



Testimony of

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Before the Committee on Agriculture, Conservation and Forestry Against LD 993 – An Act to Facilitate Stakeholder Input Regarding Forest Policy in Maine

Monday, March 20, 2023

Senator Ingwersen, Representative Pluecker and members of the Committee on Agriculture, Conservation and Forestry, my name is Dana Doran, and I am the Executive Director of the Professional Logging Contractors of Maine. The Professional Logging Contractors of Maine (PLC), which was formed in 1995, is the voice of Maine's logging and trucking industry.

As of 2021, logging and trucking contractors in Maine employed over 3,000 people directly and were indirectly responsible for the creation of an additional 2,500 jobs. This employment and the investments that contractors make contributed \$582 million to the state's economy. Our membership, which includes 200 contractor members and an additional 120 associate members, employs more than 75% of the individuals who work in this industry and is also responsible for 80% of Maine's annual timber harvest.

The logging industry in Maine was in the midst of a resurgence until the onset of COVID 19 and the digester explosion at the Jay mill in 2020. As a result of mill closures, curtailments and inflation created by the response to COVID 19, we are estimating that Maine has lost 30% of its harvesting capacity since 2020. In just four years, the industry has shrunk from an annual economic impact of \$620 million to \$582 million and total jobs have been reduced from 9,000 to 5,500.

Similar to LD 1549 from the 1st session of the 130th Legislature, which was vetoed by Governor Mills, LD 993 is a carbon copy of the version that was sent to the Governor's desk. We were not supportive of that effort and we are not supportive now. Oversight of the Maine Forest Service from the Legislature's purview is the responsibility of this Committee and should remain as such.

LD 993 will not bring markets back to the state, it will not help contractors pay their bills and it will not attract new workers to the industry. In fact, legislation like this will likely have the opposite effect, serving as a deterrent to new investment in the state.

LD 993 would also set a dangerous precedent for the day-to-day management of policy within state government. There are no examples of permanent oversight committees in the Executive Branch that are solely controlled by appointments from the Legislature. The Department of Agriculture, Conservation and Forestry has 22 Boards and Commissions, and none of them are directly appointed by the Legislature.

With this in mind, we would like to propose an alternative for this committee's consideration, which

is attached to my testimony. We are more hopeful that something similar to what we are proposing could be created which would lead to positive growth for our industry.

Currently, there is no centralized organization within the executive branch whose sole mission is to work on behalf of the forest products economy. Competitors to Maine, such as Wisconsin, Michigan, Minnesota, and Oregon all have dedicated organizations within their executive branch of state government, whose mission is to promote, develop and work on behalf of the industry in a bi-partisan manner with input from industry, education, non-governmental organizations, and policymakers.

The state of Maine has a precedent for setting up similar organizational structures such as the Governor's Office for Planning, Innovation and the Future, the Governor's Energy Office, Efficiency Maine Trust, the Maine Office of Tourism, and the Maine Technology Institute. However, to date, perhaps because of commanding market presence, Maine has not needed to divert a significant amount of time and resources to this kind of structure.

The Maine Forest Service is a regulatory agency that enforces Maine law and acts as a resource for landowners, but it is not organized, nor does it have a mission or resources to encourage growth or development in the industry. The Department of Economic and Community Development is a logical organization for this type of work, as it has oversight and connection to previously created promotional and development authorities such as the Maine Office of Tourism, the Maine Technology Institute and the Maine and Company.

As you will note in the attached, the Council will:

- Pursue the sustainable management, use, and protection of the Maine's forest resources to achieve the state's economic, environmental, and social goals.
- Develop recommendations and goals to increase the economic development of the forest industry and employment in the forest industry.
- Encourage cooperation and collaboration between public and private sectors in the management of the state's resources.
- Identify forest resource issues, concerns and impacts.
- Recognize the broad array of perspectives regarding the management, use, and protection of the state's forest resources, and establish processes and mechanisms that seek these perspectives and incorporate them into planning and management.

If this committee wants to do anything, it should take a hard and fast look at what we have proposed in this alternative. The Legislative branch can still have a role in reviewing the work of this independent authority.

The independent authority within the Executive Branch will develop recommendations to the governor, state agencies and the legislature with respect to forest resource policies and practices that result in the sustainable management, use, and protection of the state's forest resources in furtherance of the Maine economy. We hope that you agree with this assessment and consider what we have offered as a potential alternative pathway.

Thank you for the opportunity to provide the opinion of our membership before you today and I would be happy to answer any questions you may have.

MAINE FOREST RESOURCES ADVISORY COUNCIL

1. Purpose

This act establishes a Maine Forest Resources Advisory Council as an independent advisory organization of the Executive Branch in order to develop recommendations to the governor, state agencies and the legislature with respect to forest resource policies and practices that result in the sustainable management, use, and protection of the state's forest resources. The Council will:

- Pursue the sustainable management, use, and protection of the Maine's forest resources to achieve the state's economic, environmental, and social goals.
- Develop recommendations and goals to increase the economic development of the forest industry and employment in the forest industry
- Encourage cooperation and collaboration between public and private sectors in the management of the state's resources.
- Identify forest resource issues, concerns and impacts
- Recognize the broad array of perspectives regarding the management, use, and protection of the state's forest resources, and establish processes and mechanisms that seek these perspectives and incorporate them into planning and management.

2. Membership.

The governor must appoint a chair and 15 other members to the Maine Forest Resources Council. When making appointments to the council, the governor must appoint knowledgeable individuals with an understanding of state forest resource issues who reflect a balance of the various interests in the sustainable management, use, and protection of the state's forest resources.

The council membership must include the following individuals:

- 1) a representative from an organization representing environmental interests within the state;
- 2) a representative from an organization representing the interests of management of game species;
- 3) a representative from a conservation organization;
- 4) a representative from an association representing the forest products industry within the state;
- 5) a representative from an association representing timber harvesting within the state;
- 6) a representative from a statewide association representing landowners;
- 7) a faculty or researcher of a Maine research or higher educational institution;
- 8) an owner or representative of industrial, private forest land;

- 9) a representative of the biomass electric industry;
- 10) the State Forester or his/her designee;
- 11) a representative of a Maine sawmill;
- 12) a representative of a pulp and paper manufacturer;
- 13) a representative of pellet manufacturing;
- 14) a representative of secondary wood products manufacturing;
- 15) a representative of bio-based manufacturing
- 16) chair; and

3. Council meetings.

At a minimum, the council shall meet four times each year and shall also meet on the call of the chairperson of the council or on the call of a majority of its members. The council shall meet at such locations within this state as may be designated by the chairperson of the council or by a majority of its members. The meetings of the council and all the committees, task forces, technical teams, regional committees, and other groups the council may establish must be conducted in public. Except where prohibited by law, the council must establish additional processes to broaden public involvement in all aspects of its deliberations.

4. Council staff.

The council shall employ an executive director who shall have the authority to employ staff. Technical expertise that will enable the council to carry out its functions must be provided to the council by those interests represented on the council.

5. Membership

Membership terms.

An appointment will be made by the Governor in the manner provided in Maine statute. The terms of the members of the advisory councils and committees shall be four years. The terms of one-half of the members shall be coterminous with the governor and the terms of the remaining one-half of the members shall end on the first Monday in January one year after the terms of the other members. If there is an odd number of members, the smallest possible majority of the members shall have terms coterminous with the governor. If the number of terms which can be served by a member of an advisory council or committee is limited by law, a partial term must be counted for this purpose if the time served by a member is greater than one-half of the duration of the regular term. If the membership is composed of categories of members from occupations, industries, political subdivisions, the public or other groupings of persons, and if the categories as specified in statute have two or more members each, the appointing authority shall appoint as nearly as possible one-half of the members in each category at each appointment date. Members may serve until their successors are appointed and qualify. If a successor has not been appointed by the July 1

after the scheduled end of a member's term, the term of the member for whom a successor has not been appointed shall be extended until the first Monday in January four years after the scheduled end of the term.

Removal.

A member may be removed by the appointing authority at any time at the pleasure of the appointing authority. The chair of the advisory council or committee shall inform the appointing authority of a member missing the three consecutive meetings. After the second consecutive missed meeting and before the next meeting, the secretary of the council or committee shall notify the member in writing that the member may be removed for missing the next meeting. In the case of a vacancy on the board, the appointing authority shall appoint a person to fill the vacancy for the remainder of the unexpired term.

6. Biennial report.

The council must report to the governor, the Bureau of Forestry and to the legislative committees with jurisdiction over forest economy issues by February 1 of each odd-numbered year. The report must describe the progress and accomplishments made on the goals set forth by the council during the preceding two years. The report must also include a summary of each of the following:

- 1) The magnitude, nature, and extent of the forest resources in this state.
- 2) The current use in this state for forest products and the benefits that these forest products provide to the state.
- 3) The projected future demand for forest products and the projected benefits that these forest products will provide to the state in the future.
- 4) The types of owners and forms of ownership that apply to forests in this state, including the reasons why persons own forest land.
- 5) The success of existing incentives that are offered to stimulate the development of forest resources.
- 6) The possible economic opportunities in this state that may result in improved forest-product marketing, and increased business dealing in or use of forest products, occurs in this state.
- 7) Recommendations for increasing the economic development of the forestry industry and employment in the forestry industry.
- 8) The effect of state and local governmental laws and policy on forestry management and the location of markets for forest products.
- 9) Recommendations as to staffing and funding needs for forestry programs and other conservation programs related to forestry that are conducted by the state to support and enhance the development of forest resources.
- 10) Recommendations as to the need to increase the public's knowledge and awareness of forestry issues.
- 11) Other issues and recommendations that are relevant.