

# HOUSE BILL REPORT

## EHCR 4410

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### As Amended by the Senate

**Brief Description:** Creating a joint select legislative task force to evaluate the state's authority under the forest resources conservation and shortage relief act.

**Sponsors:** By Representatives Sump, Doumit, Sehlin, H. Sommers, Mulliken, Linville, Armstrong, Murray, Alexander and Hatfield.

**Brief History:**

**Committee Activity:**

Natural Resources: 2/26/01 [DP].

**Floor Activity:**

Passed House: 3/13/01, 94-0.

Senate Amended.

Passed Senate: 4/12/01, 45-0.

### Brief Summary of Engrossed Bill

- A joint select legislative task force is created to evaluate and make recommendations regarding the state's exercise of authority under the federal Forest Resources Conservation and Shortage Relief Act, as well as factors that may contribute to the amount of competition for state and local government timber sales.
- The legislative task force consists of four senators and four representatives. The legislative task force is assisted by an advisory committee.
- The legislative task force must report its findings and recommendations to the appropriate legislative committees by January 1, 2002.

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### HOUSE COMMITTEE ON NATURAL RESOURCES

**Majority Report:** Do pass. Signed by 11 members: Representatives Doumit, Democratic Co-Chair; Sump, Republican Co-Chair; Pearson, Republican Vice Chair; Rockefeller, Democratic Vice Chair; Buck, G. Chandler, Eickmeyer, Ericksen, Jackley, Murray and Pennington.

**Staff:** Bill Lynch (786-7092).

**Background:**

Congress passed the Forest Resources Conservation and Shortage Relief Act in 1990 to prevent the export of unprocessed logs from federal lands and the substitution of federal timber for private timber that is exported by a company that also buys timber from federal lands for domestic processing.

As part of this law, Congress authorized the state and its political subdivisions the authority to prohibit the substitution of state timber for private timber that is exported. In 1991 the state adopted rules to implement the federal ban on the export of restricted unprocessed timber. These rules, chapter 240-15 WAC, prohibit firms that export unprocessed logs from bidding on state timber sales.

It is unclear if any state agency or official has the authority to review or amend this chapter of regulations. Concerns have been expressed that these rules may contribute to a lack of bidders on state and local government timber sales.

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**Summary of Bill:**

A joint select legislative task force is created to evaluate and make recommendations regarding the state's exercise of authority under the federal Forest Resources Conservation and Shortage Relief Act, as well as factors that may contribute to the amount of competition for state and local government timber sales.

The legislative task force may recommend which agency or official of state government should have the authority to review and amend the substitution of timber rules, any changes to these rules, changes to state and local government timber appraisal and bidding practices, and any related legislation that the Legislature should consider during the 2002 legislative session.

The legislative task force is required to gather information regarding changes in the forest products industry in Washington since the substitution rules were adopted, the current market for state and local timber, factors that affect the sale of state and local government timber, and other factors that the task force considers appropriate.

The legislative task force consists of four senators and four representatives. The four senators on the legislative task force are the chair and ranking minority member of the Natural Resources, Parks and Shorelines Committee; and the chair and the ranking minority member of the Ways and Means Committee. The representatives on the legislative task force are the co-chairs of the Natural Resources Committee; and the co-chairs of the Appropriations Committee.

The legislative task force is assisted by an advisory committee. The advisory committee is composed of the following members or their designees: 1) the Commissioner of Public Lands; 2) the Superintendent of Public Instruction; 3) the president of Washington State University; 4) the president of the University of Washington; 5) a representative of a county, selected by the Washington Association of Counties; 6) the director of the Office of Financial Management; 7) the director of the Department of Revenue; 8) a representative of companies that purchase timber sales under current law from the Department of Natural Resources, selected by representatives of those companies; 9) a representative of companies that operate forest product manufacturing facilities within the state that are currently ineligible under current rules to purchase timber sales from the Department of Natural Resources, selected by representative of those companies; and 10) a representative of a labor union representing workers in forest product manufacturing facilities within the state under a collective bargaining agreement, selected by the Washington State Labor Council.

The advisory committee is directed to elect a chair or co-chairs from among its members for the purpose of conducting meetings and transmitting information from the advisory committee to the legislative task force. The legislative task force must consult with the advisory committee in developing its recommendations.

Staff support for the legislative task force and advisory committee is provided by Senate Committee Services and the House Office of Program Research.

The legislative task force must report its findings and recommendations to the appropriate legislative committees by January 1, 2002.

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**EFFECT OF SENATE AMENDMENT(S):**

Two additional members are added to the advisory committee. The additional members are a representative of small businesses that purchase or process wood products, and a representative of an independent pulp and paper union. The eight legislators on the task force are chosen by the co-speakers of the House and the president of the Senate instead of being specified as the chairs and ranking minority members of certain committees.

**Appropriation:** None.

**Fiscal Note:** Not Requested.

**Testimony For:** This review is timely. The task force provides an opportunity to address important policy issues.

**Testimony Against:** None

**Testified:** Representative Sump, prime sponsor; Bruce Beckett, Weyerhaeuser Company; and Dan Coyne, Simpson Investment Company.