



**Testimony of
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Executive Director**

Before the Joint Standing Committee on Labor and Housing, In Opposition to LD 511, An Act to Clarify that Haulers are Under the Jurisdiction of the Logging Dispute Resolution Board

Tuesday, March 21, 2023

Senator Tipping, Representative Roeder and members of the Joint Standing Committee on Labor and Housing, 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) is a trade association that represents logging and associated trucking contractors throughout the state of Maine. The PLC was formed in 1995 to give independent contractors a voice in a rapidly changing forest 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.

Thank you for providing me the opportunity to testify on behalf of our membership in opposition to LD 511, An Act to Clarify that Haulers are Under the Jurisdiction of the Logging Dispute Resolution Board. While we respect the sponsor's intent, and the fact that he represents more than 50 of our members in his district, this bill has no support from our members in his District and no support from the rest of our membership in the state.

Like LD 1724 from the 130th Legislature, this bill was not created at the request of the logging and trucking industry, was not vetted with anyone in the industry and has no support from the industry. In 2022, LD 1724 was opposed by 26 logging contractors at the public hearing. Those same contractors are in opposition to LD 511, but they feel so disenfranchised based upon the activity that took place last year with respect to LD 1724, that they don't feel it's worth their time to voice their opinion again because it will be completely disregarded.

The bill before you is flawed and will only make a previously flawed statute even more so. No one will use the previously enacted statute, and no one will use this proposed addition.

Timber hauling contractors that work on a land base that is owned by a large landowner, in this case 50,000 acres or more, generally have contracts with land management companies or with the logging contractor that hired them to transport the wood. These land management companies and loggers have separate contracts with those landowners. There are only three landowners in the state that own 50,000 acres or more and contract directly with logging and trucking contractors (Irving, Acadian Timber and Weyerhaeuser). Thus, this bill will do virtually nothing for contractors throughout the state, except for those that work for one of these three landowners, because based upon the statute, there is no standing for them to bring a complaint.

LD 511 will also allow timber hauling contractors to bring a dispute to an open-ended dispute resolution board within the executive branch (Maine Labor Relations Board) of state government that has no experience with business issues and never will. The Maine Labor Relations Board (MLRB) is tasked with settling disputes of state workers and their union contracts but now has been given the authority to settle private contractual disputes between logging companies and landowners.

Resolution boards in the state of Maine (i.e. Maine Labor Relations Board, Maine Workers Comp. Board, Unemployment Commission, and the Maine Human Rights Commission) exist to hear disputes from employees, as does the MLRB. Logging and trucking business owners do not want a board with no experience and no statutory authority pertaining to business issues involved with their contractual disputes.

Other boards and commissions that do regulate industries (Maine Blueberry Commission, Maine Potato Board, Harness Racing Commission) oversee and regulate businesses, similar to the Maine Forest Service, but are not set up to hear their individual business disputes. Businesses do not have access to any type of resolution board in state government as their current means of recourse is the judicial court system, which is where it should remain.

There is already a dispute resolution system set up in the Maine Dept. of Ag., Conservation and Forestry, with the Maine Agricultural and Bargaining Board to hear disputes in this industry. The Maine Agricultural and Bargaining Board Act of 1973 was created so that agricultural businesses, including loggers and truckers, can form cooperatives. A cooperative, which is a group of similar businesses that join together for negotiation and sales purposes, can use the Maine Ag. Bargaining Board to settle disputes between Cooperatives and the businesses that they work with. Perhaps we should allow that statutory authority to work rather than creating something that no one will use.

As designed, the resolution Board has three members: a forest landowner that owns more than 50,000 acres, a logging or timber hauling contractor and the Chair of the State Board of Arbitration and Conciliation, except with one major caveat: the logging/timber hauling contractor will be chosen from a recommendation by the AFL-CIO (labor union). Why would logging and timber hauling businesses want to be represented by someone chosen by the AFL CIO, which is not involved in logging and doesn't represent business owners?

The bottom line is that no one on this Board represents the logging and trucking industry and no one from the industry wanted this solution in search of a problem last year and they don't want it this year either. We respectfully ask the Committee to listen to the industry and vote Ought Not to Pass.