



STATE OF MAINE
DEPARTMENT OF ECONOMIC
AND COMMUNITY DEVELOPMENT

JANET T. MILLS
GOVERNOR

MICHAEL DUGUAY
COMMISSIONER

April 9, 2025

Testimony for Michael Duguay

**LD 798 "An Act to to Authorize a General Fund Bond Issue to
Fund Mass Timber Manufacturing"**

Senator Rotundo, Representative Gattine and members of the Appropriations and Financial Affairs Committee, my name is Michael Duguay and I am the Commissioner of the Department of Economic and Community Development. I am here today to offer testimony neither for nor against LD 798, "An Act to Authorize a General Fund Bond Issue to Fund Mass Timber Manufacturing." This initiative could result in significant investment in Maine's forest products industry, economic development, and sustainable building practices.

For decades, Maine has been at the forefront of research and development in the wood products industry. We have invested significant time and resources into exploring innovative ways to utilize our abundant timber resources. This bond gives the opportunity to take the next step – bringing that research to market and positioning Maine as a leader in mass timber manufacturing.

There is strong interest from companies eager to be the first CLT (cross-laminated timber) pioneers in Maine. Additionally, several notable projects across the state, including the Maine State Museum and the University of Southern Maine, have already incorporated this technology – sourcing materials from Europe due to cost advantages. Currently, it is less expensive to ship mass timber from Europe than to transport it long distances from the Pacific Northwest or the southern United States. This highlights a significant opportunity: Maine is in a prime location to supply the Northeast region efficiently. Not only do we have a long history in wood shipment, but timber companies have already invested in rail infrastructure, positioning us strategically to meet demand.



STATE OF MAINE
DEPARTMENT OF ECONOMIC
AND COMMUNITY DEVELOPMENT

JANET T. MILLS
GOVERNOR

MICHAEL DUGUAY
COMMISSIONER

The mass timber industry presents a transformative opportunity for Maine's economy. By funding the design and construction or retrofitting of mass timber manufacturing facilities, this bond issue will stimulate job creation, attract private investment, and reinforce Maine's position as a leader in sustainable forestry and innovative construction materials. Utilizing sustainably harvested Maine forest products ensures that this investment directly benefits local industries, creating a robust market for our timber resources while preserving responsible forest management practices.

Mass timber is gaining momentum as an environmentally friendly alternative to traditional construction materials such as concrete and steel. By supporting this initiative, Maine can capitalize on a growing sector that reduces carbon emissions, enhances energy efficiency, and promotes climate-conscious building practices. Investing in mass timber production aligns with Maine's broader goals of sustainability and economic resilience.

Furthermore, this bond issue will provide a crucial boost to the state's workforce development efforts. Expanding mass timber manufacturing will require skilled labor, fostering job training programs and educational partnerships that prepare Maine workers for high-quality, long-term employment opportunities in an evolving industry.

The competitive nature of the funding allocation ensures that the investment will be utilized effectively, maximizing the impact on Maine's economy. Additionally, leveraging state funds to attract private and federal resources enhances the potential return on investment, ensuring fiscal responsibility while advancing cutting-edge manufacturing capabilities.

Understanding the economic challenges we face; it is understandable that this committee will have to weigh the pros and cons carefully while deciding what the best investments for the future. I will do my best to provide any information the committee may need to make those decisions.

Thank you for your time and consideration.