



**Testimony of**

**DANA A. DORAN**  
**Executive Director**

**Professional Logging Contractors of Maine**

**Before the Joint Standing Committee on Labor and House, In Opposition to LD 1711, An Act To Enhance Enforcement of Employment Laws**

**Friday, May 21, 2021**

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 the voice of logging and associated trucking contractors throughout the state of Maine. The PLC was formed in 1995 to represent independent contractors 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 1711, An Act to Enhance Enforcement of Employment Laws. We respect the sponsor's intent, but the changes to Chapter 7 of Title 26 which are recommended in this bill are not beneficial to Maine's small businesses, especially those in logging and trucking, especially when there has been no data or evidence provided showing that there are shortcomings with current Maine law that need to be corrected by this legislation.

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 this context because 100% of our membership are small businesses who are fighting for their collective lives right now. LD 1711 is not a pro-small business bill, and it certainly will not help these businesses fight through this challenging time nor will it help retain jobs in rural Maine. In fact, it will

only continue to erode small businesses, put further pressure upon rural areas of the state and add the potential for costly litigation which will inevitably lead to business death by a thousand cuts.

You might ask how this will happen with simple employee protections, such as a right to private action, included in this bill. Unfortunately, this bill forgoes decades of chaptered law with respect to the detailed rights of employees, obligations of employers, remedies for employees and the consequences for employers if they do not follow the law. Instead, it replaces these commonly known workplace protections and remedies with a pathway for an employee's legal counsel to file a lawsuit, obtain an injunction, receive damages for lost pay or benefits and payment of the attorney fees for employee's counsel. This amounts to a more litigious and confrontational environment between the employee and employer and will do untold harm to the business environment in Maine for the long-term.

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 1711 become law.

In March 2019, an employment availability and wage analysis prepared by the Maine Center for Business and Economic Research at the University of Southern Maine for the PLC determined that logging and heavy-duty trucking will need to replace 2,000 workers over the next 10 years because of looming retirements. In a competitive labor market, with suppressed markets and low commodity prices, LD 1338 will not make employee retention any easier and it certainly will make employers think twice about adding employees to their companies in the future if the threat of litigation increases with every new hire.

The majority of logging and trucking firms are family-based businesses that pride themselves on providing both long-term and stable places of employment. They are committed to their rural place and the people that live there. It is not in their best interest to rule with an iron fist or retaliate against them if they ask for time off or a change in their schedule. If they did, this reputation would precede them, and it would be impossible to run their businesses.

Lastly, I would like to point out that Maine and the federal government already have a plethora of progressive and meaningful worker protection statutes in place to protect workers from discriminatory practices, workplace harassment or wrongful termination. These include the Maine Human Rights Act, the Workers' Compensation Act, Whistleblowers Act as well as additional federal legislation such as the Americans with Disabilities Act and the Civil Rights Act. Instead of removing these longstanding protections and the processes for remedy without any proof or data, let's ensure the laws we already have are followed.

Again, I am respectful of the 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 1711 and I would be happy to answer any questions you might have.