1. The following subcommittee members were in attendance on the call:
   - Chair: Larry Shaw, MMG Insurance
   - Jesse Connolly, Office of Representative Chellie Pingree
   - Bob Dorko, Sappi
   - Susan Hammond, Four Directions
   - Sam May, Maine Harvest Federal Credit Union
   - Alan Perry, Farm Technologies Network
   - Steve Schley, FOR/Maine
   - Staff and Support Experts:
     - Mary Grace Schley, Maine Department of Economic and Community Development
     - Richard Qualey, Intern, University of Maine Law
     - Hannah Carter, UMaine Cooperative Extension

2. Note: While he does serve as chair of the FOR/Maine initiative, Steve Schley does not speak for or advocate on behalf of FOR/Maine, rather he is speaking on his experience and knowledge of the forestry industry.

3. Sector Overview:
   - Maine is the most forested state in the U.S. (89%) and 91% of Maine’s forest is privately owned and actively managed. It is the largest contiguous block of private commercial forestland in the U.S.
   - Early adopter of forest certification and now the national leader in certified acres (8.3 million acres). Maine is also the leader in conservation easements (4 million+ acres).
   - Maine is the most dependent state on forest sector (4-6% of GDP).
   - $1 billion in investment in last two years.
   - Opportunity for sustainable increased harvesting, diversification of markets, and bolt-on technologies at existing assets, particularly in the innovative, biobased product space. Bolt-on diversity needs to be a constant and prioritized consideration, as it allows for immediate, efficient increases in product diversity while utilizing the same natural resources.

4. Forestry Sector Pandemic Impacts:
   - Housing starts, and thus demand for lumber, are down after a period of high demand. Building permits are not being approved in some locations.
   - Forestry supply chain businesses were deemed essential at the beginning of the COVID-19 crisis, so their operations have not had to weather the shutdowns of others. However, demand for products is down or shifting within the marketplace, so the impact is being felt.
   - Flow of raw material and manufactured wood products across the Canadian border is a crucial element to the supply chain. Only some parts of the Canadian industry are operating, disrupting this flow.

5. Other Considerations:
• Workforce:
  o Need to ensure that training resources are available for industry workers.
  o With the aging of the workforce in the forestry industry, encouragement is needed for new participation in the marketplace, which may require assistance with investment in expensive equipment that is needed to begin operations.
  o Forestry employs guestworkers, which will need education, safe housing, and guidance on new operating guidelines.

• Following the explosion of the pulp digester in mid-April, full operation of the Pixelle paper mill in Jay is a critical component to maintaining the flow of fiber in the marketplace, including the consumption of species that other mills currently do not use as part of the product mix.
  o Skilled labor availability to rebuild capacity at Pixelle may be an issue.

• There is opportunity to educate and engage smaller landowners, or farmers who own woodlands, to help them diversify their income streams and bring additional fiber on to the market. There are multiple synergies and opportunities for collaboration with agriculture, such as support for soil carbon needs.

6. Follow-Up Information Requested:
   • Gather information on specific training resources available to the forestry industry – Steve Schley
   • Gather data on dollars to workers vs. dollars to landowners/investors as the productivity of the forestry industry has increased over time – Steve Schley

7. Stabilization Recommendations from industry:
   • Short term response actions focused on protecting the businesses that we have:
     o COVID testing plan and resources for manufacturing & logging
     o PPP program continuance and revisions (Congress)
     o Economic Damage Relief Package USDA Loan/Grants
       1. Logging and trucking business interruption loans
       2. PPE expense relief
     o Assistance/support to Pixelle to rebuild pulp capacity
     o Work with regional governors to ensure building permit processing
     o Address challenges of extended benefits for unemployment claims hindering back-to-work needs
     o State support through procurement signals and return to long-term, strategic business attraction efforts
   • COVID-19 testing and PPE requirements and access should be coordinated/guided by the government to ensure that everyone has access and that best practices are being followed everywhere.

8. Next Steps:
   • The Subcommittee will hear from its four major sectors before beginning evaluation of the proposed industry recommendations for stabilization.

9. Next Meeting: Friday, June 05, 2020 at 9:15 am – Agriculture Deep Dive