(DIGEST OF PROPOSED 1ST SUBSTITUTE)

Declares that it is in the public interest to ensure a reasonable rate of compensation for log harvesting and log hauling services and enacts this chapter to create a process whereby a system of rate setting through collective bargaining is established between large commercial landowners and log harvesters and log haulers.

Provides that, to establish rates of compensation for log harvesting and log hauling services, harvesters and haulers may join together and form cooperative associations to meet, confer, share information, and take other collective action as may be intended to support their participation in the processes contemplated by this chapter leading to the approval of rates by the utilities and transportation commission.

Provides that, in approving rates with respect to any given forest landowner, the utilities and transportation commission must consider the following criteria. Rates need not be unitary and may take into account variations in these criteria with respect to different portions of the subject land or operations thereon: (1) The harvester's or hauler's costs, including, but not limited to, wages, overhead, fuel, insurance including health insurance, pensions or other retirement costs, and the cost of replacing equipment;

- (2) Environmental and highway laws or rules;
- (3) The impact of the award on the competitive position of the landowner in the market area or competing market areas;
 - (4) A fair return on investment for all parties;
- (5) The species of tree, type of machinery, typography of the site to be harvested, and method of tree harvesting involved;
- (6) The amount of hauling conducted on private roads and the amount of hauling conducted on public roads including travel time from the hauling site to the delivery site and the conditions of the road; and
 - (7) Safety considerations.