

Testimony of

DANA A. DORAN Executive Director Professional Logging Contractors of the Northeast

Before the Joint Standing Committee on Appropriations and Financial Affairs on LD 798, An Act to Authorize a General Fund Bond Issue to Fund Mass Timber Manufacturing

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Senator Rotundo, Representative Gattine, and members of the Joint Standing Committee on Appropriations and Financial Affairs, my name is Dana Doran, and I am the Executive Director of the Professional Logging Contractors of the Northeast (PLC). The PLC is a regional educational non-profit organization that represents logging and associated trucking contractors throughout the Northeast, predominately in the state of Maine.

As background, the PLC was created in 1995 to give logging and associated trucking contractors a voice in a rapidly changing forest products 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 over 220 contractor members in the state of Maine and an additional 125 associate members, is responsible for more than 80% of Maine's annual timber harvest.

Thank you for providing me the opportunity to testify on behalf of our membership in support of LD 798, An Act to Authorize a General Fund Bond Issue to Fund Mass Timber Manufacturing. This bond could help provide new markets for logging contractors, which the state and the logging community is in desperate need of.

It is no secret that the forest products industry has been struggling. The cost of doing business has increased astronomically; equipment, parts, and labor cost increases have a been difficult burden for the industry. With the closing of pulp mills in Jay and Old Town as well as pine mills in Sanford and Hancock since 2020, there has been a significant reduction in markets. These losses of markets have led toa 40% decrease of the logging capacity in Maine.

The logging community needs new markets to replace the lost capacity. An increase in mass timber production would utilize a wide variety of softwood grades while also providing greater value for the timber we have in this state. Competition and value are key to profitability for contractors.

Expansion of mass timber would incentivize one of the most sustainable options for construction materials. As a renewable resource, wood products like mass timber store carbon, helping to mitigate the impacts of climate change, while providing an economic benefit to local rural economies in Maine.

Maine should be doing more to incentivize the usage of our forest products and passage of this bond would exhibit a clear intention of investment in mass timber technology and manufacturing. We live in the most forested state in the country, and by using wood harvested in Maine for long lived forest products, we can ensure that the state's forest resources are being managed responsibly while also fostering innovation and longevity within the industry.

Thank you for your consideration and I urge you to vote ought to pass on LD 798. I would be happy to answer any questions you might have.