cold-water vaccine and aquaculture bioreactor center. Maine has several aquaculture biotechnology companies and a good track record in developing fish vaccines at the University of Maine. This project will establish a bioreactor facility at UMaine to conduct unique research to improve the health and welfare of aquaculture and restocked fish, and provide an effective means for treating regional, farm specific strains of pathogens. It would create also a collaborative economic benefit to Maine's aquaculture and biotechnology industries in terms of research synergies, intellectual property rights, spin off companies and economic development.

The \$500,000 requested to support development of a Maine aquaculture bioreactor facility. This would consist of a refurbished 500 square foot laboratory, to USDA specifications, to house four bench top continuous bioreactors and a member of technical staff to run the unit. Such a unit would provide a unique facility of national importance to the aquaculture economy of Maine as well as providing a center of excellence for fish vaccines and microalgae byproducts in the U.S.

University of Maine, Federal Base-Funded Support for Agriculture and Forestry Research – Hatch Act, Orono, Maine – \$240,000,000.

Federal base formula funding for this program blends with state support to provide the critical foundation for research in agriculture, forestry, and related areas by the Maine Agricultural and Forest Experiment Station. The overarching goal of this research is to improve the quality of life for Maine people by enhancing the profitability and sustainability of Maine's natural-resource-based industries and by protecting Maine's environment and the health of its citizens. As part of the nationwide federal/state partnership with the USDA's National Institute of Food and Agriculture, Maine scientists also work with colleagues at other state experiment stations to pool resources and integrate activities to solve problems that extend beyond state borders.

University of Maine, New England Invasive Plant Center, Biddeford, Maine – \$2,000,000.

The Center's objectives include developing non-invasive sterile landscape plants, assessing the ecological impact of invasive plants, assessing the economic impact

of invasive species in New England, developing alternative native crops, and public education and outreach. Noxious invasive plants cause losses of at least \$35 billion per year to the U.S. economy, a figure that is increasing at a rate of 10 percent annually. In Maine, aquatic invasive plant species threaten drinking water systems, recreation, wildlife habitat, lakefront real estate, and fisheries. Plants, such as Variable Leaf Milfoil, are crowding out native species and diminishing recreational opportunities for swimmers and boaters.

The University of Connecticut, the University of Vermont, and the University of Maine have established a multi-state, interdisciplinary Center for Invasive Plants. The Center develops novel strategies to manage problems caused by invasive plants that are economically and environmentally damaging to the Northeastern U.S. and to the nation as a whole.

University of Maine, Federal Base-Funded Support for Agriculture and Forestry Research--McIntire-Stennis Cooperative Forestry, Orono, Maine – \$35,000,000.

Federal base formula funding for this program blends with state support to provide the critical foundation for research in forestry, forest products, and related areas by the Maine Agricultural and Forest Experiment Station. The overarching goal of this research is to improve the quality of life for Maine people by enhancing the profitability and sustainability of Maine's natural-resource-based industries and by protecting Maine's environment. As part of the nationwide federal/state partnership with the USDA's National Institute of Food and Agriculture, Maine scientists also work with colleagues at other state experiment stations to pool resources and integrate activities to solve problems that extend beyond state borders.

University of Maine, New Potato Varieties for Environmental and Economic Sustainability in the Northeast, Orono, Maine – \$2,200,000.

This project works to bridge the gap between research trials and commercial production, including handling and storage conditions, and managerial adjustments on the part of the commercial growers needed when adopting a new variety. Promising new potato varieties developed by Maine, USDA, New York, and other breeding programs are tested at multiple locations in the eastern United States and Canada to determine their performance under different conditions. The goal is to identify new varieties that grow well in Maine and other areas of eastern North America to which Maine supplies seed potatoes. Late blight and other pests have had disastrous effects on the North American potato industry in recent years.

Improved pest resistance is the most effective, long-term approach for avoiding disease problems and decreasing the industry's reliance on foliar fungicides. Potatoes are an important crop for Maine and our economy. The Maine potato industry needs new potato varieties that combine excellent quality with high yields and pest resistance. While genetic engineering offers advantages in specific areas of crop improvement, most of the potato industry's needs are met through conventional potato breeding and selection.

University of Maine, ARS Shellfish Breeding, Orono, Maine – \$4,300,000.

Shellfish aquaculture is a sustainable industry that provides environmental benefits in coastal waters by improving water quality, removing excess nutrients, and providing critical habitat for juvenile fish and invertebrates. However, wide ranging environmental conditions and diseases can wipe out whole crops in months. The proposed Shellfish Breeding Center would enable shellfish geneticists to employ newly developed genetic tools to greatly accelerate selective breeding efforts to develop strains that survive longer, grow faster, and have improved production traits.

New England's eastern oyster production has been in decline since the early 1900's, and has reached a critical low with current production at less than 10% of recorded historic highs. The eastern oyster industry supported a \$48 million harvest in 1992, and has since plummeted to a mere \$3 million in 2004. The dramatic decline in local oyster production is due to habitat destruction, over-fishing, and the proliferation of various diseases such as JOD, Dermo, and MSX. Current facilities for safeguarding, reproducing, and marketing eastern oysters are profoundly lacking. Additional federal funding for the project would allow completion of field trials and the securing of vital equipment and hatchery space, as well as the lab infrastructure needed to identify and develop more pristine oyster lines for local fisheries.

To revitalize and support this struggling industry, the University of Maine's Darling Marine Center (DMC), the premier site for shellfish aquaculture research in Maine since 1965, has joined with universities and institutions in five other states to propose the ARS SHELLFISH BREEDING CENTER, aimed at developing selectively-bred oysters with improved growth and disease resistance.

University of Maine, Sustainable Production and Processing Research for Lowbush Specialty Crops, Orono, Maine – \$275,000.

Maine is the number one producer of Wild Blueberries in the world and the primary US producing state. Both the 2008 and 2009 crops equaled about 90

million pounds each with a market value of over \$150 million of processed product. Maine lowbush wild blueberry research brings together faculty expertise in food science, food process engineering, entomology (both insect control and pollination), disease management, plant nutrition, weed management, and extension education to help increase economic and environmental sustainability of Maine's wild blueberry industry.

Objectives of this research includes: minimizing reliance on pesticide use by developing strong integrated crop management programs, optimizing low bush blueberry water and nutritional requirements, determining potential health benefits of wild low bush blueberries; continual improvement in processed product quality, food safety, health benefits of consumption, and value-added food processing. The management of Wild Lowbush Blueberries is like no other cropping system in that native plants, many of them decades old, are managed for human consumption on a two year cropping cycle. This cropping system is unique and different from cultivated blueberry management.

The majority of the industry is located in an otherwise economically challenged area of Maine. Washington County is considered to be one of the most economically distressed areas of the State of Maine and has a poverty rate at 20.1% and both Washington and Hancock counties have high unemployment at 13.4% and 12.2% respectively.

University of Maine Cooperative Extension, Potato Integrated Pest Management, Late Blight, Orono, Maine – \$600,000.

Potatoes are the top agricultural commodity in the State of Maine with a total economic value to the state of over \$500 million dollars and employing over 6,000 individuals. The University of Maine Cooperative Extension's Potato Integrated Pest Management program impacts approximately 56,000 acres of potatoes. The program will employ 26 program aides, maintain nearly 150 specialized insect traps, coordinate a statewide network of electronic weather stations, and survey 125 potato fields on a weekly basis for weeds, insects, and diseases. The data produced will help IPM scientists track potential pest outbreaks and helps provide growers with current information on specific and timely treatments in order to minimize the number of pesticide applications and maximize potato yield. This important information is then reported in specific detail to the individual growers and reported regionally back to the industry so that informed pest management decisions are made.