



Testimony of

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Before the Committee on Transportation regarding LD 607 – Resolve, to Direct the Department of Transportation to Examine the Feasibility of Extending Interstate 95 to the St. John Valley

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Senator Chipman, Representative Williams and members of the Committee on Transportation, 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 Maine's logging and trucking industry. The PLC was formed in 1995 to represent independent contractors in a rapidly changing forest industry.

As of 2021, logging and trucking contractors in Maine employed over 3,000 people directly and were indirectly responsible for the creation of an additional 2,500 jobs. This employment and the investments that contractors make contributed \$582 million to the state's economy. Our membership, which includes 200 contractor members and an additional 120 associate members, employs more than 75% 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 support of LD 607 – Resolve, to Direct the Department of Transportation to Examine the Feasibility of Extending Interstate 95 to the St. John Valley. We would like to thank Representative Albert and Senator Jackson for bringing this legislation before the committee and while we understand that it is a longshot to legislate the construction of one road as a priority over another in the state, we do feel that the importance of this route to the forest economy in Maine cannot be overstated.

The logging industry in Maine was in the midst of a reinvention process until the onset of COVID 19 and the digester explosion at the Jay mill in April 2020. As a result of mill closures, curtailments and inflation created by the response to COVID 19, we are estimating that Maine has lost 30% of its harvesting capacity and the layoff of nearly 1,000 people in harvesting and hauling since 2020. In just four years, the industry has shrunk from an annual economic impact of \$620 million to \$582 million and total jobs have been reduced from 9,000 to 5,500.

The state simply needs market expansions and better infrastructure to create efficiencies that save money and increase profitability.

In the spring of 2016, members of Maine's Congressional delegation convened a working group of the forest products industry, affected communities, and other stakeholders to develop shared strategies to strengthen and diversify Maine's forest industry and rural economies. Together, this group, which is now called the Forest Opportunity Roadmap for Maine (FOR Maine), has prioritized a path forward to achieve prosperity for the state.

Goal 1 of the FOR Maine effort is to sustain and grow the forest products economy from \$8.5 billion to \$12.5 billion by 2025. Goal 1, Strategy 1G calls for, “improvements in transportation and logistics infrastructure for moving wood and value-added products to market”. As chair of the FOR Maine transportation committee, I am proud to report that our industry is working very closely with Maine DOT to identify infrastructure priorities for capital investments, including existing highways, haul routes and transportation facilities. We have also made the statement that, “to ensure competitiveness, Maine needs a long-term funding strategy to make critical investments in the rail, road and port infrastructure necessary to cost-effectively move wood out of the forest to market and for value added products to reach their final destination”.

As you will note in the attached For Maine Transportation Committee Recommendations document, several roads in Aroostook County were listed as priority haul routes for the forest products community. With this in mind, we also know that there is one golden route that would provide maximum opportunity to move forest products safely and efficiently. This route would be the extension of I-95 from Houlton to the St. John Valley.

To emphasize the immediate impact that this type of investment would make, I would like to point out the tremendous success of our federal delegation’s efforts to increase the weight limit on I-95 to 100,000 lbs. Moving logging trucks out of small communities has not only increased safety, but it has provided tremendous efficiency for logging companies to move raw forest products long distances in an expedient manner. This success could be replicated in Aroostook County, but only with significant investment of state and federal resources.

Each year, I hear continuous complaints from our membership regarding the physical condition of haul routes in Aroostook County, especially Rte. 11, Rte. 161 and Rte. 1. All who utilize these routes for delivery of raw forest products report significant deterioration of the roadway, increased truck maintenance costs, worker’s compensation claims and reduced profitability.

Logging and trucking companies operate annually on a razor thin margin. The loss of markets and inflation near 50%, in addition to the impacts of poor road conditions are leading to the demise of many of our members. Adding insult to injury is a severe driver shortage and we have the ingredients of a perfect storm that could severely impact the future of our industry.

For members like ours who rely heavily upon Maine’s roads, increased vehicle maintenance and workers’ compensation claims from drivers who operate trucks on roads that are in dire need of repair, could make the difference between whether a company continues to operate or not. Without creative thinking and investment in big ideas like an extension of I-95 to the St. John Valley, it could lead to even more of our members laying off employees or shutting their doors for good.

Thank you for your time and attention to this legislation and I would be happy to answer any questions you might have.