



Maine Forest Products Council

The voice of Maine's forest economy

Testimony in Support of LD 416

“An Act to Authorize a General Fund Bond Issue for Research and Development and Commercialization”

April 24, 2023

Patrick Strauch, Executive Director

Good morning, Senator Rotundo, Representative Sachs and distinguished members of the Appropriations and Financial Affairs Committee. I'm Patrick Strauch of Exeter and I am here today to testify on behalf of the Maine Forest Products Council in support of LD 416, “An Act to Authorize a General Fund Bond Issue for Research and Development and Commercialization.”

The Maine Forest Products Council is an organization representing more than 300 members from all facets of the forest products industry. Members include paper mills, sawmills, loggers, truckers, foresters, panel manufacturers, biomass and pellet facilities and secondary manufacturers. We also have more than 8 million acres of dues paying members. Our industry contributes more than \$8.1 billion each year to the state's economy, and it supports more than 33,500 direct and indirect jobs.

As an industry, we have worked closely with the University of Maine and others focused on research and development and emerging technologies that further advance opportunities for the forest products industry. We have several members and industry partners that have been beneficiaries of previous MTI grants. These grants have supported projects in rural communities. Some examples include:

- In 2017, the MTI bond supported Pleasant River Lumber Company in Dover-Foxcroft with an award of \$4,226,000 towards a \$12 million project. This investment allowed the mill to expand and modernize its facility with the addition of a new planer mill, continuous dry kiln and a high-speed small log sawing line. These investments allowed the mill to process balsam fir and other smaller logs that lacked a sufficient market in Maine following the explosion at Pixelle in Jay.
- In 2020, the MTI bond awarded the Eastport Port Authority a \$307,500 award towards a \$938,516 project to allow the final full phase testing of a patented first-of-its-kind shipboard heat-treated system. This investment was the final phase of over \$10 million in investments made at this port to support exports for Maine's forest products industry.
- Also in 2020, the MTI bond awarded Twin Rivers Paper Company in Madawaska \$300,000 towards a \$19 million project to invest in paper machine 8. This investment enhanced the machine's capabilities and broadened the markets served by the mill.

Through strategic investments, the MTI bond has leveraged private funds to make our industry more resilient for future generations. For this reason, the Council strongly supports LD 416 and urges you to vote ‘Ought to Pass’. Thank you for your consideration. I would be happy to answer any questions the committee may have.

Companies represented on the MFPC Board

A & A Brochu Logging
American Forest Mgmt.
Baskahegan Co.
BBC Land, LLC
Columbia Forest Prod.
Cross Insurance
Family Forestry
Farm Credit East
Fontaine Inc.
H.C. Haynes
Huber Resources
INRS
J.D. Irving
Katahdin Forest Mgmt.
Key Bank
Kennebec Lumber
LandVest Inc.
Louisiana Pacific
Maibec Logging
ND Paper
Nicols Brothers
Pingree Associates
Prentiss & Carlisle
ReEnergy
Richard Wing & Son
Robbins Lumber
Sappi North America
Southern Maine Forestry
Stead Timberlands
St. Croix Tissue
St. Croix Chipping
TD Bank
Timber Resource Group
Timberstate G.
Wadsworth Woodlands
Wagner Forest Mgt.
Weyerhaeuser
Woodland Pulp