



Solutions for a  
Toxic-Free Tomorrow

Testimony of Sarah Woodbury, Vice President of Policy and Advocacy, Defend Our Health  
In Support of LD 1275, "An Act to Promote the Production of Natural Resources Bioproducts by  
Amending the Renewable Chemicals Tax Credit." Before the Joint Committee on Taxation  
April 9, 2025

Senator Grohoski, Representative Cloutier and Members of the Taxation Committee. My name is Sarah Woodbury. I am the Vice President of Policy and Advocacy for Defend Our Health. Defend Our Health's mission is to make sure that everyone has equal access to safe food and drinking water, healthy homes, and products that are toxic-free and climate-friendly. I am here to testify in support of LD 1275, "An Act to Promote the Production of Natural Resources Bioproducts by Amending the Renewable Chemicals Tax Credit."

LD 1275 would amend LD 1698, "An Act to Create Jobs and Slow Climate Changes by Promoting the Production of Natural Resources Bioproducts," passed in 2019. The goal of the original bill was to create a tax credit for manufacturers of renewable chemicals made from renewable biomass, such as forest residues to help encourage companies to move away from fossil fuels when making their products. That bill represented a win for Maine workers, our rural mill towns, and the fight to slow climate change. That's the triple—bottom line hallmark of sustainable development.

The amendment put forward by LD 1275 removes language requiring that in order to benefit from this tax credit, taxpayers engaged in the production of renewable chemicals made from renewable biomass must demonstrate to the Department of Economic and Community Development that at least 75% of the employees of the contractors hired or retained to harvest renewable biomass used in the production of renewable chemicals meet the eligibility conditions specified in the Employment Security Law. Unfortunately, this requirement is keeping companies from applying and benefiting from the tax credit created in 2019.

Making this credit more accessible to manufactures means that Maine could attract new investment in biobased manufacturing. This investment would then create and retain good-paying manufacturing jobs and related jobs in logging and other services. Good manufacturing jobs will help strengthen Maine's rural economy, which has been stressed by mills closures in the pulp and paper sector, and will directly improve quality of life, public health and well-being for rural Maine communities across the State.

At the time of the passage of LD 1698, we estimated that successful growth of biobased manufacturing in Maine will reduce fossil resource use by more than 250,000 tons per year as renewable resources displace petrochemicals and petroleum-based fuels. Further, such an investment will slash greenhouse gas emissions by more than 750,000 tons per year, since the carbon footprint of renewable chemicals and advanced biofuels is dramatically lower than their fossil counterparts.



The real competition faced by Maine's forest bioproducts of the future is not with oil and gas, but with Midwestern corn, which is easier to process with current technology. By making this tax credit more accessible, LD 1275 will help Maine outcompete the Midwestern states.

Therefore, I urge to vote Ought to Pass to LD 1275 and support the amendment of the Renewable Chemical Tax Credit. This will greatly benefit our bioproducts industry, rural mill towns, and our environment.

Thank you,