

FOREST PRODUCTS NEWS

MAINE FOREST PRODUCTS COUNCIL

February 2009

VOLUME 23, ISSUE 2

Legislative Session in Full Swing

By Patrick Strauch
MFPC Executive Director



It's finally March and that means Maine's Legislature is in full swing with public hearings, work sessions, and budget deliberations.

Last month, the Maine Forest Products Council invited legislators to join members, staff, and the Natural Resources Network at our headquarters in Augusta for a legislative reception after the February Board of Directors meeting.

About thirty legislators attended the reception and were able to meet



members and discuss current policy initiatives. Council President Doug

Denico welcomed the crowd by giving some brief opening remarks where he told the group that one of the most important things for us as a forest products industry is to introduce ourselves and our issues to legislators. Pictures of this event are included within this newsletter.

As I write this column, Governor Baldacci is preparing to give his sixth State of the State speech will be given on March 10. As always the Maine Forest Products Council will be watching this event closely, and analyz

(Continued on page 8)

CLUP Working Group Meets for the Final Time

On Thursday, March 5, members of the Land Use Regulation Commission's CLUP Working Group met for their final meeting in Bangor.

The morning began with brief comments by LURC Commissioners Harvey, White, and Hilton about their expectations and goals for the group. Chairman Bart Harvey told the group that he expected that the ideas discussed in the group would be captured in a final report which could then be used to redraft the Comprehensive Land Use Plan.

The morning consisted of discussion pertaining to "landowner (financial) value, kicked off by a

presentation by Council member Don White of Prentiss & Carlisle.

"No one has spelled out the effectiveness of current regulatory restrictions and how little is really left available for landowners to develop," White told the group as he described his firm's development opportunities on approximately 75 miles of shorefront property they own in what is commonly referred to as the Jo-Mary region whose owners had owned the land since the 1800's. White also told the crowd that on that 75 miles of property, because of LURC and other governmental regulations, Prentiss & Carlisle was comfortable saying that only 3% was "very likely" to be approved for

(Continued on page 4)

IN THE NEWS



Presidents Message.....	Page 2
MFPC Tax Bill.....	Page 5
Hemlock Quanteen.....	Page 5
Communications Director.....	Page 6
Legislative Reception Pictures.....	Page 8
Wildlife Review.....	Page 7

President's Message:

A Great Success Story

By many accounts, easements have been an incredibly effective mechanism to bring conservation to forestlands in Maine. Even more remarkable has been the pace at which this process has moved along.

One area in Maine that has particularly enjoyed a focus of easement activity is the "Jurisdiction" of the Land Use Regulation Commission (LURC), which covers about 10.4 million acres. The phenomenon of easement growth in this area has particular importance given the concern expressed by LURC staff over development in the LURC Jurisdiction both in the past and for the future. Conservation easements have increased from 46 thousand acres in 1997 to 1.6 million acres in 2007. Coupled with existing LURC protection zones, State purchases and sales to conservation buyers, the Jurisdiction has a robust portfolio of lands either off limits to development or very restricted as to the amount and type of development.

During recent "Dialogue" meetings between LURC Commissioners and various stakeholder groups, this remarkable increase in easements within the Jurisdiction was discussed. A prominent leader in the conservation easement field and a member of the Dialogue group felt that the opportunity for additional easements remained in the Jurisdiction. It was also pointed out that easements could and should be tailored to address the need at hand, which in the case of the LURC Jurisdiction is development. It was further articulated that in the case of the Jurisdiction, simple easements that dealt with development should



Doug Denico

effectively serve LURC's purpose. Complicated easements that address all the "bells and whistles" cost more, interest fewer landowners, don't focus on the primary concern (development) and can always be upgraded later on if money and needs present themselves. Some folks have expressed the concern that easement activity has slowed down. Perhaps if easements were better tailored to a specific need, like development in the Jurisdiction, activity would resume at a faster pace.

Land conservation through easements has apparently posed a challenge to the LURC regulatory process. LURC, at this time, is advocating for a regulatory solution to development rather than crediting the accomplishments achieved and opportunities still remaining through the easement process. Concerns we have heard expressed from LURC include such issues as (1) easements can occur in areas LURC may not be most concerned about development, (2) they may not have contiguity with existing protection areas, (3) may not all have the same "rules of the road" and (4) may drive up the demand for development on land not under an easement.

If one looks at the attached LURC Jurisdiction map taken from the draft CLUP (located on next page, concerns about easement

Maine Forest Products Council
535 Civic Center Drive
Augusta, Maine 04330
(207) 622-9288
FAX (207) 626-3002
www.maineforest.org

2008-2009 Council Officers

President: Doug Denico
First Vice President: Dwain Allen
Second Vice President: Don Tardie
Secretary: James Contino
Treasurer: Don White
Immediate Past President: Peter Triandafilou

Executive Committee Members:

John Gray
Steve Schley
Tom Gardner

Executive Director: Patrick Strauch
pstrauch@maineforest.org

SFI Director: Patrick Sirois
psirois@maineforest.org

Communications Coord.: James Cote
jcote@maineforest.org

Office Manager: Kerry Casey
kcasey@maineforest.org

Administrative Assistant: Sue McCarthy
smccarthy@maineforest.org

Forest Products News is published for members of the Maine Forest Products Council, a not-for-profit association of landowners, loggers, foresters, truckers, wood processors and forest products service firms.

Articles appearing in this newsletter may be reproduced without permission. Credit is appreciated. Editorial submissions and suggestions are encouraged.

The Maine Forest Products Council is a proud supporter of:



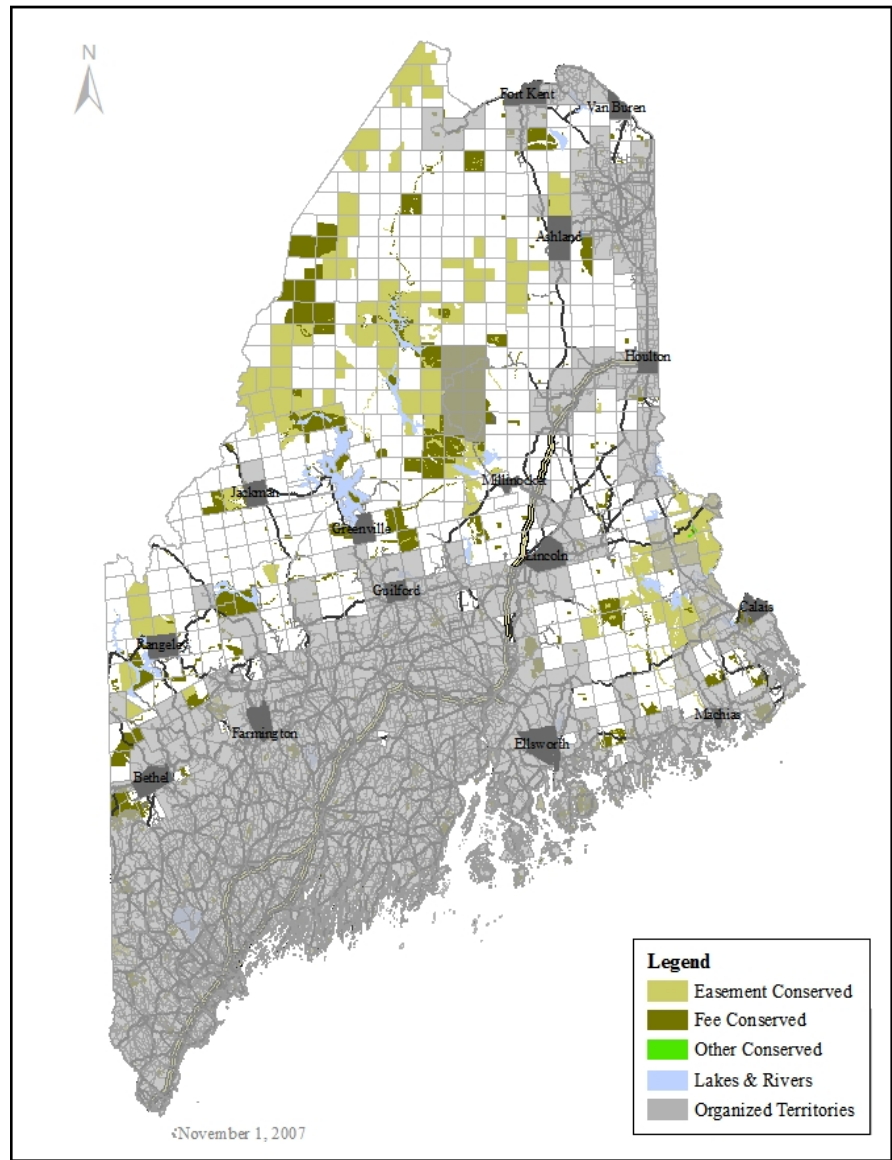
(Continued on page 3)

President. .(Cont. from page 2)

contiguity and adjacency to protected areas seems unfounded. Much of the easement acreage is located adjacent to major river corridors, State Public Lots, lands owned by conservation buyers and is in large blocks.

As a follow up to the Dialogue meetings, the LURC Commissioners will now be instructing LURC staff on how to proceed with the a re-write of the draft CLUP in preparation for public hearings. It is the hope of many property owners in the Jurisdiction that the re-drafted CLUP will recognize the use of voluntary easements as a significant way to address development concerns. It has proven to be a very effective way to conserve land and compensate landowners for their development rights in the Jurisdiction. While regulatory LURC processes like prospective zoning have hardly gotten off the ground in spite of over 10 years of effort by the LURC staff, the easement process has wildly surpassed the regulatory initiatives. Let's go with the process having the winning track record, please!

Map 2 – Conservation Lands



DRAFT: DOES NOT REPRESENT AGENCY OR ADMINISTRATION POSITION
Chapter 4



<p>ST. PETER SAFETY SERVICES</p> <p>P.O. Box 323 573 Main Street Jackman, Maine 04945</p> <p>Phone: 207-668-2841 Fax: 207-668-2851 Cell: 207-745-4597</p> <p>Email mspsafety@myfairpoint.net Website: www.clploggers.com</p>	<p><i>Safety Services for Forest Industries</i></p> <p>“Safety Audits & Inspections “Workers’ Comp Analysis “Safety Training & Education “Logging & Mill Operations</p> <p>Mike St. Peter Owner</p>
--	---

Dissertation Defense Seminar

Influences of past and future forest management on the spatiotemporal dynamics of habitat supply for Canada lynx and American martens in northern Maine



Erin M. Simons, Ph.D. candidate
Department of Wildlife Ecology
University of Maine

Co-Advisors: Dr. Daniel J. Harrison & Dr. William B. Krohn

Wednesday, March 25
Nutting Hall 100
12:00 - 1:00

remain as interactive as possible throughout the final drafting stages.

Jonathan Reitman, facilitator for the group will be compiling a final report in conjunction with stakeholders. The report will be distributed to the membership after it is published. Next steps will be discussed at the March 12 MFPC Board of Director's meeting.



Clup Working Group. *(Cont. from page 1)*

development, while 8% was likely developable.

Afternoon discussion revolved around what steps the Commission can take moving forward to better the plan. During that discussion, landowners along with Patrick Strauch of the Maine Forest Products Council cited their concerns with prospective zoning saying that it would be an enormous task for LURC to take on, requiring a significant amount of resources which may not provide the benefits that some in the group had been led to believe it would.

Long- time, and now retired LURC staffer Fred Todd agreed that zoning the entire jurisdiction would be an enormous project, noting that perhaps it would be easier to try prospective zoning in a selected few areas around the jurisdiction's rim, which were specified in the 1997 CLUP.

The meeting was ended with the opportunity for each member to give brief closing remarks. Patrick Strauch of MFPC ended by telling the group that he is now charged with packaging the results of the working group process and bringing them to the MFPC Board of Directors for further guidance, hoping that the process will

Complete timberland investment services with one call

Acquisition Due Diligence

Forestland Appraisals

Land Brokerage

Timber Inventory

Certified Forestry

GIS Data & Analysis



fountains

www.fountainsamerica.com

Serving Maine, New Hampshire, Vermont,
New York and Appalachia

(603) 435-8234 ext. 223



SW-FM/COC-000216

MFPC Tax Bill Receives Unanimous Ought to Pass

On Thursday, March 5 the Legislature's Taxation Committee voted unanimously to approve LD 450, An Act to Clarify the Sales Tax Exemption for Commercial Agricultural Crop Production.

The public hearing for this bill was on February 24 where members of the Maine Forest Products Council, along with Jon Block of Pierce Atwood, and Patrick Strauch, the Council's Executive Director spoke in favor of the bill.

The bill was submitted by Representative Tom Saviello after a recent change by Maine Revenue Service to change the definition of "agricultural crop production", which eliminated forest management from the exemption.



Proudly Serving the Forest Products Industry

- *Timberland Accounting*
- *Multi-State and International Tax Planning*
- *Business and Property Tax Valuation*
- *Business and Strategic Planning*
- *Financial Forecasts and Projections*
- *Management Information Systems Review*
- *Selection and Implementation*

Lee Chick, CPA – Principal --- lchick@bdmp.com
 Renee Bishop, CPA – Principal --- rbishop@bdmp.com
 Jim Maynard, CPA - Principal --- jmaynard@bdmp.com

100 Middle Street	36 Pleasant Street
PO Box 110	Bangor, ME 04401
Portland, ME 04104-1100	Tel. (207) 942-1600
Tel. (207) 775-2387	Fax (207) 942-9278
Fax (207) 774-2375	

www.bdmp.com

Other offices located in Manchester, NH and
Boston, MA

REMINDER: Hemlock from Southern York County Is Quarantined—We Have Entered the High Risk Period for Spread of Hemlock Woolly Adelgid

Allison Kanoti, Maine Forest Service

It's early March and perhaps the flow of maple sap and impending mud season are more on your mind than insect egg-laying. However, the egg laying activities of one insect, the hemlock woolly adelgid (HWA), are on my mind. This insect will begin depositing eggs any day now, and that means that it can be very easily moved from place to place on anything from clothing to harvesting machinery to logs. All HWA in the northeast are females, so one egg has the potential to start a new population.

If you harvest in the towns of **Eliot, Kittery, Ogunquit, South Berwick, Wells or York** be aware that all hemlock products are quarantined. You can contact the Maine Forest Service to set up an inspection of your stand to determine whether it is infested with HWA [(207) 287-3147, allison.m.kanoti@maine.gov]. If you have already begun the harvest we will work to inspect the products and surrounding area. If you live in or near a quarantined area, reduce the risk of spreading HWA by planning future harvests for the months of August through February. *This will also reduce the risk of introducing HWA to your woods.*

If you receive hemlock products with bark from HWA quarantine areas you need to set up an agreement with the Maine Forest Service [(207) 287-3147, allison.m.kanoti@maine.gov]. Otherwise your receipt of those products would be illegal. If you already have an agreement remember:

- **Chipped** material must be moved in enclosed vehicles year round.
- **Roundwood** must be inspected and certified apparently free from adelgid between **March 1st and July 31st**. All loads must be accompanied by a certificate from the Maine Forest Service, or if originating from out-of-state, the appropriate State authority.

Note that the quarantine prohibits movement of all nursery stock, seedlings and other live hemlock from quarantined areas, during any time of the year. This is

(Continued on page 7)

Corner

By: James Cote

Maine Forest Service Proposes Stimulus Projects

On Friday, March 6, during a discussion in front of the Appropriations Committee, the Maine Forest Service announced its proposals for the Federal Stimulus Package.

Overall, the Service requested a package in partnership with the Public Utilities Commission and the Department of Environmental Protection of 16 projects that total over \$40 million dollars.

It appears that six of these projects, totaling about \$21 million dollars are being reviewed for confirmation including projects for wood to energy, wildfire suppression, road upgrades, urban forestry, and timber stand improvement. Before approval, however, they must undergo further review in Washington in coming weeks.

Over 400 proposals were submitted across the northeastern states, 136 of which were organized as having the best chances for success- these projects totaled approximately \$200 million.

Priority number one according to the Maine Forest Service are upgrades to State land forest management roads. This project is estimated to create 45 new jobs and to cost \$1.68 million. Upgrades would enhance access to for timber management, insect and disease assessment, recreational pursuits, and fire protection measures.

Approximately \$1.3 million could become available for the Maine Forest Service's second priority; an inventory and remediation of approximately 50 high priority fish passage barriers in watersheds within the Distinct Population Segment of Atlantic salmon listed under this Endangered Species Act here in Maine. The Maine Forest Service plans to work with other entities such as Project SHARE on this effort in order to leverage funds and increase the impact of this project.

Perhaps the greatest "job creator" within the proposal is a project that would support the conversion of an estimated 15 public buildings to wood heat. The "Fuels for Public Buildings" project is budgeted for \$11.42 million, and is estimated to create approximately 200 private sector jobs over a two year span.

Projections by the Maine Forest Service predict that the projects may create up to 387 full time, part time, and seasonal positions in both the public and private sectors.

It appears that the final decision on these projects may be announced at a USDA-wide rollout in coming weeks. More information will be distributed as it becomes available.

MFPC will explore these proposals further and send more information to members about the potential affects and opportunities it may have for the industry. For more information on these and other projects, or for a copy of the MFS proposal, please contact James Cote at the Maine Forest Products Council.

LandVest[®]

Timberland Management & Marketing

Consulting Forestry Services & Timberland Marketing since 1967

Providing a Full Range of Forestry and Real Estate Services across Northern New England and the Adirondacks of New York

Planning, GIS Mapping, Timber Sales, Investment Analysis, Estate Planning and Conservation Easement Consultation

Foresters in Ten Regional Offices, Licensed in New Hampshire and Maine

Licensed Real Estate Sales ME, NH, VT, PA and NY

BANGOR,ME	207-947-2800	JACKMAN,ME	207-668-7777
PORTLAND,ME	207-774-8518	ST. AURELIE,ME	418-593-3426
CLAYTON LAKE,ME	603-466-7374	CONCORD,NH	603-228-2020
NEWPORT,VT	802-334-8402	TUPPER LAKE,NY	518-359-2385
LOWVILLE,NY	315-376-2832	ST. MARYS,PA	814-781-1637

www.landvest.com

Hemlock Quarantined (Cont. from page 5)

because there is always a high potential of spreading HWA on live hemlock material from infested areas and low populations of HWA are hard to detect.

More information, including details of the quarantined area can be found at www.maineforestservice.gov/HemlockWoollyAdelgid.htm or by calling (207) 287-3147. Questions about hemlock woolly adelgid, the quarantine, or compliance agreements can be directed to Allison Kanoti at (207) 287-3147, allison.m.kanoti@maine.gov.



Wildlife News

The following is the press release which the U.S. Fish and Wildlife Service distributed prior to the official posting of the revised critical habitat designation for Canada Lynx in the Federal Register. The Maine Forest Products Council had submitted an alternative cooperative conservation plan to the designation which was not accepted by the USFWS in final deliberations. MFPC will continue to evaluate the impacts of this designation, and will soon be distributing more information on another critical habitat decision for the Distinct Population Segment of Atlantic Salmon in Maine which is likely to be made later this spring.

NEWS RELEASE

U.S. FISH AND WILDLIFE SERVICE

Mountain-Prairie Region
134 Union Boulevard
Lakewood, Colorado 80228
For Release on:
February 24, 2009

Contacts: Shawn Sartorius 406-449-5225 x 208
Diane Katzenberger 303-236-4578

REVISED CRITICAL HABITAT DESIGNATED FOR CANADA LYNX

The U.S. Fish and Wildlife Service today announced a revised critical habitat designation for the

Canada lynx, a species listed as threatened under the Endangered Species Act. In total, approximately 39,000 square miles fall within the boundaries of the revised critical habitat designation in the States of Maine, Minnesota, Montana, Wyoming, Idaho, and Washington.

Critical habitat is a term defined in the Endangered Species Act (ESA). It identifies geographic areas containing features essential for the conservation of a threatened or endangered species and may require special management considerations or protection.

Areas designated as critical habitat for the Canada lynx include boreal forest landscapes that provide one or more of the following beneficial habitat elements for the lynx including snowshoe hares for prey, abundant, large, woody debris piles that are used as dens, and winter snow conditions that are generally deep and fluffy for extended periods of time. All of the designated areas have recent verified records of lynx occurrence and reproduction and as a result are considered occupied.

(Continued on page 9)

We are the relationship lender for Maine's forest products industry.



Take advantage of the knowledge of lending professionals with over 60 years of experience in lending to the forest products industry.

When you're ready to purchase timber property, equipment, vehicles or mills, call us. We'll stop by your place to discuss your business and financing needs.

We offer flexible lines of credit and equipment leases that meet your needs.

To learn more about the solutions we can offer your business, please contact us today
Auburn 1-800-831-4230
Presque Isle 1-800-831-4640

www.FarmCreditMaine.com



Farm Credit
OF MAINE

Experts in lending to Maine's natural resource-based industries since 1916.

Exec. Director. (Continued from page 1)

ing the Governor's policy remarks to evaluate what impacts they may have on the forest products industry.

As part of my column this month, I wanted to provide members with a brief glimpse of some bills we have been working on during this legislative session.



*Pictures from the Legislative Reception
in February*

Again thanks to our Sponsors

Huber Resources, Farm Credit of Maine,
Maine Snowmobilers Association, Plum Creek.



Among them:

LD 540- An Act to Promote Forest Certification and Long-Term Forest Management

Summary: This bill changes the existing income tax credit for owners of forest land who have a management plan prepared by a professional forester from a maximum of \$200 every 10 years to \$400 in any 10-year period and adds forest certification and recertification costs as an allowed credit toward the \$400 cap.

We testified in favor of this legislation along with the Small Woodland Owners Association of Maine. The Technical Committee agreed that because of the fiscal note that may be attached to this bill we would be amenable to a compromise of a \$300 tax credit rather than the full \$400 if the bill appears to lose support due to budget constraints.

LD 525- An Act to Reduce Misuse of Woodlands by the Public



Summary: This bill expands the authority of a court to order the surrender of any permit or license issued by the Department of Inland Fisheries and Wildlife held by a person who violates the litter laws, regardless of whether the littering occurred on lands managed by the department.

MFPC testified in favor of this legislation as well, along with the Sportsman's Alliance of Maine, Maine Snowmobile Association, Maine Professional Guides Association, Small Woodlands Owners Association of Maine, and the Department of Inland Fisheries and Wildlife. We viewed this bill as addressing a current inequity in a

Executive Director (Cont. from page 8)

law submitted last year by DIFW, where a person convicted of illegally dumping on land managed by DIFW would be penalized more severely than someone who illegally dumps on private land. The law does this by giving the Commissioner the ability to take away any hunting or fishing license distributed by the Department of anyone who is convicted of this crime.



Wildlife (Cont. from page 7)

In 2000, the Canada lynx was protected under the ESA as a threatened species throughout its range in the contiguous United States. In 2006, the Service designated 1,841 square miles of critical habitat for the lynx within the boundaries of Voyageurs National Park in Minnesota, Glacier National Park in Montana, and North Cascades National Park in Washington. In February 2008, the Service proposed to revise the critical habitat designation after questions were raised about the integrity of the scientific information used and whether the decision made was consistent with appropriate legal standards.

Critical habitat is being designated based on the best scientific information identifying only those areas determined to contribute to the conservation of the Canada lynx. Areas included in the revised critical habitat designation include the following:

Maine: Approximately 9,497 square miles of habitat in portions of Aroostook, Franklin, Penobscot, Piscataquis, and Somerset Counties. Timber harvest and management is the dominant land use within this area.

Minnesota: Approximately 8,065 square miles of habitat in portions of Cook, Koochiching, Lake, and St. Louis Counties and Superior National Forest. Timber harvest and management is the dominant land use.

Northern Rocky Mountains – Northwestern Montana and a small portion of northeastern

Idaho: Approximately 10,102 square miles in portions of Boundary County in Idaho; and Flathead, Glacier, Granite, Lake, Lewis and Clark, Lincoln, Missoula, Pondera, Powell and Teton Counties in

Montana. The designation also includes National Forest lands and lands managed by the Bureau of Land Management in the Garnet Resource Area. Timber harvest and management is the dominant land use.

North Cascades – North-central Washington: Approximately 1,836 square miles in portions of Chelan and Okanogan Counties and lands managed by the Bureau of Land Management in the Spokane District. Timber harvest and management is the dominant land use.

Greater Yellowstone Area – Yellowstone National Park and surrounding lands in

southwestern Montana and northwestern Wyoming: Approximately 9,500 square miles in portions of Gallatin, Park, Sweetgrass, Stillwater, and Carbon Counties in Montana; and Park, Teton, Fremont, Sublette, and Lincoln Counties in Wyoming. Impacts to lynx in this area include fire suppression or fuels treatment, the lack of an international conservation strategy for lynx, vehicular traffic, and residential and commercial development.

Based on peer review and public comments and biological information received during the comment period, the Service excluded, under section 4(b)(2) of the Act, approximately 1,725 square miles of habitat from this revised critical habitat designation, based on analyses indicating that the benefits of exclusion outweighed the benefits of inclusion. The areas identified for exclusion have management practices that have certainty of being implemented and effective in conserving lynx and their habitat.

Areas excluded include:

- Tribal lands,
- Private lands enrolled in the Maine Healthy Forest Reserve Program that employ active lynx habitat conservation measures, and
- State lands in Washington managed under a lynx habitat management plan.

For more information regarding this finding and Canada lynx, please visit our web site at:

<http://www.fws.gov/mountain-prairie/species/mammals/lynx>

This finding will be published in the Federal Register on February 25, 2009.

Classified Advertisements

ADVERTISE WITH US!

Size:	Rate: (Member/Non)
Classified	\$ 20/35
Business Card	\$ 65/80
1/4 Page Display	\$110/135
1/2 Page Display	\$190/225
3/4 Page Display	\$250/300
Full Page Display	\$300/360

The Maine Forest Products Council
535 Civic Center Drive
Augusta, Maine 04330
