Maine Forest Products Council

The voice of Maine's forest economy

MFPC Testimony in opposition to language in Section 1 of LD 1252 "An Act to Amend the Laws Governing the Maine Agriculture, Food System and Forest Products Infrastructure Investment Advisory Board"

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Patrick Strauch, Executive Director

Good afternoon, Senator Talbot Ross, Representative Pluecker and members of the ACF Committee. My name is Patrick Strauch. I live in Exeter, and I am the Executive Director of the Maine Forest Products Council. Our membership includes loggers and truckers, commercial landowners and manufacturing forest sectors.

MFPC is specifically concerned with the last sentence of Section 1. in the bill:

- *In carrying out these purposes, the producer shall obtain, to the extent practicable, forest products from a forest in the State (modified).*

According to the Maine Wood Processor Report for 2021, Maine exported 2.0 million tons of wood and imported 2.3 million tons; illustrating the dynamic interdependence of the industry between neighboring states and Canada. Wood (logs, pulpwood, biomass) procurement programs for manufacturers are designed to minimize transportation costs and try to focus on wood closest to a manufacturing facility. Buying regions in some locations cross state and international boundaries. For example: a wood manufacturing facility proposed in Woodland, Maine would by necessity need to purchase some of its supply from Canada, whereas a mill more centrally located in Maine may be able to limit procurement to within Maine. I understand the intent to "**buy local**" when awarding State controlled funding, but the current language is not clear:

- *The producer SHALL obtain, TO THE EXTENT PRACTICABLE …*

While it may be logistically practicable to purchase wood fiber only from Maine, in many cases and locations it will not always be financially practicable. This could create an unlevel playing field for receiving funding from the Advisory Fund depending on the proximity of a facility to State and international borders. We think the remedy to our concerns might be to further define the parameters of "practicable" by expanding the language to include the following: To the "extent ***logistically and financially*** practicable" or by stipulating that the Board should give preference to applications that use local resources.

There may be other ways to deal with the balancing of opportunities for access to the funds and we would be glad to work with the committee to find a solution.