



Testimony of

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Before the Joint Standing Committee on Labor and House, In Opposition to LD 938, An Act to Ensure Maine Workers' Right to Request a Schedule Change at Their Places of Employment

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Senator Hickman, Representative Sylvester and members of the Joint Standing Committee on Labor and Housing, my name is Dana Doran, and I am the Executive Director of the Professional Logging Contractors of Maine. The Professional Logging Contractors of Maine (PLC) is a trade association that represents logging and associated trucking contractors throughout the state of Maine. The PLC was formed in 1995 to give independent contractors a voice in a rapidly changing forest industry.

As of 2017, logging and trucking contractors in Maine employed over 3,900 people directly and were indirectly responsible for the creation of an additional 5,400 jobs. This employment and the investments that contractors make contributed \$620 million to the state's economy. Our membership, which includes 200 contractor members and an additional 100 associate members, employs over half of the individuals who work in this industry and is also responsible for 80% of Maine's annual timber harvest.

Thank you for providing me the opportunity to testify on behalf of our membership in opposition to LD 938, An Act to Ensure Maine Workers' Right to Request a Schedule Change at Their Places of Employment. While we respect the sponsor's intent with this legislation, this is not a mandate that Maine's small businesses, especially those in logging and trucking, can afford and is yet another example this session that employers and employees cannot work together, that employers cannot be trusted and therefore, they need the government to intervene on their behalf.

From 2011 to 2016, Maine experienced the closure of five pulp and paper mills and the periodic idling of two wood energy electric facilities. As a result, Maine lost 50 percent of its softwood pulp market and has also seen a two-million-ton reduction of biomass utilization. Between 2014 and 2016, the total economic impact of the forest products industry fell from \$9.8 billion to \$8.5 billion, and more than 5,000 jobs were lost.

The forest industry was in the midst of a comeback until the onset of COVID 19 and the digester explosion at the Jay mill in April 2020. As a result of mill closures and curtailments due to COVID 19, it led to a 30% reduction in harvesting capacity and the layoff of nearly 1,000 people in harvesting and hauling. This means that over 11,000 truckloads of wood were not delivered to a Maine mill in 2020. Further, for an industry that is responsible for over \$620 million of direct economic impact each year, it will mean a direct loss of over \$186 million of economic activity as a result.

I provide all of this context because 100% of our membership are small businesses who are fighting for their lives right now. LD 938 will not help these small businesses fight through this challenging time and

it will not help retain jobs in rural Maine. In fact, it will only continue to erode small businesses and add unfunded mandates which lead to business death by a thousand cuts.

Most logging and trucking firms in Maine are family-based businesses that pride themselves on providing stable places of employment. They are committed to their rural place and the people that work for them. It is not in their best interest to rule with an iron fist and not work with their employees to accommodate schedule requests. If they did, this reputation would precede them, and it would be impossible to retain employees.

Maine is facing a shortage of loggers and log truckers that will grow and could hinder the growth of the \$8.5 billion forest products industry in the state if bills like LD 938 become law. Employers in logging and trucking accommodate schedule changes all the time and there is nothing in this bill that will help them remain profitable or viable places of employment in rural Maine. Many of these businesses who have more than 10 employees will cut their workforce to be exempt from such provisions.

Again, I am respectful of sponsor, however this is not a productive piece of legislation and further, this is no time to add cost and burden to an already strained small business community. I encourage you to vote ought not to pass on LD 938 and I would be happy to answer any questions you might have.