

Chapter 244-12 WAC
WASHINGTON HARDWOODS COMMISSION

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WAC

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WAC 244-12-010 Promulgation. These rules are promulgated pursuant to the statutory authority contained in chapter 15.74 RCW.

[Statutory Authority: 1991 c 67. WSR 91-14-055, § 244-12-010, filed 6/27/91, effective 7/1/91.]

WAC 244-12-020 Commission purpose. The purpose of this commission is to promote the general welfare of the state by assisting in the retention, expansion, and attraction of hardwood-related industries in the state of Washington. This shall be accomplished in the following manner:

- (1) Create a climate for development and support of the industry.
- (2) Coordinate efforts to enhance and promote the expansion of the forest industry among state and federal agencies, industrial organizations, and institutions of higher learning.
- (3) Develop products and markets for various species and grades of hardwoods.
- (4) Study and recommend a tax program that will attract new firms and promote stability for existing firms.
- (5) Develop an enhancement and protection program that will reduce waste and respect environmental sensitivity.
- (6) Develop financial assistance programs from public and private moneys for attraction and expansion of new and existing primary, secondary, and tertiary processing facilities.
- (7) Utilize recognized experts in educational institutions, public and private foundations, and agencies of the state to facilitate research into economic development, hardwood silviculture, woodland management, development of new products, and public education.
- (8) Cooperate with the department of natural resources in the development of best management practices for hardwood resources.

[Statutory Authority: 1991 c 67. WSR 91-14-055, § 244-12-020, filed 6/27/91, effective 7/1/91.]

WAC 244-12-030 Definition of terms. For the purpose of this order:

- (1) "Person" means any person, firm, association, or corporation.
- (2) "Affected processor" means a person who processes hardwood logs of any species into (a) lumber, and/or construction timbers regardless of size, manufactured to standard specifications suitable for end product use including cut-up stock, (b) chips suitable for pulp, paper, or other uses, (c) plywood, (d) veneer, (e) commercial fire-

wood. An "affected processor" also means any person who processes hardwood logs of any species by remanufacture into other lengths or diameters or reloads hardwood logs for shipment to destinations outside the state of Washington.

(3) "Hardwood industry" means the harvesting and manufacturing of hardwood materials or products in commercial quantities.

(4) "Washington hardwoods commission," hereinafter referred to as "commission," means the commission formed under the provisions of chapter 15.74 RCW.

(5) "Hardwood" means the wood of a deciduous, broad leaf flowering tree.

(6) "Fiscal year" means the twelve-month period beginning with January 1 of any year and ending with the last day of December following, both dates being inclusive.

(7) "Sell" includes offer for sale, expose for sale, have in possession for sale, exchange, barter, or trade.

(8) "Scribner log scale" means the log volume as shown in Official Rules of Log Scaling and Grading Bureaus.

(9) "Assessment" means the amount levied in favor of the commission.

(10) "Enhancement" means to increase the value and worth of the hardwood resource and the resulting hardwood products.

(11) "Protection" means to guard against loss or damage involved in the harvest of hardwood logs and in the production of hardwood products.

[Statutory Authority: 1991 c 67. WSR 91-14-055, § 244-12-030, filed 6/27/91, effective 7/1/91.]

WAC 244-12-040 Hardwoods commission. (1) Administration. The provisions of this order shall be administered and enforced by this commission.

(2) **Commission membership.** The commission shall consist of seven members.

(3) **Commission membership qualifications.** The members of the commission shall be members of the hardwood industry and shall be citizens and residents of the state of Washington, over the age of twenty-one years, each of whom is or has been actively engaged in the hardwood industry either individually or as an executive officer, employee, or sales manager on a management level or managing agent of an organization within the state of Washington for a period of five years and has, during that time, derived a substantial portion of his or her income therefrom. The qualifications of members of the commission as herein set forth must continue during the terms of office. Only one member may be in the employ of any one person or organization engaged in the hardwood industry, at any one time.

(4) **Term of office.**

(a) The term of office for members of the commission shall be four years.

(b) Membership positions on the commission shall be designated numerically.

(c) The term of office for the initial commission members shall be as follows:

Positions one, two, and three - two years; expires on June 30, 1992;

Positions four and five - three years; expires on June 30, 1993;

Positions six and seven - four years; expires on June 30, 1994.

(5) **Nomination and election of commission members.** Each year that a vacancy will occur, the commission shall give notice of such vacancies by mail on or before April 15, to all affected processors and call for nominations. Nominations shall be made by petition signed by at least three affected processors. Deadline for the return of such petition shall be no less than fifteen days from the date of mailing.

If there is only one nominee for any one position during the specified time period, the nominee may be deemed elected.

(6) **Election of commission members.**

(a) Members of the commission shall be elected by secret mail ballot within the month of May. Members of the commission shall be elected by a majority of the votes of affected processors.

(b) If a nominee does not receive a majority of the votes on the first ballot, a run-off election shall be held by mail in a similar manner between the two candidates for such position receiving the largest number of votes.

(7) **Vacancies prior to election.** In the event of a vacancy on the commission, the remaining commission members shall select a qualified person to fill the unexpired term.

(8) **Quorum.** Five members shall constitute a quorum for the transaction of all business and the carrying out of all duties of the commission.

(9) **Commission compensation.** No member of the commission shall receive any salary or other compensation.

(10) **Powers and duties of the commission.** The commission shall have the following powers and duties:

(a) To administer, enforce, and control the provisions of this order.

(b) To elect a chairperson and such other officers as the commission deems advisable.

(c) To employ and discharge at its discretion such personnel as the commission determines necessary and proper to carry out the purpose of the order.

(d) To establish an account at a bank or banks or financial institution or institutions, approved for the deposit of state funds, in which all money received by the commission, shall be deposited in accordance with legal requirements.

(e) To keep or cause to be kept in accordance with accepted standards of good accounting practice, accurate records of all assessments, paid outs, moneys, and other financial transactions made and done pursuant to this order.

(f) To require a bond of the treasurer in the amount the commission shall deem necessary. The premium for such bond or bonds shall be paid by the commission from assessments collected. Such bond shall not be necessary if any such commission member or employee is covered by any blanket bond covering officials or employees of the state of Washington.

(g) To prepare a budget or budgets covering anticipated income and expenses to be incurred in carrying out the provisions of the order during each fiscal year.

(h) To establish by resolution, a headquarters which shall continue as such unless and until so changed by the commission. All records, books, and minutes of commission meetings shall be kept at such headquarters.

(i) To adopt rules and regulations of a technical or administrative nature, subject to the provisions of chapter 34.05 RCW (Administrative Procedure Act).

(11) **Procedures for commission.**

(a) The commission shall hold regular meetings, at least semiannually, and such meetings shall be publicized and held in accordance with chapter 42.30 RCW (Open Public Meetings Act).

(b) The commission shall hold an annual meeting, at which time an annual report will be presented. The budget shall be presented for discussion at the meeting. Notice of the annual meeting shall be given by the commission at least ten days prior to the meeting by written notice to each processor and by regular news service.

(c) The commission shall establish by resolution, the time, place, and manner of calling special meetings of the commission with reasonable notice to the members: Provided, That the notice of any special meeting may be waived by a written waiver thereof by each member of the commission. Additionally, notice shall be provided to each local newspaper of general circulation and to each local radio or television station, which has on file with the governing body a written request to be notified of such special meeting or of all special meetings.

[Statutory Authority: 1991 c 67. WSR 91-14-055, § 244-12-040, filed 6/27/91, effective 7/1/91.]

WAC 244-12-050 Assessments and collections. (1) To provide for permanent funding of the Washington hardwoods commission, agricultural commodity assessments shall be levied by the commission on processors of hardwoods.

An assessment is hereby levied on hardwood processors operating within the state of Washington. The assessment shall be based on the hardwood processor's production per calendar quarter. The assessment shall be four cents per ton produced effective July 1, 2018.

Beginning July 1, 2019, and every July 1st thereafter, the assessment must be adjusted to reflect the percentage change in the implicit price deflator for personal consumption expenditures for the United States as published for the most recent twelve-month period by the bureau of economic analysis of the federal Department of Commerce by September 25th of the year before the assessments are payable.

(2) For purposes of determining the assessment, the following definitions apply:

(a) One ton of logs, scaled by weight, input for a processor equals one ton of production; or

(b) One thousand board feet, Scribner scale, input for a processor equals 7.25 tons of production.

(3) Processors who produce less than one thousand tons of hardwood products or ship less than one thousand tons of logs out of the state of Washington in a calendar quarter will not be assessed. However, they still must submit a quarterly report.

(4) Assessments shall be paid to the commission according to the levy schedule in subsection (1) of this section.

[Statutory Authority: Chapter 15.74 RCW. WSR 18-17-001, § 244-12-050, filed 8/1/18, effective 9/1/18. Statutory Authority: 1991 c 67. WSR 91-14-055, § 244-12-050, filed 6/27/91, effective 7/1/91.]

WAC 244-12-060 Volume reporting and assessment payment procedures. (1) Effective July 1, 1993, each affected processor, and each person who has been an affected processor during one or more of the preceding four quarters, shall, on a quarterly basis, complete and submit to the commission a hardwood processors quarterly assessment report form, as set forth in WAC 244-12-100.

(2) Each affected processor levied a quarterly assessment pursuant to RCW 15.74.060 and WAC 244-12-020 shall remit said assessment to the commission on a quarterly basis, along with the affected processor's quarterly assessment report.

(3) Quarterly assessments and quarterly assessment reports required by this section are due to the commission within forty-five days after the end of the quarter.

[Statutory Authority: Chapter 15.74 RCW. WSR 93-13-013, § 244-12-060, filed 6/7/93, effective 7/8/93. Statutory Authority: 1991 c 67. WSR 91-14-055, § 244-12-060, filed 6/27/91, effective 7/1/91.]

WAC 244-12-070 Obligations of the commission. Obligations incurred by the commission or employee or agent thereof pertaining to their performance or nonperformance or misperformance of any matters or things authorized, required, or permitted them by the act or this order, and any other liabilities or claims against them or any of them shall be enforced in the same manner as if the whole organization under the order were a corporation. No liability for the debts or actions of the commission, employee, or agent incurred in their official capacity under this order shall exist either against the commission, officers, employees, and/or agents in their individual capacity, nor against the state of Washington or any subdivision or instrumentality thereof nor against any other organization, administrator, or commission (or employee or agent thereof) established pursuant to this act or the assets thereof. The commission, and its agents and employees, shall not be held responsible individually in any way whatsoever to any person for errors in judgment, mistakes, or other acts, either of commission or omission, as principal, agent, person, or employee, except for their own individual acts of dishonesty or crime. No such person or employee shall be held responsible individually for any act or omission of any other commission, member of the commission, or other person. The liability of the members of the commission shall be several and not joint and no member shall be liable for the default of any other member.

[Statutory Authority: 1991 c 67. WSR 91-14-055, § 244-12-070, filed 6/27/91, effective 7/1/91.]

WAC 244-12-080 Effective time. This order shall become effective on and after July 1, 1991.

[Statutory Authority: 1991 c 67. WSR 91-14-055, § 244-12-080, filed 6/27/91, effective 7/1/91.]

WAC 244-12-090 Separability. If any provisions hereof are declared invalid, or the applicability thereof to any person, circumstances, or thing is held invalid, the validity of the remainder here-

of or of the applicability thereof to any other person, circumstances, or thing shall not be affected thereby.

[Statutory Authority: 1991 c 67. WSR 91-14-055, § 244-12-090, filed 6/27/91, effective 7/1/91.]

WAC 244-12-100 Hardwood processors quarterly assessment report form.

HARDWOOD PROCESSORS
QUARTERLY ASSESSMENT REPORT Quarter Year

Processor Name:
Address:
.....
..... Zip.....
Phone Number: Fax:
Prepared By:

QUARTERLY QUANTITY OF LOGS PROCESSED

Tons

Red Alder Logs:
Other Hardwood:
Total Tons of Logs:
Assessment to be paid pursuant to WAC 244-12-050 and remitted with
this report:

I hereby certify that the information contained on this form is true,
accurate and complete to the best of my knowledge.

Signed: Date:
Title:

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<u>PRINCIPAL PRODUCTS PRODUCED</u>	<u>VOLUME</u>
Kiln Dried Hardwood Lumber BF
Green Hardwood Lumber BF
Hardwood Veneer SqF
Hardwood Log Export BF Scribner
Hardwood Chips Bone Dry Tons
Hardwood Firewood Cords
Other Hardwood Products (List)	
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*Upon receipt by the commission, this information will be excised from the report form to ensure process- or anonymity. This information will be used to compile aggregate industry volumes to determine the size and scope of various products.

[Statutory Authority: Chapter 15.74 RCW. WSR 93-13-013, § 244-12-100, filed 6/7/93, effective 7/8/93.]