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*Report of the*

# **PAPER INDUSTRY COUNCIL**

February, 1996

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## EXECUTIVE SUMMARY

In the Spring of 1995, the Paper Industry Council was established to oversee implementation of the recommendations of the Commission to Study the Future of Maine's Paper Industry and to review emerging issues relevant to the paper industry in Maine.

This report is submitted to the Joint Standing Committee on Business and Economic Development in accordance with the Council's enabling legislation. As required, this report contains an account of the Council's progress in implementing the Commission's recommendations. The report also contains the Council's recommendation as to its role in the future, as an informational forum for discussion of issues, and as a resource to the Legislature on policy issues that impact the paper industry.

As detailed in this report, progress has been made on many fronts toward implementation of the Commission's recommendations. Legislation has been enacted to effectively eliminate the property tax on business machinery and equipment. Funding is in place to construct a new port facility at Eastport, and to alleviate space limitations at the Port of Portland. Additionally, funding for some rail and highway improvements is in place. Programs are currently in operation to improve the perception of Maine as a place to do business and to increase inter-agency coordination on economic development matters. A review of the Site Location of Development law has been completed, and private forces are involved in increasing natural gas access to the industry.

Implementation of many Commission recommendations is currently underway. Work in progress includes a comprehensive review of environmental regulation in Maine, and review of duplicate environmental permitting and reporting requirements. Much work has also been accomplished to identify issues related to electric utility restructuring. While some improvement is in progress on transportation infrastructure, continued emphasis must be placed on the upgrade of Routes 2 and 9, as well as improvement of Maine's freight rail and port systems.

Several recommendations of the Paper Industry Commission remain unfulfilled at this time. The Council will focus upon implementing these recommendations in the following year:

- The Council has not yet developed recommendations as to ways to reduce cost and uncertainty in the relicensing process for hydroelectric dams.
- The Council has not convened a conference on innovations in labor/management systems.
- The Council has not investigated new Technical College programs to support the industry.
- The Council has not yet explored creation of a position at the Department of Economic & Community Development to support the paper industry, and a program designed to develop a broad understanding of the paper industry and its importance to the economy has not yet been developed.

Emerging issues the Council is currently investigating include improvement of Maine's solid waste management system for landfills, and the proposed referendum to ban clear cutting.



## **I. Council Formation:**

In the spring of 1995, the First Regular Session of the 117th Legislature enacted Resolves, Chapter 16, *Resolve, to Establish a Paper Industry Council* (Appendix A) which created the Paper Industry Council (the "Council").

The Council consists of 14 members. Twelve members are appointed by the Governor, representing the Department of Economic & Community Development, the Department of Environmental Protection, the Department of Transportation, Department of Conservation, the University of Maine system, an electric utility, a railroad, organized labor, the environmental community and the paper industry. Additionally, the President of the Senate appointed one Senator, and the Speaker of the House appointed one Representative.

Formation of the Council was the direct result of a recommendation by the Commission to Study the Future of Maine's Paper Industry (the "Commission"). The Commission was itself created by the 116th Legislature through Resolves, 1993, Chapter 75. (Appendix B). The Commission was formed as a result of declining capital investments in Maine paper companies, and the perceived threat to the future of the industry in the state of Maine. The basic mission of the Commission was threefold: 1) to determine changes in state policy that would result in improved capital expenditures in Maine paper companies; 2) to help educate Maine policymakers on the importance of the industry to Maine's economy; and 3) to help advise industry leaders on current, valid information about Maine as a desirable place for investment dollars.

A major recommendation of the Commission was the formation of a Paper Industry Council which could oversee the implementation of the Commission's long term recommendations.

## **II. Council Mission:**

Legislation creating the Paper Industry Council directed the Council to accomplish the following tasks:

- 1) Oversee implementation of the recommendations of the Commission to Study the Future of Maine's Paper Industry;
- 2) Over the long term, to recommend to all interested parties ways in which the future of the paper industry may be enhanced, while concurrently enhancing employment, the environment and the state budget.
- 3) Oversee the implementation of any additional recommendations the Paper Industry Council develops.



### **III. Council Process.**

The Council held a total of 5 meetings over a three month period. The meetings were open to the public, and notices were placed in the weekly legislative calendar.

Most Council meetings were devoted to gathering information and identifying issues. The Council identified a number of issues central to its mission to implement Commission recommendations. Other emerging issues impacting the well being of the Maine paper industry were examined as well. The Council invited a number of speakers to provide information on several of these issues in order to learn of any progress in relevant areas and to gain an understanding of the issues.

Several Commission recommendations that the Paper Industry Council is charged with implementing require the Council to identify issues and make recommendations for action. During its existence, the Council has succeeded in identifying a number of issues relevant to these subject areas. If authorized to continue its work in the next year, the Paper Industry Council intends to continue to gather information, and to proceed to develop recommendations to fulfill its responsibility to implement Commission recommendations.

### **IV. Issues Examined by the Council:**

#### **A. Transportation Infrastructure:**

The Council heard a presentation by council member Robert D. Elder, Director of the Office of Freight Transportation, and Al Belz, Director of TIP Development and Management, of the Department of Transportation (MDOT). The presentation provided an overview of the state's current 20-Year Transportation Plan, published in January 1995. The plan reflects new direction in planning resulting from the Intermodal Surface Transportation Efficiency Act (ISTEA) of 1991 and the Maine Sensible Transportation Policy Act. The 20-Year Plan includes long term policies and goals that are utilized in development of two-year Transportation Improvement Strategies. Both the long-range and two-year plans incorporate public input and priorities through consultation with the RTAC system.

##### **1. Rail:**

Currently, there are eight private railroad companies operating within Maine. The 1,300 miles of rail existing in the state traverse most of the major urban areas of the state, and pass through many rural areas as well. The existing rail infrastructure is maintained by private railroad companies at Class I (maximum 10 mph freight trains) to Class IV (maximum 60 mph freight trains). The 1200 miles of active track are generally well maintained and provide for safe movement of goods at design speeds. An intermodal rail/truck transfer facility is operational in Auburn and others are being considered for Fairfield, Bangor and Presque Isle.

In a transportation bond issue passed by Maine voters in November of 1995, funding was included for rail improvements. Specifically, the bond included funding to support construction of an intermodal facility in Presque Isle, rehabilitation of trackage in Auburn and Thomaston-Rockland, rehabilitation of a spur line in Mechanic Falls, and construction of a new spur line in South Paris; all projects that support intermodal transfer/shipment of containerized and bulk commodities.

The Department of Transportation has also recently reorganized by creating Offices of Freight and Passenger Transportation to improve efficiency and service to shippers. These new Offices replace four former Divisions which were organized on modal lines.

The Paper Industry Council recognizes the importance of adequate rail infrastructure as a priority to the industry. The Council intends to continue to focus on improvement of rail access across the state.

## **2. Highways:**

Highways are the largest and most heavily used component of Maine's transportation system. There are over 22,000 miles of highways in the State, and the MDOT is responsible for approximately 8300 miles (37%) of the system. Highways are classified into four functional categories: 1) Interstate; 2) Arterials, the major highways that serve regional traffic and connect larger communities; 3) Collectors, roads that carry traffic between the arterials and smaller communities; and 4) Local Roads that primarily serve intra-community and residential travel.

The ISTEA act of 1991 established a new National Highway System.(NHS). The NHS includes all interstate highways and the more important portions of arterial highways. There are approximately 1270 miles of NHS highways in Maine. Two highways with the greatest impact on operations of the paper industry are U.S. Route 2 and State Route 9. These highways provide a major route for the paper industry to transport product and supplies. Both routes are on the NHS.

A 1988 MDOT consultant report provides a work plan for improvements on Route 9 from Brewer to Baileyville and Route 2 from Gilead at the New Hampshire border to Newport. The report outlines overall improvement needs for the East-West Highway outlined in Chapter 42 of the 1987 P&S laws. The MDOT has been addressing the plan through its Biennial Transportation Improvement Program process.

The portion of Route 9 between Brewer and Baileyville consists of about 88 miles. About 56 miles have been built to current day standards. There are three projects in process either under construction or funded for reconstruction that include over 10 miles. There are two projects totaling over 7 miles being designed under preliminary engineering. This leaves about 14 miles to be addressed in future programs.

The portion of Route 2 from the New Hampshire border in Gilead to Newport consists of 116 miles. About 85 miles have been built to current day standards. There is one project funded to improve 3/10 of a mile in downtown Dixfield. This leaves about 30 miles to be addressed in future programs. An additional 6 miles in Farmington and Wilton are funded and scheduled for resurfacing in the current program.

A major issue arising in discussions of the Paper Industry Council involved the permanence of repairs to the highway system, and the ability to reconstruct highways for increased usage that might occur if an improved roadway was in place.

### **3. Ports:**

The State has been pursuing a three-port strategy, which the MDOT developed in the early 1980's as a result of studies conducted on Maine's port resources and needs. The studies recommended that the State focus its resources on development of three ports as the primary infrastructure providing port access for the State. A formal policy to implement the three-port strategy was developed in 1988. The three ports which emerged as primary ports were Portland, Eastport and Searsport. Dry cargo port traffic growth has averaged 8% during the past ten years at these ports.

Currently, the Eastport facility ships over 175,000 tons of woodpulp per year. However, the facility has several structural problems that must be addressed for continued operation of the facility. The facility is limited in size, has severe maintenance problems due to age, truck traffic circulation problems, and inadequate warehousing. A 1990-91 Market Study identified a potential of 300,000 tons of products which could be handled if a new facility were built. In the recently passed Transportation Bond Issue, \$13 million was earmarked for a new marine facility in Eastport. This project will include a new state of the art 600' X 100' pile supported pier with mooring dolphins, development of 45 acres of on-land storage, and new warehousing.

The Port of Portland currently handles 49% of the State's dry cargo and a majority of petroleum products. The Port annually handles 625,000 tons of dry cargo, with containers growing at a 20% annual rate. However, the facilities are limited by lack of space.

Several projects are underway, or in planning stages to alleviate some of the obstacles to increased growth at the Port of Portland. Funding of \$2 million has been earmarked to acquire land adjacent to the facility for increased capacity of the port's container operations. Additionally, the MDOT has plans to construct a tunnel under the Guilford rail line to open access to additional land for a Merrill Industries operation and other city uses. Construction is expected to begin in the summer of 1996. Also, the new South Portland bridge under construction will provide greater clearance in order to accommodate larger vessels at the upstream terminals.

The Port of Searsport at Mack Point is severely limited in its ability to deal with modern vessels and operations. The proposed Sears Island terminal was expected to provide a modern, efficient port facility to handle larger quantities of cargo more efficiently, and provide a cost

effective outlet for Northern and Central Maine businesses wishing to export. Over the past several months, the proposed Sears Island terminal has been in the permitting process. The Department of Transportation had modified the port design in response to Resource Agency concerns, and was awaiting approval of the project. However, Governor King recently announced abandonment of the effort in response to new regulatory requirements which significantly increase the cost of the project.

## **B. Sustainable Forest Management.**

The Council heard a presentation by council member Thomas Doak, Director of Forest Policy and Management at the Maine Forest Service concerning the work of the Maine Council on Sustainable Forest Management.

The Council on Sustainable Forest Management is composed of representatives from the forestry industry, University of Maine, Department of Conservation, the Maine Forest Service, environmental organizations, and small landowners. The Council is charged with developing practical benchmarks of sustainability against which forest landowners can assess their forest management practices.

Specific tasks to be accomplished by the Council on Sustainable Forest Management include development of a definition of forest sustainability in practical terms feasible for implementation by all landowners, and recommendation of criteria and goals to ensure a sustainably managed forest. The Council on Sustainable Forest Management also plans to develop a methodology for use by the Department of Conservation in monitoring forest landowners' progress toward achievement of forest sustainability goals. These tasks are expected to be complete by July 1, 1996.

After completing its development of benchmarks for sustainable forest management, the Council on Sustainable Forest Management will review and assess existing rules and regulations affecting forest management. Forest management rules will be reviewed according to their adequacy in achieving the Principles of Sustainability developed by the Council on Sustainable Forest Management, which plans to recommend any changes necessary in existing rules and regulations by October 1, 1996.

The work of the Council on Sustainable Forest Management highlights issues integral to the continued health of the paper industry in Maine. Although it is difficult to mandate good forest management practices which appropriately address all situations, the development of sustainability benchmarks will provide needed guidance to forest owners. The sound management of Maine's wood resources is critical to providing an adequate long term wood supply for the forest products industry. The Paper Industry Council awaits the results of Sustainable Forest Management Council's work, and plans to review its recommendations in light of the Paper Industry Council's mission.

**C. Proposed Clear-cutting Referendum.**

Council member Thomas Doak of the Maine Forest Service (MFS) provided the Council with information concerning the text of a proposed referendum seeking to ban clear-cutting in Maine's unorganized territory. The MFS is in the process of interpreting the text of the referendum in order to determine the effect of the proposed law. Some of the provisions contained within the referendum language need clarification in order to be applied to forest management practices. The MFS has developed an interpretation of the terms contained in the referendum. This interpretation has been made available to the Council.

The MFS is working with the State Planning Office to develop an estimate of the economic impact of passage of the referendum. Preliminary analysis by the MFS indicates that the impact on the wood supply for the wood products industry could be significant.

The Paper Industry Council will continue to receive information related to the impact of the referendum. Currently, critical information concerning the impact of the referendum on the wood supply being developed by the State Planning Office and the MFS is not available. In the coming months, the Council looks forward receiving and reviewing this analysis. The Paper Industry Council anticipates that it may develop recommendations concerning passage of the referendum.

**D. Hydroelectric Relicensing.**

Many paper companies in the state generate electricity through use of hydroelectric dam facilities. These facilities provide some or all of electricity needed by many paper companies in the state. Due to their dependence on electricity generated by these facilities, relicensing becomes a significant issue for paper companies owning hydroelectric dams.

The Council heard a presentation by council member David Allen, Director of Governmental and Regulatory Affairs at Central Maine Power Company, and Brian Stetson, of Great Northern Paper company. The overview given to the Council demonstrated the lengthy and complex process that applicants for relicensing must undergo.

The process is controlled by regulations established by the Federal Energy Regulatory Commission ("FERC"). Like most states, Maine also has its own regulations. The primary complaint of applicants for relicensing is not the environmental standards, but rather, the lengthy and complex process for approval.

Through discussion several issues were identified that make the relicensing process difficult from an applicant's perspective. The process begins five years prior to the expected relicense date. Additionally, numerous studies are required which increase the cost of the process significantly. In the process the applicant is required to assume the burden of assuring adequate

participation by all interested parties, and is required to resolve any competing interests prior to application. Also cited as a concern was the lack of limitation on intervention by interested parties. Another factor creating cost and uncertainty in the process is the applicant's responsibility to conduct monitoring studies after an approval is granted.

Cited as perhaps the most significant contributor to both the time and expense of hydro relicensing was the impact of dual regulatory processes. Relicensing is subject to both FERC and DEP regulation and requires input from over a dozen federal and state agencies.

The Paper Industry Council is continuing to gather information concerning issues presented by the relicensing process. Additional information is needed before the Council can recommend changes in the current system.

#### E. Natural Gas.

Access to alternative fuel sources is a significant advantage for large manufacturing industries, and the paper industry in particular. Access to alternative fuels provides a company with the flexibility to utilize fuel in the most efficient and cost effective manner according to market conditions. Currently, access to natural gas is limited in the state of Maine for large industrial users. Access to natural gas was one of the concerns expressed by the Commission to Study the Future of Maine's Paper Industry. The Paper Industry Council heard presentations concerning two natural gas pipeline proposals with the potential to improve natural gas access to Maine paper companies in the near future.

The Portland Natural Gas Consortium has proposed a natural gas pipeline project which will run from Vermont, through Jay, to Portland, Maine, and then to Haverill, Massachusetts. The consortium is composed of Gaz Metropolitan, Granite State Gas Transmission, Tenneco Gas and U.S. Generating Company. The consortium plans to file its first FERC application by March 1, 1996, and is expecting to have gas flowing by November, 1998. They estimate that significant volumes of gas can be supplied to the paper industry, estimating that as much as 30% of the paper industry can be served cost effectively by the project.

The Council also heard a presentation concerning the Sable Island Gas Project, which will run from Sable Island, Nova Scotia through Calais, Maine, and connect with the national gas grid in Dracut, Massachusetts. The project is sponsored by a "producer group" which includes Mobil Oil Properties, Shell Canada Limited, Imperial Oil Resources, Ltd, Petro-Canada, and Nova Scotia Resources, Ltd. The project is also sponsored by a group of "Pipeline companies" including Panhandle Eastern Corporation, Westcoast Energy Inc., Mobil Oil Canada Properties, and Shell Canada Limited.

The Sable Island project is estimated to require a three year construction period, with gas expected to be in the market by the year 1999-2000. Phase I of the project, the gateway to the

grid, is expected to be in service by 1997. This phase of the project will begin at Dracut, Massachusetts and connect to Wells, Maine, giving access to the national grid. Phase II of the project will complete the pipeline to Sable Island, to access the gas resource in that location for users in Maine and elsewhere.

The Council heard that Maine is the last state to be hooked up to the domestic gasline grid. This creates a significant economic disadvantage, since many companies demand natural gas access in any prospective location. Advantages to paper mills from the project could include the freedom to access other fuel options on a day by day basis. Maine mills often compete with mills in other states that have access to natural gas, and lack of gas access presents a disadvantage to the Maine mills in attracting capital investment. The Council supports efforts to increase natural gas availability in Maine.

#### **F. Solid Waste.**

The availability of adequate landfill capacity in which to dispose of solid waste generated by paper companies is of great importance to the industry. The industry has expressed concern about its ability to support operations in the state over the long term without a workable process to review and approve expansions of existing and creation of new landfills. The industry has cited the solid waste landfill permitting process as an issue presenting obstacles to industry in Maine.

The Council invited Tom Doyle, Esq. of Pierce, Atwood, Scribner, Allen, Smith & Lancaster as well as Paula Clark of the Department of Environmental Protection to speak on the issues presented by permitting of solid waste landfills. Tom Doyle presented a detailed history of the process involved in application and review of a solid waste landfill facility.

Several issues which increase the complexity of the permitting process were identified. A major issue concerns the length and cost of developing an application to site a landfill. New landfills are often contested at public hearing, and in litigation after an approval. Also, the dual involvement of municipalities can become an issue. Applicants are often required to proceed through a parallel permitting process when the municipality has its own solid waste ordinance, which increases the cost and length of the process. Additionally, applicants are required to provide municipal intervenors with \$50,000 to review their application. Also identified as a discussion point were many of the soil and site requirements imposed on applicants.

The current solid waste management system resulted from major revisions to Maine law in 1989. The Maine Waste Management Act created the Maine Waste Management Agency, instituted new regulatory standards for permitting, and also banned new commercial landfills. The current regulations have been the source of complaint by industry, and have resulted in lengthy processes for permitting.

Currently, the Department of Environmental Protection (DEP) is in the process of reviewing and revising the solid waste management regulations. Since 1994, the DEP has published two revised drafts of the regulations. The drafts have been circulated for comment. As a result of these drafts, the DEP has engaged in discussions with municipalities, the paper industry, landfill operators and other interested parties to address issues and further refine the revisions. The DEP will continue to accept comments over the next few months, and expects to produce a third draft of the regulations.

The DEP is considering implementation of a phased approach to permitting which would provide discrete phases for the application process. At each phase, relevant aspects of the project are reviewed, and a decision is reached, although the decision is not final and is subject to revision in final hearings. The DEP hopes this approach will provide applicants with more feedback during the application process, in order to avoid situations where much time and money is spent before the applicant knows of whether a project is viable.

The Council is continuing to gather information concerning ways of streamlining Maine's solid waste landfill permitting process without lessening environmental protection. However, additional information is needed before the Council can recommend changes in the current system. Both the DEP and the industry recognize that the process of permitting new and expanded landfills needs to be improved and the Council encourages this effort.

#### **V. Implementation of Recommendations of the Commission to Study the Future of Maine's Paper Industry:**

The Commission to Study the Future of Maine's Paper Industry (the "Commission") developed several recommendations which it considered priorities to protect the future of the industry in Maine.

The following section outlines Commission recommendations, and details any progress toward implementation of those recommendations. Many Commission recommendations require the Council to study an area of concern and develop proposals to improve the situation. For these issues, the Council is currently in the process of gathering information in preparation for development of recommendations. Due to a late start in Council activities, the Council has not yet had an opportunity to explore a number of the issues in sufficient depth to take a position or recommend action. These tasks are contemplated for the upcoming year.



**Recommendations of the Commission to Study the Future of the Paper Industry:**

**A. Taxation.**

**Commission Recommendation:**

Eliminate the personal property tax on manufacturing machinery and equipment.

**Discussion:**

The First Regular Session of the 117th Legislature enacted legislation which effectively eliminates the personal property tax on business machinery and equipment. The Business Machinery and Equipment Reimbursement program, 36 MRSA, chapter 915, reimburses businesses for local personal property tax paid on business equipment and machinery placed in service after April 1995. Taxpayers are reimbursed annually by the State Tax Assessor's office for taxes paid to a municipality. Business equipment and machinery is eligible for the reimbursement for up to 12 years.

**B. Paper Industry Council:**

**Commission Recommendation:**

Create a Paper Industry Council located within the Department of Economic & Community Development, comprised of industry stakeholders, whose purpose is to oversee implementation of these recommendations and to assist in identifying and addressing other emerging paper industry issues within the state.

**Discussion:**

The Paper Industry Council was created by Resolves, Chapter 16 of the 117th Legislature. The Council was created in the form and with responsibilities recommended in legislation presented by the Commission to Study the Future of Maine's Paper Industry.

Although the Council is not located within DECD, the Department is represented on the Council and provides staff support to the Council. As this report details, the Paper Industry Council has undertaken the mission contemplated by the Commission. This Council's recommendations for a future role are contained in section VI of this report. If authorized to continue in the coming year, the Council may explore methods to create a permanent structure for itself.

## C. Rail.

### **Commission Recommendation:**

Improve the freight rail system available to Maine's paper industry.

### **Discussion:**

Through the Transportation Bond Issue passed by Maine voters in November of 1995, funding was included for support of construction of an intermodal facility in Presque Isle, rehabilitation of trackage in Auburn and Thomaston-Rockland, rehabilitation of a spur line in Mechanic Falls, and construction of a new spur line in South Paris. All of these projects support intermodal transfer/shipment of containerized and bulk commodities. The Department of Transportation has also recently reorganized by establishing Offices of Freight and Passenger Transportation to improve efficiency and service to shippers. These Offices replace four former Divisions which were organized on modal lines.

The Paper Industry Council views improvement of rail infrastructure as a priority, and intends to focus its efforts on this issue in the future. See section IV(A) for more information.

## D. Highways.

### **Commission Recommendation:**

Upgrade Maine's Routes 2 and 9 to federal primary road standards.

### **Discussion:**

The portion of Route 9 concerning the paper industry is a the highway between Brewer and Baileyville consisting of about 88 miles. Of this stretch, about 56 miles have been built to current day standards. Three projects are in process under construction or funded for reconstruction that include over 10 additional miles. Also there are two projects totaling over 7 miles being designed under preliminary engineering. After completion of these projects, approximately 14 miles will need to be addressed in future programs.

The portion of Route 2 from the New Hampshire border in Gilead to Newport consists of 116 miles. About 85 miles of this section have been built to current day standards. There is one project funded to improve 3/10 of a mile in downtown Dixfield. This leaves about 30 miles to be addressed in future programs. An additional 6 miles in Farmington and Wilton are funded and scheduled for resurfacing in the current program. See section IV(A) for more information.

Issues arising during Council discussions include reconstruction to current day standards vs. improved capacity, and the permanence of repairs. The Council will continue to investigate measures to improve highway conditions on these routes.

**E. Intermodal access:****Commission Recommendation:**

Improve highway and rail access to the port at Eastport, improve rail and space availability at Portland's port, and develop a container port.

**Discussion:**

In the recently passed Transportation Bond Issue, \$13 million was earmarked for construction of a new facility at Eastport. These funds, combined with federal funds will result in development of a new pier, 45 acres of land, warehousing and access roads.

At the Portland facility, several projects are underway or in development to alleviate space limitations creating obstacles to increased growth at the port. Funding of \$2 million has been earmarked to acquire land adjacent to the facility for increased capacity of the port's container operations. Additionally, the MDOT plans to construct a tunnel under the Guilford rail line to open access to additional land for Merrill Industries. Also, the new South Portland bridge under construction will provide greater clearance in order to accommodate larger vessels at the terminal. See section IV(A) for more information.

The Department of Transportation has also recently reorganized by creating Offices of Freight and Passenger Transportation to improve efficiency and service to shippers. These new Offices replace four former Divisions which were organized along modal lines.

**F. Clean Air Act.****Commission Recommendation:**

The state should pursue opting out of the Ozone Transport Region, and simultaneously pursue other means of reducing the impact of the Clean Air Act Amendments, such as obtaining NOx waivers for attainment areas and developing a workable emissions banking and trading policy.

**Discussion:**

- On September 7, 1995, the Department of Environmental Protection (DEP) formally submitted Maine's 182(f) NOx waiver petition to the United States EPA. This work constituted about 1 year of analysis for the Division of Technical Services at the DEP.

The shutdown of the federal government had significant impact on EPA's ability to get their Federal Register notice to the Department of the Federal Register. Only through the efforts of many involved did the notice reach the Federal Register on December 26, 1995. The comment period officially ended on January 25, 1996. As of January 29, 1996, no formal comments had been officially recorded by the US EPA Region I that would delay

the final adoption of the waiver. The notice was a direct-final ruling; the waiver will stand as a legal directive by the federal government. The DEP expects issuance of the waiver on February 26, 1996.

- Six counties in Maine (Androscoggin, Kennebec, Knox, Lincoln, Hancock and Waldo) have recently demonstrated, through the aid of monitored data, attainment of the National Ambient Air Quality Standard for ozone. As a result of this improvement in air quality, in conjunction with the State of Maine's commitment to comply with other closely-linked requirements of the 1990 Clean Air Act Amendments, the Bureau of Air Quality Control has submitted a plan to the Board of Environmental Protection (BEP) that will maintain the attainment status in those six counties.

The redesignation of the six counties to attainment for the National Ambient Air Quality Standard for ozone will not result in any direct fiscal impacts to state and local governments or the regional economy at large. The DEP does, however, anticipate that redesignation will indirectly result in positive fiscal impacts for the region due to an improvement in the business climate and public perception. While redesignation itself will not reduce the regulatory burden on affected parties, it will nevertheless provide some assurance that more stringent control and permitting requirements will be unnecessary for the foreseeable future.

The DEP presented the redesignation requests to the BEP on January 24, 1995. The DEP returned to the BEP for final approval in early February, 1995, and the BEP approved these requests. After approval, the plan was formally submitted to the United States EPA. By law, the Federal Government has 18 months to act on these petitions. The DEP is currently awaiting action by the EPA.

- On May 25, 1995, the EPA furnished Maine with formal guidance on the Opt-out process. The process involves two steps: 1) Demonstration that the areas in Maine to be opted-out do not contribute to the exceedance of the federal ozone standard elsewhere in the Ozone Transport Region (OTR); and 2) Demonstration that mobile sources in the opt-out areas did not significantly impact air quality when operated elsewhere in the OTR.

On June 21, 1995, Governor King submitted a request to EPA for the opting-out of Oxford, Franklin, Somerset, Piscataquis, Penobscot, Washington and Aroostook counties as directed by legislation passed by the First Regular Session of the 117th Legislature. The DEP has drafted a request for proposals for the meteorological modeling needed in the opt-out demonstration. The DEP expects to finalize the contracting process during the winter of 95-96. Estimated costs of the modeling range from \$50,000 to \$100,000. However, there was no funding approved in the legislation directing the opt-out. The issue of financing Maine's opt-out request has not been resolved to date.

A preliminary analysis required to demonstrate that mobile sources in opt-out areas did not significantly impact air quality in other non-attainment areas has been submitted to the Air Bureau from the Maine Department of Transportation. It is unlikely that EPA will accept this preliminary document as substantive enough for the opt-out decision. It is plausible that an exhaustive and expensive analysis of Maine's mobile emissions impacts on the rest of the OTR will be required.

In order to adequately assess what areas of the state may be eligible, the DEP is recommending that the analysis incorporate each county's individual contribution. To date the Department of Transportation has presented a form of inter-intrastate vehicle miles traveled (VMT) for the attainment areas of the state, which may be hard to defend because of the broad assumptions made. The Air Bureau at DEP has asked for the same analysis for non-attainment areas as well, since it makes sense to do the analysis for all of Maine at one time.

- Regarding creation of an Emissions Trading system, draft legislation for a Governor's bill to the Second Session of the 117th Legislature has been prepared based on recommendations from the Governor's Task Force on Emissions Trading.

#### **G. Environmental Regulation.**

##### **Commission Recommendation:**

Establish a task force comprised of representatives of company environmental managers, the Department of Economic & Community Development, the Department of Environmental Protection and the Environmental Protection Agency to: a) develop a comprehensive comparison of applicable state and federal environmental standards; b) develop recommendations to eliminate duplicative reporting requirements; and c) study the competitive effects of Maine's Site Location of Development law and of public intervenor laws and process as to their effect on permitting time and the ability of business to react decisively to investment opportunities.

##### **Discussion:**

- The Task Force to Study Environmental Regulation of the Paper Industry was established by the First Regular Session of the 117th Legislature, Resolves, Chapter 22. The Task Force is chaired and staffed by the Department of Economic & Community Development. The membership includes a representative from the Department of Environmental Protection, the Environmental Protection Agency, and two representatives from paper companies.

The responsibilities of the task force fall into three broad areas: 1) the Task Force must identify state regulatory standards that exceed federal standards; 2) identify and make

recommendations for elimination of duplicative review, permitting, and reporting requirements; and 3) to compare opportunities for public input into regulatory processes and determine whether Maine provides more opportunities in practice or law.

The Task Force has met, and is in the process of working on its tasks. Due to lateness of appointments and its first meeting, as authorized, the Task Force extended its reporting deadline of December of 1995 to replace lost time. Due to the magnitude of its task, the Task Force will be seeking an extension of time, but is expected to complete its work by the Fall of 1996.

- The Site Location of Development Law is currently undergoing review. The Council heard a presentation by the Department of Environmental Protection concerning the ongoing effort to restructure the state's land use regulation laws.

In 1995, the Legislature enacted LD 1336, "Resolve to Direct the Land & Water Resources Council to Develop Alternatives to the Site Location of Development Laws That Protect the Environment and Improve the Effectiveness and Efficiency of the State's Land Use Laws." LD 1336 directed the Land and Water Resources Council to review the Site Location of Development law and to restructure it provided that any recommendation meet three criteria: 1) the new system maintain existing environmental standards; 2) the system improve the coordination of state and local land use laws; and 3) that the proposal provide for the maintenance of high quality natural resources data.

The Land & Water Resources Council set up five working groups to deal with various portions of the reform. The Council has completed its review and has developed an alternative which proposes to reduce the number of projects requiring site location review, builds capacity for municipal planning and regulation of development; incorporates concerns into existing laws and programs where possible and combines multiple permits into one omnibus permit where possible. The finding and recommendations of the Council are contained in its report to the Legislature, published February 1, 1996.

- The Council heard a presentation by Brooke Barnes of the Department Environmental Protection (DEP) and council member Wendy Porter of Champion International concerning an effort in progress between the DEP and the paper industry to identify and eliminate duplicative reporting requirements. The project began in November 1994 with a work group composed of paper company environmental managers and the DEP. The work group identified 38 reporting requirements that were duplicative or unnecessary. The study group was able to work together to examine the requirements and the rationale behind them. To date the group has justified or eliminated all but a dozen of the reporting requirements. The remaining dozen requirements will be the subject of indepth discussion to resolve these issues. The review is expected to be completed in the Spring of 1996.

## **H. Energy.**

### **1. Commission Recommendation:**

The State Planning Office shall assume a lead role in making Maine's energy prices more competitive and: (a) develop and recommend to the Legislature a long-term energy strategy to achieve competitive energy prices; (b) determine ways to reduce the costs and uncertainty involved in licensing and re-licensing hydroelectric dam facilities; and (c) form a commission to develop a plan of action to increase the availability of natural gas to paper manufacturing facilities in the state.

### **Discussion:**

The initiative to lower energy prices in the long term appears to be underway through the opening of a docket by the Public Utilities Commission on the subject, and through the efforts of a Work Group formed to study restructuring of the electric utility industry.

The Work Group on Electric Industry Restructuring was created during the First Regular Session of the 117th Legislature, by Resolves. Chapter 48 as the first phase of a two phase study of electric industry restructuring in Maine. The Commission to Study the Future of Maine's Paper Industry presented similar legislation to examine deregulation of the industry as a part of its recommendations. That legislation was combined with similar proposals to create the Work Group on Electric Industry Restructuring. Paper Industry Council chairman Senator Philip Harriman gave a presentation to the Council concerning the work and findings of the Work Group

The Work Group was charged with studying issues presented by deregulation of the electric industry, and to begin to plan the transition of the industry from a regulated monopoly to a competitive market. The group identified several major issues presented by deregulation, including the inherent tension between desirability of creating a "free market" for electric sales, and the desire to establish regulatory protections. Also significant to deregulation was the issue of "stranded" investments related to non-utility generation contracts and other past PUC mandates. Significant environmental issues were also identified related to pollution generated in other parts of the nation which migrates to Maine. The group identified and examined the functional components necessary in a deregulated market, including generation, transmission and distribution services.

The Work Group was unable to reach consensus on recommendation of a plan of action. Eight members of the group endorsed Alternative #1 and four members of the group voted to support Alternative #2. The Work Group's final report, published in December, 1995 contains these alternative proposals. The Work Group's findings and recommendations will be presented to the Public Utilities Commission which is charged with creating the long range deregulation strategy for the state.

- The Council has not yet formulated recommendations to reduce the cost of relicensing hydroelectric dam facilities. The Council heard a presentation by council member David Allen providing an overview of the process of relicensing hydroelectric dams. The Federal Energy Regulatory Commission (FERC) process was reviewed in detail for the Council as were the obstacles encountered by applicants for FERC approval. The Council will continue to collect information on the issue in preparation for development of recommendations. See section IV(D) for additional information.
- To date the Council is aware of no commission established to increase the availability of natural gas to the paper industry. However, the Council heard presentations by two consortiums in the process of developing two natural gas pipeline proposals which could serve Maine businesses. These pipelines would be able to serve the majority of paper users in the state. The proposed pipelines are expected to be in service within the next five years. The Council supports efforts to bring natural gas to the state. See section IV,E for additional information.
- Over the long term, movement to a competitive energy system for the state is a goal of the Paper Industry Council. The Council will continue to examine these issues, and intends to consult with the State Planning Office to discuss its role in implementation of this Commission recommendation.

## **I. Advocacy:**

### **1. Commission Recommendation:**

The Department of Economic & Community Development (DECD) shall develop a senior level staff position assigned to enhance the forest products industry in Maine by assisting industry representatives and state policymakers in addressing threats and opportunities.

#### **Discussion:**

The DECD has not created a staff position focused solely on enhancing the forest products industry. The DECD has created a director level position devoted to policy development, legislative initiatives and business development advocacy for economic development initiatives to assist industry in Maine, including the paper industry.

Additionally, DECD has recently completed a state economic development strategic outline which outlines the major sectors on which the state will devote resources. One major area of focus in the strategy is the secondary wood products industry. A DECD staff member chairs the Natural Resource Marketing Task Force which is charged with implementing the state's goals to encourage growth in natural resources industries, including the paper industry. The paper industry has been invited to participate on the Task Force.



It is the intention of the Paper Industry Council to proceed by inviting the Commissioner of DECD to discuss his plans for the future, and discuss this recommendation. The Council recognizes the challenging fiscal realities confronting state government and may explore suitable alternatives to accomplish the recommendation.

**2. Commission Recommendation:**

DECD will advocate for businesses on behalf of the Governor and within the executive branch, on current and proposed laws and regulations.

**Discussion:**

The DECD is actively pursuing this policy. DECD is committed to developing a close working relationship with other executive branch agencies as well as regional and local development organizations, the private sector, and the Maine Economic Growth Council in order to further economic development.

The DECD coordinates a group known as the "Economic Development Liaisons". The Liaisons are senior level representatives from each executive agency. The group was formed to create linkages and working relationships between agencies for the purpose of increasing the effectiveness of state government response to economic development issues. The group meets monthly to discuss and coordinate inter-agency response to ongoing economic development projects.

Additionally, the Commissioner of DECD is the chair of the Cabinet Subcommittee on Economic Development. The subcommittee brings together executive agency heads to develop policy on major economic development issues, to oversee implementation of the state's strategic plan, and to create strategies which will further the economic development of the state. In the coming year, the Council intends to provide input to the DECD commissioner to represent industry perspective within these initiatives.

**3. Commission Recommendation:**

The DECD shall implement a program designed to correct misperceptions of Maine as an unfriendly place to do business.

**Discussion:**

DECD, together with the Maine Chamber and Business Alliance, and Central Maine Power Company has founded "Maine & Company," a private non-profit organization created to improve Maine's success in attracting new business and expanding and retaining business in Maine. With the support of corporate sponsors, Maine & Company will develop and implement a focused program to promote the benefits of Maine as a place to do business, identify and quantify business prospects, create proposals, and close deals that bring new companies to Maine. The program will market Maine as a friendly place to do business across the nation, and will promote recent business climate improvements.

In the coming year, the Paper Industry Council will consult with the DECD commissioner to bring the Council's perspective to the initiatives discussed above to implement the Commission's recommendation to improve the business climate in Maine specifically for the paper industry.

**4. Commission Recommendation:**

The DECD will implement a program designed to develop a broad understanding of Maine's paper industry, its importance to the economy and society of the state, and its viability as a future employment opportunity for the state's youth.

**Discussion:**

The DECD has not yet developed a program designed to accomplish the recommendation. Implementation of this recommendation will be part of the Paper Industry Council's agenda, as it is still a primary concern to the industry.

**J. Labor.**

**Commission Recommendation:**

Convene, each year, a series of state-wide conferences on innovations in labor/management systems with emphasis on joint cooperative programs, utilizing the Bureau of Labor and the College of Business Administration at the University of Maine as coordinators and facilitators.

**Discussion:**

The Council has not yet taken action on this recommendation. The Council recognizes the importance and priority of labor/management systems. It is the Council's intention to undertake a conference in the coming year. The President of the University of Maine has embraced the concept and has offered to cooperate in developing a conference. While the Council's first objective will be to present labor/management systems, the Council will not be limited if other relevant issues are present.

**K. Education and Training.**

**Recommendation:**

Develop and improve the Kennebec Valley Technical College (KVTC) Pulp and Paper Technology program, and make it more accessible to students around the State of Maine.

**Progress/Discussion:**

The Council has not pursued implementation of this recommendation. This issue will be a part of the Council's agenda for the coming year. However, the Council has information that the KVTC and Madison High school are in the process of developing a curriculum for a high school program to increase opportunities for students hoping for employment in the industry.

## VI. Future Role of the Council.

The Council's primary mission is to oversee implementation of the recommendations of the Commission to Study the Future of Maine's Paper Industry. Secondly, the Council is authorized by its enabling legislation to have a long term role to "recommend to all interested parties ways in which the future of the paper industry may be enhanced, while concurrently enhancing employment, the environment and the state budget."

The Council recognizes that the Maine economy and market conditions for the paper industry are continually changing. Merely implementing one set of recommendations will not ensure the continued health of the industry into the future. Issues that impact the industry through the regulatory process, legislative initiatives, or market conditions are constantly emerging, and need to be addressed on an ongoing basis.

The Council contemplates a long range role for itself as a forum for discussion of issues that currently exist or are of emerging interest to the paper industry. Due to its diverse membership, many perspectives come together within the Council. The Council has an opportunity to be an impartial informational forum which can examine and discuss differing perspectives on issues of relevance to the paper industry. The Council's goal is not to lower environmental standards and loosen regulation, but to identify how to implement programs in a more efficient and business friendly manner. As stated in its enabling legislation, the Council will seek to hear many views and to make recommendations that will not only benefit the paper industry, but the environment, employment and the state as a whole.

As an impartial forum for discussion of issues affecting the paper industry, the Council can serve as a resource for the Legislature. The Council may have a impact on policymaking by identifying obstacles and opportunities for the industry.

If authorized by the Legislature to continue its work in the next year, the Paper Industry Council will support several principles that represent priorities it believes are critical to its mission:

- The Council is committed to promoting the highest level of "value added" to forest products within Maine prior to export.
- The Council supports a strong and healthy forest products industry to provide quality jobs for Maine citizens.
- Regarding development of competitive energy prices, the Council believes that Maine's environment should not pay the price for cheap power generated elsewhere.

- The Council supports sustainable forest management practices.
- The Council is committed to supporting attraction of industries that support and depend upon the paper industry to Maine.
- The Council supports innovative initiatives that improve labor/management relationships.
- The Council sees a role for itself in identifying obstacles to a healthy paper industry within Maine, and will seek to identify and address these issues.

If Legislature authorizes the Paper Industry Council to continue its work in the next year, the Council may explore methods of creating a more permanent structure for its activities.



## APPENDIX



APPROVED

CHAPTER

MAY 31 '95

16

BY GOVERNOR

RESOLVES

## STATE OF MAINE

—  
IN THE YEAR OF OUR LORD  
NINETEEN HUNDRED AND NINETY-FIVE  
—

S.P. 382 - L.D. 1059

## Resolve, to Establish a Paper Industry Council

Emergency preamble. Whereas, Acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the Commission on the Future of Maine's Paper Industry believes any study benefits by a follow-up on its recommendations; and

Whereas, the commission found that nowhere in State Government is there an entity charged specifically with the welfare of the industry such as exists for blueberries, lobsters, potatoes and tourism; and

Whereas, the commission would like implementation of its recommendations to receive early attention because of immediate need for some of them to be implemented, in order to take advantage of the attention that the commission's actions has focused on the subject and in order to be part of the emerging priorities of a new Governor and a new Legislature; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore, be it



**Sec. 1. Paper Industry Council established. Resolved:** That the Paper Industry Council, referred to in this resolve as the "council," is established; and be it further

**Sec. 2. Appointment of members. Resolved:** That the council consists of 13 members. The Governor shall appoint one person from each of the following: the Department of Conservation, the Department of Economic and Community Development, the Department of Environmental Protection, the Department of Transportation, the University of Maine System, an electric utility, a railroad, organized labor and the environmental community; and 3 members from the paper industry. The President of the Senate shall appoint one Senator and the Speaker of the House of Representatives shall appoint one Representative.

Council members appointed may not act as advocates of the group from which appointed but shall act in the best interest of the State as a whole.

All appointments must be made no later than 30 days following the effective date of this resolve. The appointing authorities shall notify the Executive Director of the Legislative Council upon making their appointments. The executive director shall contact any appointing authority whose appointments have not been made within the required time period in order to remind the appointing authority of the deadline for these appointments and that the council has the right to meet without waiting for all appointments to be made; and be it further

**Sec. 3. Convening of council. Resolved:** That the Chair of the Legislative Council shall call the first meeting of the study commission between the 30th and 45th days following the effective date of this resolve. If the first meeting of the council is not called within that time period, the Governor shall call the first meeting. A quorum is a majority of the members appointed at the time of the vote; and be it further

**Sec. 4. Selection of chair. Resolved:** That the member from the Department of Economic and Community Development shall chair the first meeting at the conclusion of which the members shall elect a permanent chair; and be it further

**Sec. 5. Tasks. Resolved:** That the council shall accomplish the following tasks.

1. The initial priority is to oversee implementation of the recommendations of the Commission on the Future of Maine's Paper Industry, which was created by Resolve 1993, chapter 75.

2. The council's long-term task is to recommend to all interested parties ways in which the future of the paper industry may be enhanced, while concurrently enhancing employment, the environment and the state budget. The council shall oversee the implementation and evaluation of its recommended programs; and be it further

**Sec. 6. Staffing. Resolved:** That the Department of Economic and Community Development shall provide staffing and clerical support to the council; and be it further

**Sec. 7. Compensation. Resolved:** That for each day's attendance at meetings when the Legislature is not in session, council members who are Legislators receive the legislative per diem as defined in the Maine Revised Statutes, Title 3, section 2 and reimbursement for travel and other necessary expenses, upon application to the Executive Director of the Legislative Council; and be it further

**Sec. 8. Report. Resolved:** That the council shall produce a written report of its success in accomplishing its task of overseeing the implementation of the recommendations of the Commission to Study the Future of Maine's Paper Industry and shall submit the written report and an oral report to the Joint Standing Committee on Business and Economic Development.

The council shall submit its reports no later than February 15, 1996 and, no later than the adjournment date of each session of the Legislature, shall determine whether to continue its activities for the next year; and be it further

**Sec. 9. Budget. Resolved:** That the Department of Economic and Community Development shall administer the council's budget; and be it further

**Sec. 10. Funding. Resolved:** That the council may seek, accept and expend public and private funding to support its activities.

**Emergency clause.** In view of the emergency cited in the preamble, this resolve takes effect when approved.



APPROVED

APR 15 '44

BY GOVERNOR

CHAPTER

75

RESOLVES

## STATE OF MAINE

IN THE YEAR OF OUR LORD  
NINETEEN HUNDRED AND NINETY-FOUR

S.P. 773 - L.D. 1996

Resolve, to Establish a Commission on the Future of Maine's  
Paper Industry

Emergency preamble. Whereas, Acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the paper industry has served as a mainstay of the State's economy for over 100 years, directly or indirectly providing vital employment to thousands of families in the State; and

Whereas, the health of the paper industry nationally is in doubt and recent production declines within the State have brought into question the industry's long-term ability to remain a major part of the State's economy; and

Whereas, these developments threaten the paper industry's historic role as a major employer in the State, creating the potential for a devastating ripple effect throughout the State's economy; and

Whereas, the continued health and vitality of the paper industry in the State is an issue of vital concern to the entire State and deserving of immediate study to determine what problems the industry is facing and what, if any, actions the State may take to assist the industry; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore, be it

**Sec. 1. Commission established. Resolved:** That the Commission on the Future of Maine's Paper Industry is established; and be it further

**Sec. 2. Commission membership. Resolved:** That the commission consists of 8 members:

1. Four members appointed by the Governor;
2. Two members appointed by the President of the Senate; and
3. Two members appointed by the Speaker of the House of Representatives.

In making these appointments, the appointing authority shall consider the appointment of persons with expertise and experience in economics, business or finance. One member must represent the interests of the environment and one member must represent the interests of labor; and be it further

**Sec. 3. Appointments; meetings; chair. Resolved:** That all appointments must be made no later than 30 days following the effective date of this resolve. The Executive Director of the Legislative Council must be notified by all appointing authorities once the selections have been made. When the appointment of all members is complete, the Chair of the Legislative Council shall call and convene the first meeting of the commission no later than June 15, 1994. At the first meeting, the commission shall select a chair from among its members; and be it further.

**Sec. 4. Procedure. Resolved:** That in conducting the study, the commission may:

1. Seek and receive private and public funding to finance all or portions of the study;
2. Meet at convenient times and locations;
3. Hold informational sessions for discussions with knowledgeable persons;
4. Conduct, summarize and analyze the results of a literature search;

5. Conduct, tabulate and analyze the results of a survey of the public or affected persons and groups;

6. Procure and analyze relevant data;

7. Conduct legal research and prepare opinions on legal questions within the scope of the study; and

8. Determine and summarize the legislative actions or governmental programs undertaken in other jurisdictions related to issues within the scope of the study; and be it further

Sec. 5. Duties. Resolved: That the commission shall study all issues related to the future of the paper industry in the State, which may include the following:

1. Determination of the effect of the domestic paper industry on the State and local economies;

2. The expected future trends for the industry;

3. The effects of international competition;

4. The effects of competition from other states;

5. The effect of the State's taxation policies;

6. Workforce levels in the domestic paper industry;

7. Current or potential market niches for paper products;

8. The adequacy of existing transportation services, including the utility of rail service;

9. The effects of state environmental regulations on the domestic industry and the effects of changing technology and manufacturing processes on environmental issues;

10. Possibilities for alternative or ancillary production processes at existing domestic paper mills, such as cogeneration or the manufacture of wood products other than paper;

11. An examination of the paper industry's investment policy in the State as compared to investment in facilities located elsewhere;

12. An evaluation of the continued viability of the domestic paper industry and effects that current state policies have on the evaluation, along with any recommendations for alternative policies that may encourage the continued viability of the domestic paper industry; and

13. Any other issues that the commission believes are relevant.

In conducting the study, the commission shall perform an in-depth study and analysis of 2 domestic paper mills that have experienced recent workforce or production declines as case examples of the domestic paper industry; and be it further

**Sec. 6. Confidential information. Resolved:** That for the purposes of the Maine Revised Statutes, Title 1, chapter 13, the commission, by majority vote, may designate as a confidential record any material that is of a proprietary nature, disclosure of which could adversely affect the interests of the party that supplied the information; and be it further

**Sec. 7. Assistance. Resolved:** That the commission may request staff assistance from the Legislative Council. Upon request, all agencies of State Government shall cooperate fully with the commission in providing assistance or data to facilitate the commission's work; and be it further

**Sec. 8. Reimbursement. Resolved:** That members of the commission who are Legislators are entitled to receive the legislative per diem as defined in the Maine Revised Statutes, Title 3, section 2 for each day's attendance at commission meetings; and be it further

**Sec. 9. Report. Resolved:** That the commission shall submit its report, together with any necessary implementing legislation, to the First Regular Session of the 117th Legislature, to the joint standing committee of the Legislature having jurisdiction over housing and economic development matters and to the Maine Economic Growth Council as established under the Maine Revised Statutes, Title 10, section 929-A no later than January 15, 1995.

**Emergency clause.** In view of the emergency cited in the preamble, this resolve takes effect when approved.