



121st MAINE LEGISLATURE

SECOND SPECIAL SESSION-2004

Legislative Document			No. 1964
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H.P. 1471

House of Representatives, April 28, 2004

An Act To Protect Forest Products, Loggers and Haulers

Reference to the Committee on Labor suggested and ordered printed.

Millient M. Mac Failand

MILLICENT M. MacFARLAND Clerk

Presented by Representative SMITH of Van Buren. (GOVERNOR'S BILL) Cosponsored by Senator MARTIN of Aroostook and Representatives: HATCH of Skowhegan, HUTTON of Bowdoinham, JACKSON of Fort Kent, PINEAU of Jay, Senators: BRYANT of Oxford, EDMONDS of Cumberland, HATCH of Somerset, STANLEY of Penobscot.

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 26 MRSA \$1351. as enacted by PL 2003, c. 670, \$3, is amended to read: 4

6 §1351. Legislative findings

8 The Legislature finds that Maine's forest products industry is a vital component of Maine's economy and has a direct relationship to the economic health and welfare of workers, 10 communities and businesses. Central to the viability of the forest products industry is a stable workforce of loggers and 12 wood haulers available to harvest wood from Maine's forests and 14bring the wood to mills and other wood-using industry. The erosion of the logger and wood hauler infrastructure in any major 16 region of the State can have a serious negative effect on wood products manufacturing throughout the State. The Legislature further finds that, based upon patterns and configurations of 18 forest landownership, the harvesting and hauling of forest products are performed by numerous loggers and truckers who, in 20 many cases, are not able individually to bargain effectively with 2.2 forest landowners who possess overwhelming market power. The Legislature finds that such market power exists whenever -a- one 24 forest landowner owns, possesses or acquires economic control over more than 400,000 acres in a labor market area, which acreage constitutes more than 30% of the total land area in that 26 <u>labor market area.</u> Accordingly, the Legislature finds it necessary, in the absence of sufficiently vigorous competitive 28 market forces, to displace competition as provided in this chapter. The inequity of power in determining compensation and 30 the lack of opportunity to join together in bargaining over compensation can result in unfair contract rates for the services 32 of loggers and wood haulers. The Legislature finds evidence of unfairness in the fact that contract rates for harvesting and 34 hauling services are considerably lower on the land of such owners. The Legislature finds that it is in the public interest 36 to ensure a reasonable rate of compensation for harvesting and hauling services and therefore creates in this chapter a process 38 whereby the State displaces existing market forces and, upon request, sets the rates of compensation for such services. 40

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Sec. 2. 26 MRSA §1352, sub-§5, ¶A. as enacted by PL 2003, c. 670, $\S3$, is amended to read:

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- A person that owns directly or through affiliated Α. persons, or possesses economic control over, more than 46 400,000 acres in a labor market area, which acreage constitutes more than 30% of the total land area in that 48
 - labor market area; or

2	Sec. 3. 26 MRSA §1352, sub-§10. as enacted by PL 2003, c. 670, §3, is amended to read:				
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	10. Person. "Person" includes one or more individuals,				
6	partnerships, corporations, limited liability corporations,				
	business organizations and associations.				
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10	SUMMARY				
12	This bill limits the applicability of the Maine Revised				
	Statutes, Title 26, chapter 18 to labor market areas where one				
14	forest landowner owns or controls more than 400,000 acres, which				
	acreage constitutes more than 30% of the total land area in that				
16	labor market area. The bill also clarifies that the term				
	"person" as defined in Title 26, chapter 18 is meant to include				
18	all forms of business organization.				

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