



Maine Forest Products Council

The voice of Maine's forest economy

Testimony in Support of LD 1275

"An Act to Promote the Production of Natural Resources Bioproducts by Amending the Renewable Chemicals Tax Credit"

April 9, 2025

Patrick Strauch, Executive Director

Good afternoon, Chair Grohoski, Chair Cloutier, and members of the Taxation Committee. I am Patrick Strauch of Exeter, and I am here today on behalf of the Maine Forest Products Council to testify in support of LD 1275, "An Act to Promote the Production of Natural Resources Bioproducts by Amending the Renewable Chemicals Tax Credit."

For 65 years, the Maine Forest Products Council has served as the voice of Maine's forest economy, representing more than 300 members from all facets of the forest products industry. Our members include pulp and paper mills, sawmills, secondary wood processors, foresters, loggers and truckers. We also represent commercial landowners sustainably managing more than 8 million acres of forestland.

The Maine Forest Products Council is committed to encouraging the development and production of renewable wood-based biofuels and chemicals in Maine. The continued growth of these new products could benefit from financial assistance through the Renewable Chemicals Tax Credit if some simple changes are made to the program, as proposed by this legislation.

The credit currently requires that at least 75% of the employees of the contractors hired to harvest the renewable biomass that is used in the production of the renewable chemicals must be U.S. citizens. Harvesting contractors already have a difficult time finding workers in the state. Given the proximity of much of Maine's forest industry to the international border, the requirement is likely too restrictive, and it could limit program participation and success. Striking contractor residency requirement from the program, as proposed in LD 1275, simplifies the program to attract necessary investments that will diversify our industry, making rural Maine's communities more resilient.

Maine has a proud history of sustainability utilizing our natural resources to strengthen our economy and safeguard our future. We see real potential for innovations in renewable chemicals to provide much-needed demand for low-grade pulp while meeting sustainable chemicals needs now and into the future. For these reasons, I urge you to vote "Ought to Pass" on LD 1275. Thank you for your consideration.