



**Sectional Analysis
SB32 CS(RES)**

An Act relating to the sale of timber on state land; and providing for an effective date

This bill would expand the conditions under which the state could offer negotiated timber sales under AS 38.05.110 and .118. Under the existing statutes, the Department of Natural Resources (DNR) may not offer negotiated timber greater than 500 thousand board feet unless the sale area has high unemployment, underutilized manufacturing capacity, and an underutilized timber supply that will lose value due to insects, disease, fire, or conversion to non-forest uses. These criteria prohibit larger negotiated timber sales in many areas of the state that are actively managed for forestry, and where there is high demand for wood for timber products and biomass energy.

Section 1 – New Subsection

Amends AS 38.05.110 to clarify that the commissioner determines which of the applicable sale methods is the most appropriate authority to use for each timber sale.

Section 2 – Amendment to (a).

Amends AS 38.05.118 to clarify that negotiated timber sales under this section do not have to comply with the restrictions on negotiated sales in AS 38.05.115 and the timber sale procedures for competitive sales in AS 38.05.120, but they do have to comply with the requirements for Forest Land Use Plans (AS 38.05.112) and Five-year Schedules of Timber Sales (AS 38.05.113). This exempts sales under .118 from limits on size and duration up to 25 years, but ensures that large negotiated sales are developed with adequate notice to the industry and general public, and necessary site-specific design. This section also clarifies that DNR may negotiate sales to wood fiber users, including biomass energy producers, in addition to wood product manufacturers.

Section 3 – Repeals (c).

Repeals AS 38.05.118(c) which restricted negotiated timber sales under .118 to areas with high unemployment, underutilized manufacturing capacity, and either an underutilized allowable cut, damaged trees, or land to be converted to non-forest use. This change enables DNR to negotiate timber sales in all areas of the state. All timber sales are still subject to the constitutional requirement for sustained yield management.

Section 4 – Applicability.

The uncodified state law of the State of Alaska is amended to clarify that the negotiated timber sale provisions (Sections 1, 2, and 3) apply to sales that occur after the effective date of the bill.

Section 5- Effective Date.

This section establishes an immediate effective date for the negotiated timber sale provisions (Sections 1, 2, and 3).