



Maine Forest Products Council

The voice of Maine's forest economy

Companies represented on the MFPC Board

A & A Brochu Logging
American Forest Mgmt.
Baskahegan Co.
BBC Land, LLC
Columbia Forest Prod.
Cross Insurance
Family Forestry
Farm Credit East
Fontaine Inc.
H.C. Haynes
Huber Resources
INRS
J.D. Irving
Katahdin Forest Mgmt.
Key Bank
Kennebec Lumber
LandVest Inc.
Louisiana Pacific
Maibec Logging
ND Paper
Nicols Brothers
Pingree Associates
Prentiss & Carlisle
ReEnergy
Richard Wing & Son
Robbins Lumber
Sappi North America
Southern Maine Forestry
Stead Timberlands
St. Croix Tissue
St. Croix Chipping
TD Bank
Timber Resource Group
Timberstate G.
Wadsworth Woodlands
Wagner Forest Mgt.
Weyerhaeuser
Woodland Pulp

Testimony Neither for Nor Against of LD 1308

“An Act To Establish Municipal Cost Components For Unorganized Territory Services To Be Rendered In Fiscal Year 2023-24”

April 18, 2023

Patrick Strauch, Executive Director

Senator Grohoski, Representative Perry and members of the Committee on Taxation, my name is Patrick Strauch, I am a resident of Exeter and am here today to present testimony on behalf of the Maine forest Products Council neither for nor against LD 1308, “An Act To Establish Municipal Cost Components For Unorganized Territory Services To Be Rendered In Fiscal Year 2023-24.”

The Maine Forest Products Council is an organization representing more than 300 members from all facets of the forest products industry. Members include paper mills, sawmills, loggers, truckers, foresters, panel manufacturers, biomass and pellet facilities and secondary manufacturers. We also have more than 8 million acres of dues paying landowner members.

The majority of our landowners' holdings are within unorganized territory and while they have the highest acreage in the UT, I estimate that they only represent 40-50% of the total taxes. For that reason, this review is an annual event where we look to the Taxation Committee to be our effective board of selectmen. This session, this committee has one of the highest proportions of legislators that have districts within the UT, which is not always the case.

Here is a list of our observations upon reviewing the proposal before you today:

1. State Services

- a. Tuition increases are based on school tuition expenses, organized towns pay either the direct rate of the receiving school or the statewide average, whichever is lower.
- b. Inability to finance capital expenses lead to expensing equipment and building costs of \$750,000 for the first phase of school renovations.

2. **County Budgets:** Our members are always encouraged to participate in county budget deliberations.
- a. There is always the temptation to tax the UT to fill the needs of the greater county. For example, we are always reviewing county budgets for items like safety patrol services and equipment that may perform within the greater county area and not just in the UT. With this in mind, we have two questions:
 - 1. Oxford County is adding one deputy sheriff and decreasing contributions to the capital reserve. Is the deputy dedicated to the UT?
 - 2. Somerset County increased EMS charges – is this increase shared with organized towns?
 - b. We understand that snow plowing expenses continue to rise with the high cost of fuel, labor and equipment replacements.
 - c. We commend the efforts of Washington County in seeking MDOT support on the Mills Stream Bridge repair.

2. **Miscellaneous notes:**

- a. No tree growth reimbursement in the UT.
- b. Limited municipal revenue sharing.

Thank you for considering these observations. I would be happy to answer any questions the committee may have.