

FOREST PRODUCTS NEWS

Adopt a Legislator Program

**By Jon Metrick
Communications Director**



The Maine Forest Products Council is pleased to announce that we will be organizing summer and fall legislative tours as part of our "Adopt A Legislator" program. The goal of the tours is to have MFPC members directly educate legislators in their area of business. This includes legislators from their home districts well as from districts that may not have much forest industry. While not directly

constituents, it is important that everyone involved in crafting laws



(Ben Carlisle, Dave Dow and Don White inspect a log landing)

dealing with the forest industry at least have some experience and knowledge of the diverse nature of the industry and its impact on the economy. We will be in contact in the coming weeks and look forward to discussing issues and concerns with our membership.

Patrick will be traveling the state this summer listening to member issues and looking for

(Continued on page 2)

Next Legislative Session

The next legislative session will revisit some major issues for MFPC members. The natural resources committee has directed the DEP to review significant wildlife habitat issues including exemptions for foresting activities under the Natural Resources Protection Act (NRPA). Additionally, Inland Wading Bird and Waterfowl habitat rules imposed under municipal shore land zoning ordinances will be reviewed by the DEP. MFPC along with SWOAM and other partners will participate in the discussion on the issues.

The Labor, Commerce, Research and Economic Development Committee will take up LD 1383 which was held over from the first session. LD 1383 deals with bonded labor and the restrictions placed on Canadian loggers and the businesses that seek to hire them. Increased regulations have made it more expensive and difficult to hire Canadian loggers to meet labor needs. Any shortage of labor creates a ripple effect and disruption in the wood supply chain. The result is idle logging equipment, trucks, and mills. We'll continue the

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Jon Metrick . (Cont. from page 1)

more members. It is important to the health of the organization to keep our numbers growing and



Forester Dave Daut checks in with a delimeter operator

please help him identify any prospects while he is in your area. Likewise, I will be out meeting with members to get a good orientation of the Council.

Special thanks to members who have already hosted me on tours of their business operations.

Don White, Ben Carlisle, and Dave Dow of Prentiss & Carlisle, a forest resource management company, took me

to tour some of their harvesting

operations and provided incites on how their 87 year old business continues to provide quality service and value to their landowner clients.

Forester Ted Shina of Huber Resources gave me an onsite crash course in forestry practices and silviculture. Ted provided a wealth of knowledge on sustainable forestry and the challenges we face to keep Maine's woods working and healthy.

Mark Doty and Mike Rundell of Plum Creek educated me on the benefits of Best Management Practices relating to forest roads and harvesting as we inspected their land resource management operations including culvert installation and minimizing the impact of logging operations.

Jim Contino, Bill Cohen, and Greg Barrows of Verso Paper in Bucksport all made time to discuss the challenges of operating a successful paper company. Jim



Robbins Lumber

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John Metrick (Cont. from page 2)

guided me through the milling operation and explained how Verso stays ahead by adapting to fluctuations in wood supply, energy costs, and slow economic growth.

Patrick and I also toured Robbins Lumber Mill in Searsmont. Fourth generation owner Jim Robbins walked us through the milling process and explained how timely facility and technology upgrades have enabled the lumber company to remain competitive since 1881.



(Robbins Lumber Mill - Jim Robbins and Patrick Stracub touring the mill)



(Robbins Lumber Mill - Searsmont, Maine)

Next Session (Cont. from page 1)

dialog next session as we balance ensuring Maine’s loggers have the first right of refusal to harvest, but that our mills are not short on supply.

The Committee on Agriculture, Conservation, and Forestry (ACF) will revisit the issue of LURC reform in the next session. After extensive public hearings and numerous work sessions the ACF committee and the Legislature voted to establish the Commission on Reform of the Governance of Land Use Planning in the Unorganized Territories. The commission will be comprised of 13 members appointed by the Governor, President of the Senate, and Speaker of the House. Membership will include parties with an interest and knowledge in LURC jurisdiction such as large and small landowners as well as representatives of economic, conservation, and recreation interests. They are scheduled deliver a full report to the ACF committee no later than January 4th. This issue is of great concern to the council and its members and will be closely monitored

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Interstate Highway Trucking Weight Restrictions

One of the biggest issues for everyone involved in the forest industry is the expense of transportation. For the past two years Maine has benefited from a pilot program allowing trucks to increase the loads they carry from 80,000 to 100,000 pounds on the federal interstate highways. The economic and safety benefits of this important program are numerous and tangible. Despite efforts by Maine's federal delegation, the program expired in December

Several pieces of legislation are now being proposed in Washington D.C. to establish higher truck weight limits on the interstates. While they differ slightly any increase

would have a positive impact. Some of the economic benefits include shorter driving distances, improved fuel economy, reduced emission, increased competitiveness, and less wear on secondary and town roads. Allowing trucks more interstate access will also make travel safer by removing them from secondary roads through small towns containing potentially hazardous intersections and crosswalks. The Maine delegation, Particularly Sen. Collins and Rep. Michaud, continue to work diligently in support of national legislation allowing higher truck weights as well as seeking opportunities to restore the 100,000 lb. limit on Maine interstates

We will be watching the progress of these bills and encourage our federal delegation to fight hard to establish a permanent increase in truck weight.



Governor Vetos LD 340 An Act Regarding Timber Harvesting on State Land

A bill seeking to prohibit Canadian Loggers from working in state parks and public lands was rejected by Gov. LePage on June 7th. The Governor cited constitutional concerns just as his predecessor Governor Baldacci did in the 121st Legislature when this issue emerged under his tenure.

Forest Roads May Get New EPA Classification

The U.S. Court of Appeals in the 9th circuit recently heard the case of NEDC v. Brown involving storm water runoff on forest roads. For 35 years the EPA under the Clean Water Act has classified forest roads as nonpoint sources of pollution, meaning they fall under the jurisdiction of state law, regulation, and policy such as Best Management Practices (BMP's). The court ruled that forest roads are indeed a point source of water pollution and therefore subject to the same permitting process as fixed sources of water pollution such as factories, mills, and industrial sites.

States have regulated nonpoint sources for 35 years with the use of BMP's which are designed to specifically address the needs and differences between forest roads, for example, in Maine and Washington. This practice has proved most effective and while not mandatory, it is understood that the best way to keep the woods working is to keep the woods and water flowing through them clean and healthy. Under this new definition, permits could be required for each road, culvert, stream crossing or any other point where water leaves the road. This means an enormous and costly new burden to timber harvesting that could affect the entire forest industry.

We are watching the progress of this case as it moves through the courts and will coordinate with other state and national associations like the National Association of Forestland Owners (NAFO) to work for the best possible outcome.



Budget Signed by Gov. LePage

The 125th Legislature passed and on June 20th Gov. LePage signed into law the two year, \$6.1 billion state budget. As reported in the Bangor Daily News, leaders from both sides of the isle were pleased with compromises reached to get the 2/3 majority needed to send the budget to the Governor's office. The Governor did not hold back in criticizing shortcomings claiming the budget was doing only "half the job". LePage stated, "In February legislators were given a plan which was very different from previous budgets with a focus on creating jobs, lowering taxes, reforming welfare and realigning spending to better reflect today's realities. The budget I signed today reflects a step toward fiscal responsibility and a change in the way we must operate as a State". Another of the Governors top priorities is tax relief. In describing the largest tax cuts in state history, Speaker of the House Robert Nutting told the Bangor Daily News, "The \$150 million in tax cut for Maine citizens that takes 70,000 people and removes them from the tax rolls, and reduces the tax rates and helps small businesses, I think that is the keystone of this". It is expected the Governor will continue to keep additional spending cuts and welfare reform

as top priorities in January session.

Response by Patrick Strauch, Maine “Maine Should Hold Its Fire On North Woods Park”

BDN 6/26/11

The future of Maine’s North Woods should not include a Federal Park or, for that matter, a National Forest. We should not be so quick to write-off Maine’s forest economy and tradition of public access in pursuit of other values. While some Maine citizens may respond favorably to the idea of a National Park, there is declining support and rejection of the idea once people learn of the negative consequences that federal lands have on taxes, employment, and traditional uses they now enjoy. That is why Maine’s 125th Legislature wisely voted to reject the idea of a National Park. “Holding our fire” on a North Woods Park (BDN 6/26) threatens ongoing and future investments in Maine’s forest economy and our model of a working forest that is compatible with nature-based tourism and Maine’s wildlife species.

The Maine Forest Products Council (MFPC) is a trade association that represents the broad spectrum of companies involved in the forest industry, and Maine’s dependence on this industry is an important part of our economic survival. Maine’s working forests produce between 6-7 million cords of wood annually that fuel an economic contribution to Maine of 4.3 billion dollars per year. The creation of a Federal Park, where sustainable timber harvesting is not allowed, will severely reduce long term wood supply. Even National Forests, where harvesting is allowed, do not generate comparable amounts of the fiber that fuels over 30% of Maine’s manufacturing output, employing over 18,000 people (and indirectly supporting of 55,000 jobs.).

The truth is that the Maine Woods are a successful and unique model of productive, working forest-lands that provide nearly unlimited recreation opportunities. They are sustainably managed and support a

globally competitive forest products industry. One must balance the loss of some mills and the precarious state of the Millinocket mills against recent significant investments in equipment in the Verso and SAPPi pulp and paper mills, J.M. Huber’s oriented strand board mill, Louisiana Pacific’s oriented strand lumber mill and several saw mills. The growth in biomass energy, wood pellets, biofuels, and composite construction materials combined with emerging technologies in harvesting and manufacturing continue to keep Maine competitive in the global market. Indeed, the forest products industry remains Maine’s largest manufacturing industry and it provides a huge contribution to Maine’s GDP and tax base. We should note that in a housing recession that has idled nearly 50% of North America’s lumber productions, all of Maine’s state of the art lumber mills remain in business, buying wood and selling product.

In addition, Maine’s North Woods offer public access, either for free or for a nominal fee. The public can access the woods by vehicle and snowmobile to pursue a wide variety of recreational opportunities including hiking, camping, canoeing, hunting and fishing.

This system of working forests with public access is unique in the US and the world, and would be instantly threatened with extinction should a North Woods National Park find foothold. Maine people would gain little except a logo and park rangers, encounter access restrictions, pay higher fees, while losing tax base and productive working forest-land. The idea has been raised that Millinocket could be the “Gateway” to the National Park and new jobs would be created to offset those lost due to the mills closing. It is important to note that jobs in hospitality and recreation sectors earn less than half of the statewide average wage, while the average paper manufacturing wage is nearly twice the state average.

(Continued on page 7)

Quimby.....(Cont. from page 6)

Millinocket remains one of the most strategic locations in Maine for a successful wood manufacturing facility.

A feasibility study for a Park will send a strong signal to mill owners to invest elsewhere. Forest products companies are already worried about wood supply in Maine, and any effort that removes timberland from production is an item of great concern for our mills.

A feasibility study sets the stage for years of uncertainty and divisive debate that will hurt our industry. A study or establishment of a Park will certainly reduce investment in our mills, which will erode their competitiveness. In addition, the presence of a National Park will justifiably cause landowners to reconsider the cost of providing access on private roads and lands that are crossed to access a park. Even a small National Park will be a constant threat due to expansion from eminent domain powers. The strong movement in Maine to establish conservation easements that extend to nearly 3 million acres to date, would be curtailed. In short, a National Park will severely threaten the unique system that has served Maine well for hundreds of years.

While the MFPC is a strong advocate for property rights, including Ms. Quimby's rights as a landowner; from the perspective of the forest industry, we believe that federal land ownership would be devastating to Maine's forest products industry, hurt Maine's economy and restrict traditional public access to Maine's forests. MFPC believes "Maine's forests are working."

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MFPC Calendar:

- July 12-15- Forest of ME Teachers' Tour- Maine Tree
- July 14- MFPC Golf Tournament in Bangor
- July 26-29- Forest of ME Teachers Tour- Maine Tree
- August 11 - Executive Committee Meeting
- Sept. 11-12 - Annual Meeting
- October 13 - Executive Committee Meeting

Summary of Legislative Session

The legislature concluded the first half of the 125th session at the end of June. A wide array of bills were introduced and we tracked almost two hundred pieces of legislation. We will be providing a complete summary of bills that impact MFPC members when the legislature provides their final report. The following are just a sample of the bills we monitored this year and we look forward to presenting a detailed summary in the coming weeks.

LD 109

Agriculture, Conservation & Forestry
Resolve, To Establish the Commission To Study the Promotion and Expansion of the Maine Maple Sugar Industry -

Rep. Matthew Peterson

LD 1534

Agriculture, Conservation & Forestry
An Act To Reform the Land Use and Planning Authority in the Unorganized Territories - Rep. Jeffery Gifford

LD 600

Energy, Utilities and Technology
An Act To Promote a Safe and Sustainable Environment by Extending the Portfolio Standard - Rep. Roberta Beavers

LD 156

Environment and Natural Resources
An Act To Clarify the Regulation of Impacts to Significant Vernal Pool Habitats under the Natural Resources Protection Act - Senator Christopher Rector

LD 1031

Environment and Natural Resources
An Act To Amend the Laws Governing Significant Wildlife Habitat Rep. Bernard Ayotte

LD 559

Inland Fisheries & Wildlife
An Act To Protect Owners of Private Property against Trespass - Rep. Andrew O'Brien

LD 1135

Judiciary
An Act To Protect the Rights of Property Owners - Senator Lois Snowe-Mello

LD 1314

Labor, Commerce, Research and Economic Development
An Act To Standardize the Definition of "Independent Contractor" - Rep. Dianne Tilton,

LD 1

Regulatory Fairness and Reform
An Act To Ensure Regulatory Fairness and Reform - Senator Kevin Raye

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LD 191

Taxation
An Act To Define Lienholder Rights under the Maine Tree Growth Tax Law - Rep. Andre Cushing,

LD 1138

Taxation
An Act To Prevent Unnecessary Expulsion of Landowners from the Maine Tree Growth Tax Law Program - Rep. L. Knight

LD 770

Transportation
Resolve, To Establish a Study Group To Update Weight Regulations - Rep. Dennis Keschl

Fish Connectivity Seminar and Workshop

The MFPC Wildlife Committee, led by Barry Burgasson (Huber Resources), met on June 30th to discuss issues dealing with stream connectivity, fish passage, and water quality.

Jeff Light, a hydrologist with Plum Creek, presented research comparing studies conducted in 1959 and 2009 that relate to the impact of forestry operations on water quality. The comparison illustrated how modern forestry practices have greatly diminished the environmental impact. Jeff also discussed how fish movements are impacted by the slope of culverts and water flow that create crossing barriers at forest roads. His summary concluded that fish can actually travel through conditions that were previously thought to be impassable.

John Gilbert discussed issues JD Irving has been addressing on their lands and solutions regarding fish passage and stream temperatures. He spoke about budgetary issues facing landowners when installing structures designed to promote healthy streams with active fish passage.

Pat Sirois gave a summary of progress made by the forest industry with the Sustainable Forestry Initiative (SFI). Efforts to educate those involved in the forest industry in the use of Best Management Practices (BMP's) have seen great benefit to water quality and fish health and passage. A framework was discussed to help landowners understand and execute BMP's .

The security of data collected and shared with state agencies was also raised. This is an issue of great concern to landowners and managers. No solutions were reached and this issue will be revisited.



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(Picture taken by Jon Metrick - First Moose!!)

MAINE FOREST PRODUCTS COUNCIL

51th Annual Meeting

Dear MFPC Member:

The Maine Forest Products Council invites you to attend our 51st Annual Membership Meeting being held in Rangeley Maine at the Saddleback Ski Area on September 11 & 12. This year, attendees will have the opportunity to play golf at Mingo Springs on Sunday and return to Saddleback for a BBQ that evening.

Monday morning starts off with an early breakfast at Saddleback where we will begin our annual membership meeting. The meeting will involve a traditional election of officers, a report of legislative activities and a discussion on strategic direction for our industry. We are working on obtaining continuing education credits for the days program. In the afternoon we will head over to Stratton Lumber for a tour of their sawmill and Boralex Energy plant and a possible woods equipment tour.

REGISTERING FOR THE ANNUAL MEMBERSHIP MEETING

The success of this meeting depends greatly on membership support. As a MFPC member, I would like to extend to you the opportunity to participate as a sponsor. As you know, sponsorship is an essential component to all the events we hold, and it is especially important to subsidize the cost of the events. This allows broader participation of our members by keeping individual expense down. A special form for sponsorship registration is enclosed with your registration materials. We hope that you will join us for our biggest event of the year. Registration forms for all events and meals are enclosed. If you have any questions, please feel free to call our staff at 622-9288 or email Sue at smccarthy@maineforest.org. I'm looking forward to seeing you there.

Sincerely,

Don White
President

The invitations will be emailed or mailed to you this week. You can also download the invitation off of our website at www.maineforest.org
