

March 18, 2021

**Montana Forest Products Industry
HB 634 request for funding**

\$15M to fund the 1st round of RFPs that will implement the Forest Action Plan
70 proposals totaling \$14M.

\$10M for the Innovations in Wood Manufacturing Grant Program under the DNRC.

\$5M for additional work on Good Neighbor Authority projects.

\$5M additional funds to the Forest Products Revolving Loan Fund under MT Dept of Commerce.

\$35million total

The DNRC Forestry Division has a Wood Products Utilization Program that works with USDA State and Private Forestry. This program has in the past funneled grant dollars for wood products innovation and utilization in the State of Montana. Over the past several years, those dollars have been limited.

Given the significant fuel loading especially in the 3.8 million acres of Wildland Urban Interface, we need to support our local industries to innovate and look for ways to capture and utilize a wider array of fiber coming out of our forests, rather than send slash piles up in smoke.

Additionally, programs like Good Neighbor Authority and the Forest Action Plan will be increasing the pace and scale of forest management across all lands. We need to support our industry in being able to respond to the increased demand.

Grant dollars would incentivize industry to create new products that meet changing market conditions and emerging consumers needs while utilizing wood fiber coming off treated lands.

The return on investment would be high:

- Incentivizing systems that increase utilization and develop markets for traditional non-commercial products would drive down the costs of treatment - allowing our collective dollars to go further and treat more acres.
- We would grow good paying jobs for the State of Montana in the forestry sector and grow indirect jobs needed to support those industries.
- Growth in the forest products industry would simply mean that we would be able to get more work done on the ground.

Julia Altemus
406-241-7047
julia@montanaforests.com