

FOREST PRODUCTS NEWS

Legislature in its Final Weeks

**By Patrick Strauch
MFPC Executive Director**



I'm knocking on wood, but the 125th Legislature is in the final weeks of the session and the end may be in sight. I must apologize for not communicating as effectively this session with the membership at large, but the untimely absence of a Communications Director and an immediate plunge into the session left most of the daily knowledge of events in the hands of the MFPC Committee's engaged in

legislative monitoring. Sue, Pat and I are excited to have Jon Metrick on our team and we look forward to providing you with the level of communication you have come to expect from the Council. I'll be sending Jon out to meet with as many of you as he can this summer and please welcome him into your businesses and provide him with the background he will need in representing your interests.

We've been very active this session with over 1500 bills being introduced

and about 200 of them making it on to the MFPC watch list. If I had to characterize the session I would say that we enjoyed a business friendly legislature, but there was still a tremendous amount of work in educating all of the new members and competing with individual initiatives. We introduced a number of new bills

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LURC reform update

The Committee on Agriculture, Conservation, and Forestry (ACF) has been considering changes to the Land Use Regulatory Commission (LURC) which was established in 1971 to oversee the development of the Unorganized Territories (UT). Since its establishment, LURC has gravitated towards becoming more centralized in Augusta. Many believe this has led LURC to become less responsive to local concerns and needs, resulting in a burdensome and expensive development process.

Representative Jeffery Gifford introduced LD 1534 "An Act To Reform the Land Use and Planning Authority in the Unorganized Territories" to decentralize LURC by dividing its responsibilities between existing state agencies and the counties with UT.

Senate President Kevin Raye established a leadership role on this initiative and brought together county officials and landowners to amend this bill and find common ground. I worked

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that were anticipated to capitalize on the interests of a new regime, but in the final analysis will take another session to complete. LURC reform, Vernal pools and inland wading bird and waterfowl habitat, property takings, and bonded labor bills all have elements of ongoing legislative resolution and will be dealt with next session, admittedly these are complicated issues and further dialog over the summer and fall will be beneficial in achieving success.

Other issues we have been working on include:

- Protecting the forestry aerial application of pesticides regulations from changes during the debate on public notification.
- Protecting private roads from public control.
- Overseeing the Utilities committee debate Maine's energy policy and the challenges between renewable energy and lower energy costs.
- Overseeing the IF&W committee debates on Sunday hunting, ATV permission to operate on private land, and the deer management action plan.
- Protecting businesses from increases in the minimum wage and defining independent contractor status appropriately.
- Testifying in favor of an increase estate tax ceiling, funding for

BETR and Net Operating Loss carry forwards, and protecting the tree growth tax law, and ensuring fairness in the annual tax bill for the unorganized territory.

· Protecting trucking regulations for the forest industry.

All of these efforts are on behalf of all the sectors of our industry and the desire to build our capacity to represent all of our diverse interests. We'll provide a legislative summary this summer that explains in detail all the bills of interest to the membership.

I've had great access with leadership in the Governor's office and at the Senate and House. My sense is with so much of a turnover in government, it will take a little more time for everyone to get organized and be efficient. Part of our ongoing effort as an industry will be to get decision makers into your facilities and into the woods. You all are the good guys representing the future of Maine and it is important for them to understand the important role we play in Maine's future. Frankly, it also helps me to represent your interests when legislators connect with constituents who are also members of the Council. I'm reminded towards the end of the session when legislators are hearing from a variety of lobbyists on every issue imaginable and they are just looking for people they think have a pulse on their constituents.

We will continue to work hard providing you with value for your

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The Maine Forest Products Council is a proud supporter of:



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membership and we look forward to getting out this summer and fall to meet with you and seek more opportunities for improvement.



**MFPC Welcomes
Jonathan Metrick
as New
Communication Director**



Jonathan Metrick grew up in Pennsylvania where he graduated from Moravian College with a BA in Political Science in 2001. He has worked on numerous state and federal elections in Pennsylvania and Florida since 1996. Jonathan also served as constituent services representative for Pennsylvania's 15th district. He and his wife Jessica have recently relocated to Augusta.

LURC. (Cont. from page 1)

with MFPC landowners to arrive at a consensus position.

The amendment contained key provisions agreed to by MFPC which included and testified to:

- ◆ UT land use planning focused on regional economic development with a local control principle while addressing the needs of landowners and residents.

- ◆ UT land use planning needs more staff and processing functions to understand regional needs.

- ◆ Oversight of rules and regulations needs to move into the regions where regulatory authority exists.

- ◆ Recognize limitations to staff resources and assign large projects to DEP to improve cost effectiveness and timely service.

- ◆ Retain uniform enforcement of landscape natural resource management issues perhaps by the Maine Forest Service.

- ◆ Change regulatory requirements in LURC law which are to subjective like "adjacency" and "demonstrated need".

- ◆ Return to 97 CLUP in the short term and reinstate landowner approval of zoning.

- ◆ Orderly transition to implementation changes.

- ◆ Grandfather current and planned works.

- ◆ Cost should not exceed current levels.

The public hearing for this bill attracted a crowd that occupied two rooms in the capitol and lasted more than seven hours with testimony limited to three minutes. The work sessions which followed were lively and at points even contentious. As the discussion progressed the committee resolved that more specific information is required and an amendment was introduced by President Raye to form a commission to study how LURC could be reformed and modernized.

On May 26th an amendment to establish the Commission on Reform of the Governance of Land Use Planning in the Unorganized Territories moved forward by a vote of 8-5. The commission is comprised of 13 members who have an interest and or expertise in the LURC jurisdiction involving but not limited to land ownership, economics, conservation, and recreation. We are watching and closely participating in this process. The commission is to provide an update to the ACF committee by the end of October with the full report due no later than Jan. 4th.

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estimated 40 bonds in 2010. This decline has put stress on the industry by creating labor shortages in logging capacity. As logging jobs go unfilled, disruptions in the timber supply chain to the mills have increased costs and reduced operating capacity. Some mills have even had to resort to importing wood from Canada to keep operating.

Perhaps the most contentious part of the bill revolves around equipment ownership rules that were enacted in 2005 and make it more difficult for Canadians to operate in Maine's forests. Additionally disqualifying bonded Canadians from U.S. unemployment insurance while maintaining employer contributions into the fund was also debated. These rules make it harder for US contractors to hire Canadians and impose fines for non-compliance.

One component that has received support from both parties is the forest industry jobs clearinghouse which seeks to coordinate with the Maine Dep. Of Labor (MEDOL) to unsure US loggers have priority for employment as mandated by law.

To be honest, the hearing was contentious and difficult. Senator Jackson is obviously passionate on his position. It will be important to build on the success of the clearinghouse so that legislators can make an informed decision.



Legislature moves to carry bonded labor issue to next session.

On Friday, May 20th the Labor, Commerce, Research and Economic Development Committee (LCRED) completed its final work session on LD 1383- An Act to Improve the Process by Which Logging Contractors Hire Legal Foreign Workers. The Act seeks to lift restrictions on employers who hire USDOL H2A certified foreign workers as well as create a streamlined process to ensure US workers get first access to jobs in the logging industry. The measure was carried over until next session by a party line 7-6 vote with republicans in support.

The number of H2A laborers from Canada has seen a steady decline over the last fifty years to as few as an


Budget Talks Intensify

As the final days of the 125th legislative session draw near the Appropriations Committee is working tirelessly on completing the final \$6.1 billion budget. Several contentious issues are still being ironed out including some \$200 million in tax cuts, restructuring of the state employee and retiree pension plan, and cuts to social services and Medicaid programs. We will of course be watching the process with great interest.

Legislative Reception, February 2010

MFPC Board of Directors hosted a reception at our office attended by members of both the House and Senate. Members included Senate President Kevin Raye, Speaker of the House Bob Nutting and Assistant Minority Leader Terry Hayes.

Governor LePage came by and mingled with the group. He shared some thoughts with Sen. Saviello, Jim Contino, and Bob Clark from Verso Paper, and held several huddles with various members of the council. We appreciated all the attention we received from the Leaders of Maine's Government.

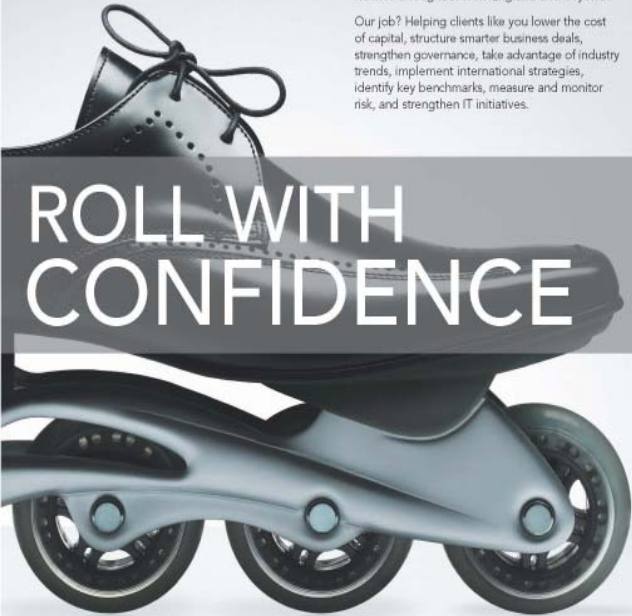


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Senator Collins Staff Tour

At the Invitation of MFPC, Senator Collins Washington staff was invited on a forest industry tour hosted by Council President Don White and Executive Director Patrick Strauch. Members of the contingent included Chief of Staff Mary Dietrich, State Office

the Kennebec Lumber Mill lead by Dennis Carrier. The group then headed for the Forks at the Great Outdoors for dinner and an overnight stay. The next morning Mark Doty of Plum Creek hosted breakfast followed by a tour of the woods along Lake Moxie. The tour included a visit to a Rajeon Bedard processor hosted by Mr. buncher whole tree operation. Bedard followed by a trip to a Reggie Gilbert feller/ The second half of the



Pictured above from left to right....Don White, Mary Dietrick, Molly Wilkinson, Olivia Kurtz, Carol Woodcock, Michele Maclean and Patrick Strauch

Representative Carol Woodcock, Republican Deputy General Council Molly Wilkinson, Legislative Assistant Olivia Kurtz, and other MFPC Staff included Michele Maclean and Sue McCarthy

After their arrival in Bangor the Sen. Collins staff headed to Corinth Wood Pellets, LLC where George Soffron conducted a tour of the facility and graciously host the guests for lunch. The next stop was a tour of

day was spent touring SAPPI's Biomass Plant and Wood and Paper Mill.

The trip was a great experience and an important part of the services MFPC provides to decision makers. There were a few tense moments when blackberry coverage and communication with Washington was limited, but we had a great time and built some strong relationships. Thanks to all the members who helped make this trip a success.

Keeping Maine's Forests – Fisheries Symposium March 25th

As part of MFPC's continuing involvement in the Keeping Maine's Forest initiative, Patrick Sirios and Patrick Strauch have been working with Sherry Huber, Maine Tree Foundation; Ted Koffman, Maine Audubon; Karen Woodsum,



Sierra Club; Ken Elowe, USFWS; Tom Rumpf, of The Nature Conservancy to organize the fisheries symposium. Programs and initiatives discussed included:

- ◆ Eastern Brook Trout Initiative
- ◆ Project Share Salmon Restoration Program
- ◆ Water Crossing and Fish Passage Training Programs
- ◆ Salmon Habitat Conservation Planning
- ◆ Governor's Aquatic Habitat Connectivity Group



Picture above Juan Hernandez from USDA-(NRCS), Ken Elowe from U.S. Fish and Wildlife, Marvin Moriarty, from U.S. Fish and Wildlife Services NE Region and Bobbi Arnold from USDA



Picture above Barry Burgesson from Huber Resources, Henning Stabins from Plum Creek timber and Paula Pelletier from American Forest Management

Landowners then presented views on management programs and operational considerations which were followed by a panel discussion. After a break for lunch the panel returned to hear discussion on several federal programs which may be of assistance. The event was informative and landowners are contemplating involvement in projects that would be an outgrowth of this meeting.

ATV law enforcement bill advances toward passage

After approval from the Island Fish and Wildlife Committee (IF&W), LD 254 “An Act to Amend the Standards by Which Law Enforcement Officers May Stop an All-terrain Vehicle Operating on Private Property” was PASSED TO BE ENACTED on May 26th, by a vote of 90-56 in the House and 19-16 in the Senate. This bill seeks to clarify the authority of law enforcement officials pertaining to ATVs.

Currently law enforcement must suspect a crime is being committed and must demonstrate reasonable and articulable suspicion to stop an ATV user when they are

operating on private land. LD 254 will change existing law to bring ATVs in line with other private land use such as snowmobiling, hunting, and fishing to ensure land-owner permissions has been granted. The bill now moves to a final vote in both chambers before it heads to Gov. LePage to be signed into law. We will keep you posted on the status of the bill. MFPC worked closely with SWOAM, Maine Snowmobile Association, ATV Maine and other parties to support this bill.

White-tailed Deer Wintering Habitat Initiative

The Island Fish and Wildlife (IFW) Committee has been considering an amendment to LD 1569, “An Act to Restore the White-tailed Deer Population and Improve Maine’s Wildlife Economy and Heritage”. Introduced by Senate President Kevin Raye, the amendment seeks to find ways to better manage White-tailed deer wintering areas.

Under the amendment, the Department of IFW will be responsible for the implementation of the new policies. Conservation of wintering habitats on lands acquired by the Land for Maine’s Future Trust will be a new priority. IFW will also be charged with formulating plans “to protect, manage, and enhance deer wintering areas” within all state owned lands. The Predator Control and Deer Habitat Fund is to be established to support the initiative.

Landowners will be encouraged to better manage lands with deer habitat through new incentives that will be created IFW.

The Maine Game Plan for Deer will be expanded to include the whole state and outreach to Maine’s hunters will be a new priority. The Bureau of Information and

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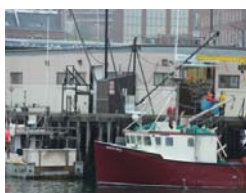


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fairly shrimp (vernal pools), there are many demands for habitat on landowners. Public expectations for deer need to be realistic and population goals need to include the input of landowners. We intend to stay engaged in this process.

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White tailed Deer.....(Cont. from page 8)

Education will head up efforts “to create an on-going relationship with the state’s deer hunters using surveys, newsletters, and its website, to keep hunters up-to-date and involved in the implementation of the Maine Game Plan for Deer”.

Five year benchmarks will be established to track the growth of deer populations and measure the success of these new efforts with reports due before the IFW committee on an annual basis.

Patrick testified in support of the bill but expressed concern over provisions to establish population goals. Given the myriad of animal species habitat demands, i.e. from moose, bear, Canadian lynx, and Atlantic salmon to



Save the Date

**MFPC Annual Meeting
Sept. 11-12
At
Saddleback Mtn.
Rangeley, ME**

Each year, the Maine Forest Products Council asks its members to select outstanding individuals from the forest products community who excel in their professions:

- Outstanding Logger of Maine Award**
- Outstanding Trucker of Maine Award**
- Outstanding Manufacturer Award**
- Outstanding Forester Award**

Please take the time to consider those people in the forest products community who have done an exemplary job in these areas and deserve recognition for their positive impact on our industry. It is an **important opportunity** for us to look within our industry and provide recognition and public attention where it is due.

Nominations are due by July 1, 2011

The recipients of the awards will be honored at the Maine Forest Products Council Annual Meeting Awards Banquet on September 12, 2011 Saddleback Mtn in Rangeley.

Email responses to Sue McCarthy mccarthy@maineforest.org
or mail to 535 Civic Center Drive, Augusta, ME 04330

Save the date of September 11 & 12 for the MFPC Annual Meeting in Rangeley and look for your invitation in a couple of weeks. If you have not already done so, please send in your award nominees as soon as possible to Sue McCarthy.

Tentative Schedule for the Annual Meeting

Sunday - Sept 11 -Golf in the afternoon and BBQ in the evening

Monday - Sept. 12 - BOD meeting in the morning and tours in the afternoon and reception in the evening. The meeting and reception and BBQ will all be held at the Saddleback Mtn.

Possible Tour Ideas

- 1- Stratton Biomass Plant
- 2- Equipment Dealers
- 3- Wind Mills
- 4- Moose Alley

If you have a facility in the area and would like to conduct a tour, please let Sue McCarthy know.