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Governor Mike Dunleavy
STATE OF ALASKA

February 11, 2021

The Honorable Peter Micciche
Senate President
Alaska State Legislature
State Capitol, Room 111
Juneau, AK 99801-1182

Dear President Micciche:

Under the authority of Article III, Section 18, of the Alaska Constitution, I am transmitting a bill relating to timber sales and harvests.

Under current law, negotiated timber sales are authorized by three different statutes. This bill creates one comprehensive negotiated timber sale statute to provide the Commissioner of the Department of Natural Resources with the flexibility to negotiate timber sales to balance the evolving economics of the timber industry with the Alaska Constitution's mandate for resource development in the public interest.

The bill also amends statutes on forest land use plans. Under current law, such plans can be appealed or reconsidered under AS 44.37.011(b) and 11 AAC 02, and a timber sale contract entered into based on the commissioner's best interest finding (BIF) may be appealed in the process outlined in AS 38.05.035(i). This leaves a timber sale subject to appeals at multiple stages, creating the risk of delays in timber harvests, and raising uncertainty among timber purchasers, processors, and investors. The bill remedies this situation by making forest land use plans non-appealable or subject to reconsideration under AS 44.37.011(b), while leaving intact other significant public process protections, including: the right to appeal a commissioner's best interest finding concerning a timber sale under AS 44.37.011(b); the public notice and written best interest finding requirements in AS 38.05.035(e)(6)(A); public notice requirements for negotiated sales of 500,000 board feet of timber or less in 38.05.945; and the requirement for public notice of disposal of state interests in Article VIII, Section 10, of the Alaska Constitution.

The bill allows the department to negotiate more than one sale each year with a single purchaser of more than 500,000 board feet of timber under AS 35.05.118 and preserves the exemption of negotiated sales of more than 500,000 board feet of timber from the written best interest finding requirement under AS 38.05.035(e)(6)(A).

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This bill will result in more efficient land use planning and more predictable timber harvests, while retaining robust public and agency participation in the process.

I urge your prompt and favorable action on this measure.

Sincerely,

A handwritten signature in blue ink, appearing to read "Mike Dunleavy", with a long horizontal flourish extending to the right.

Mike Dunleavy
Governor

Enclosure