

Maine Forestry Direct Link Loan Program Summary

Introduction

The Maine Forest Service's (MFS), Department of Environmental Protection (DEP), and the Maine Municipal Bond Bank (MMBB) have teamed up to offer a mechanism to provide incentive financing to loggers that reduces non-point source pollution risk on timber harvests in Maine.

Background

Modeled after the Ohio Department of Natural Resources' Silvicultural Direct Link Loan Program, the Maine Forestry Direct Link Loan Program utilizes Clean Water State Revolving Loan Funds to provide low-interest rate financing for Forestry Best Management Practices (BMPs). The purpose of providing this financial incentive is to increase the use of BMPs and environmentally friendly logging equipment in the logging industry.

Program Description

Second and Third party certified loggers (Master Loggers, Certified Logging professionals and Qualified Logging Professionals) can obtain low-interest financing from participating banks through the Maine Forestry Direct Link Loan Program. MFS will: 1) determine the items that are eligible for financing, 2) ensure that the logger is second or third party certified, 3) ensure that the logger retains, on file, a Harvest Operations Plan (HOP) including HOP standards specified for the DLL program. See the document titled "HOP Standards for Direct Link Loan" in the "downloads" section of our website, and 4) monitor the improvements and practices of the logger. The DEP and MMBB will: 1) enter into a memorandum of understanding with MFS to implement the program, 2) work with local banks to participate in the program, and 3) provide oversight within the context of managing the Maine Forestry Direct Link Loan Program.

Purchases Eligible for Loans

The following table outlines some of the potential purchases that could be made through the Maine Forestry Direct Link Loan Program.

However, equipment purchases will be considered on a case-by-case basis, with eligibility being based on whether or not the equipment is needed to facilitate the implementation of Forestry Best Management Practices. As new technologies become available, they will also be considered for inclusion into the direct link loan program.

New and Used Equipment Purchases	Retrofit of Existing Equipment	Miscellaneous Purchases
Tree Planter and Associated Equipment	Floatation Tires	Metal Bridges
Mulching Machines	Bogey Wheels	Wooden Bridges
Cut-to-Length Harvesters	GPS Equipment Tracking Systems	Bottomless arches
Forwarders	Harvester and processor heads	Sediment and erosion control products
Delimbers equipped for in woods operations		Portable Plastic Roads
Tracked feller bunchers equipped with booms		
Tractors		
Swing machines*		
Graders		

As applicants bring forward proposals for equipment and/or structures that they believe are needed to implement environmentally sound logging operations, those requests will be considered by MFS staff. A separate advisory committee will be formed for program oversight providing periodic review of items which have been financed, and the requests for items to be financed in the Maine Forestry Direct Link Loan Program.

* Not all swing machines eligible. Contact MFS for approval before purchase.