

3-24-23

SENATE BILL 87
PUBLIC & WRITTEN TESTIMONY
SENATE RESOURCES COMMITTEE

My name is Joe Young, Owner of Young's Timber Inc in Tok and a big supporter of SB 87

Thank you, Co-Chairs Senator Bishop & Senator Giessel and the rest of the Senate Resources Committee Members, for allowing me to testify on Senate Bill 87.

Young's Timber Inc has been in business since 1993 and has 4 different types of Sawmills producing a wide range of value-added products and has 12 employees.

Quality, white spruce lumber is one of those value-added products.

Young's Timber Inc gets a lot of positive comments from its customers on the quality of lumber it produces compared to the lumber quality that's imported from the lower 48 & Canada into the State of Alaska.

Yet, Young's Timber Inc's lumber isn't graded or certified and to be certified it is now cost prohibitive to bring a Lumber Grader from the lower 48 States.

Alaskan Spruce is comparative to Douglas Fir in test loads, compression strength, and elasticity.

Senate Bill 87 lumber grading training program, lumber grading certificates and use of graded and certified lumber will not only greatly increase Young's Timber Inc's lumber sales but the lumber sales of all Alaskan's Lumber Producers.

Senate Bill 87 will create timber industry jobs and affordable rural housing.

I recommend to the Senate Resources Committee to pass Senate Bill 87

Another note I have is that Alaskan Value-Added Producers need access to a reliable, steady, and long term supply of Alaskan State Timber for success.

Thank you

JOE YOUNG, YOUNG'S TIMBER INC



KETCHIKAN GATEWAY BOROUGH

1900 First Avenue, Suite 115, Ketchikan, Alaska 99901

• Telephone: (907) 228-6605 • Fax (907) 228-6697

Office of the Borough Mayor

March 20, 2023

SB 87 Lumber Grading Program

I am writing this letter in support of SB 87; The Lumber Grading Program. Areas within the Ketchikan Gateway borough and Southeast Alaska have a long history of logging and small sawmills. Many of our oldest homes were produced with locally made lumber; that many are still standing today is a testament to the quality.

During the pandemic we witnessed how fragile the supply chain is and saw dramatic increases in the cost to import lumber. Locally we have paid as much as \$12 for a 2x4 and \$150 for sheets of plywood. In early 2021, we conducted a community wide risk assessment on how the pandemic was affecting our economy. That assessment revealed that increased lumber costs added roughly \$30,000 extra to the construction of a new home. This was in addition to sharply rising shipping costs for our remote communities.

SB 87 is important to us, because like many other regions, we are facing a housing crisis. Access to affordable housing is a major problem, only getting worse as time moves on.

We see this bill as a way to facilitate local access to locally produced lumber; supporting affordable housing and hopefully creating new jobs in the process. This is not going to solve our housing problems by itself, but it is supportive and I would encourage your consideration of this important legislation.

Sincerely,

Rodney Dial

Mayor,

Ketchikan Gateway Borough rodneyd@kgbak.us / 907-220-6861



March 22, 2023

ELECTRONIC MAIL

Senator Jesse Bjorkman, Chair of Senate Labor, and Commerce
Representative Jesse Sumner, Chair of House Labor, and Commerce

The Alaska State Home Building Association (ASHBA) would like to offer our support of bills SB87 and HB93 currently being heard in the Alaska Legislature.

ASHBA acknowledges the high costs of using lumber shipped to Alaska and seeks alternatives that are more cost effective and available locally for the residential construction industry. A local lumber grading program by locally trained Alaskans, provides opportunities for more jobs in the industry, responsible use of a renewable resource, a lower cost of building materials and more timely delivery of those building materials.

These bills are progress toward a sustainable local resource that would help reduce the high cost of housing across the state.

A handwritten signature in black ink, appearing to read "Eric Visser".

Eric Visser
President
Alaska State Home Building Association

P.O. Box 285 • Soldotna, Alaska 99669
Phone (907) 229-8403
Website: www.buildersofalaska.com
E-mail: alaskastatehomebuildingassoc@gmail.com



March 23, 2023

The Kuskokwim Corporation
4300 B St. Suite 405
Anchorage, AK 99503

Re: Senate Bill No. 87

To Co-Chairs Bishop and Giessel and Members of the Senate Resources Committee,

I am writing today to express our support of SB 87: "An Act relating to a lumber grading training program and lumber grading certificates; relating to use of lumber graded and certified by a person holding a lumber grading training program certificate; and providing for an effective date."

The Kuskokwim Corporation (TKC) is currently working on a housing project using our local wood resources to build a local economy around harvesting wood from the Middle Kuskokwim. We are further creating local capacity around sawmill production and operations, and creating home packages that will be used to create lower cost, energy efficient housing that are constructed by a local labor force. SB 87 and the proposed lumber grading and training program will greatly benefit not only our housing project, but will also positively affect the state of housing throughout Rural Alaska.

TKC was formed 1977, when ten Alaska Native Claims Settlement Act, or ANCSA, village corporations located along the middle part of the Kuskokwim River merged: Lower Kalskag, Upper Kalskag, Aniak, Chuathbaluk, Napaimute, Crooked Creek, Georgetown, Red Devil, Sleetmute, and Stony River. Today, TKC is one of the largest ANCSA village corporations in Alaska and the surface estate owner of nearly a million acres of land on the middle Kuskokwim River region.

TKC and our non-profit, TKC Fish Wheel, are working with the US Forest Service, the National Renewable Energy Laboratory, the Cold Climate Housing Research Center and the Denali Commission, under a USFS Wood Innovations Grant to develop local resources in the TKC region to create local timber packages to construct affordable homes. The project will create a local economy around wood harvesting, sawmill operations, and construction of the housing packages.

Our housing project will benefit the people of the Middle Kuskokwim region and the Bethel Census area by providing local, affordable, sustainable housing alternatives using local wood

resources that can be built by local laborers in the region. This method could be replicated across Alaska, in areas with an adequate local timber supply. It will build a local economy, build local capacity, and reduce housing costs in the region.

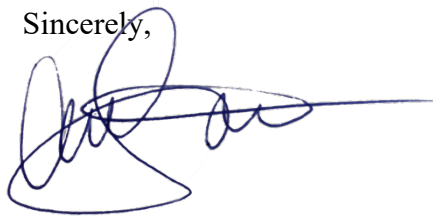
Our area of Alaska is one of the poorest (31.1% live below the poverty line US Census, 2021) in AK & cost of living is extremely high; all goods arrive by plane or barge. Heating fuel reached \$17/gallon in 2022 (DCRA, 2022). The region has the highest rate, 40%, of overcrowded households in Alaska (AHFC, 2017) & 81% of homes have ventilation issues exposing occupants to health risks (AHFC, 2017). TKC is installing a specialty sawmill to build up to 40 energy efficient log homes per year & expanding local wood harvest with an associated long term harvest program.

SB 87 and the local lumber exemption would allow TKC's mill workers to attend a training on grading lumber for structural uses, after which they would be able to grade and stamp our own lumber produced by the mill locally, saving us time and money, and ultimately, allowing us to produce more locally built homes.

The Bethel Census area, which includes our Middle Kuskokwim area, experiences extreme overcrowding of current housing stock, as do many of the other regions of Alaska. An estimated 35% of homes in the Census area are overcrowded or severely overcrowded, 11 times the national average. Building homes in rural, Tribal communities is often very expensive and utilizes grant funding. By utilizing local wood resources, and the SB 87 local lumber exception, we will be able to reduce costs of importing wood to build these homes. SB 87 would greatly reduce the cost of ordering roof trusses and floor trusses, which take up a lot of space on a barge and currently add cost for any rural housing projects.

I appreciate your consideration of SB 87 and the immense, positive impacts it will have for not only the housing projects in the Middle Kuskokwim area, but all of Rural Alaska.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Andrea Gusty', with a long horizontal flourish extending to the right.

Andrea Gusty
President & CEO
The Kuskokwim Corporation



Cold Climate Housing Research Center

CCHRC

March 13, 2023

The Honorable Senator Click Bishop
The Honorable Senator Cathy Giessel
Senate Resources Committee

RE: Senate Bill 87 – Lumber Grading Program

Dear Senators,

For the last few years, the Cold Climate Housing Research Center (CCHRC), in partnership with the National Renewable Energy Lab (NREL) have been working with Alaska Division of Forestry and the United States Forestry Service on wood innovation projects funded by USFS. Our research has focused on strategies that could overcome the barriers to utilizing locally harvested lumber to address rural Alaska's acute housing shortage. Currently, we are partnering with the Kuskokwim Corporation on a USFS Wood Innovation Grant project that incorporates local timber wall construction and a distinct method of milling to create a 'harvest to home' model for the Middle Kuskokwim region.

The organizations' work on this subject goes farther back than just this suite of current projects, including economic development studies of potential truss fabrication plants in rural hubs. As you may know, the smaller and more remote an Alaskan community, the less likely it is to be able to utilize its local forest resource to create lumber for housing projects. While there are some barriers in capacity and training for local mill operators, the largest barrier by far is an administrative one.

Remote communities do not have equitable access to national lumber grading mechanisms, and as a result are required to import structural lumber at some of the highest costs per unit in the nation despite being located in one of the largest forested areas left in North America.

This administrative barrier disproportionately affects uses for energy-efficient construction types that would qualify for many HUD-funded programs, Alaska Housing Finance requirements, and conventional lending. As a result, most local-harvest housing projects in rural Alaska tend to be traditional butt-and-pass log cabins, which do not require a lumber grade. These traditional structures are durable and resilient, but not energy efficient and not easily financeable, exacerbating the deficiencies in the current housing stock.

This legislation has the potential to greatly improve the ability of small communities, Tribes, and corporations to address the continuing housing shortage in their regions, and we urge your support.

Thank you,

Mindy L. O'Neill
Executive Director
Cold Climate Housing Research Center

CCHRC www.cchrc.org

P.O. Box 758170, Fairbanks, AK 99775 Phone: (907) 457-3454 Fax: (907) 457-3456



March 16, 2023

To Whom It May Concern:

The Sitka Conservation Society (SCS), Spruce Root, Inc., and The Nature Conservancy's Alaska Chapter (TNC) would like to offer our support of bills SB87 and HB93 currently being heard in the Alaska Legislature.

The Sitka Conservation Society has a long history of supporting Alaska sawmills in supplying lumber to local markets. SCS has been purchasing lumber from Southeast Alaskan mills for the Sitka High School Career Technical Education program and over the past ten years, we have supported students in construction projects including cabinetry, garden sheds, garden chairs, and a tiny home. SCS has also sourced locally milled lumber for cabin and deck projects, woodsheds, barns, sauna, and flooring. SCS has consistently found that the locally sourced product has superior characteristics to the lumber that is shipped to Alaska from the Pacific Northwest, Canada, and the Southeastern United States, which is where most of our available lumber supply comes from.

We collectively support this bill because the SCS, Spruce Root and TNC all believe that using locally sourced building materials for local construction and carpentry work is a critical component of community sustainability. The historic model for timber resource utilization has been to export our products to out-of-state and foreign markets. This bill is a start for the State of Alaska to invest in the capacity and ability of local businesses to meet the demand of local markets with more value-added benefits to local economies and the local workforce.

We acknowledge that there is often conflict over timber harvest in Alaska. We believe that this conflict is a result of timber harvest that is done beyond the carrying-capacity of the land, with a harvest level that surpasses the sustainable yield that the forest can provide, which results in a degraded landscape and damaged habitat for the subsistence resources that Southeast Alaskans depend on to fill their freezers. Conflict also arises when valuable trees are exported in the round, while local residents can't purchase and use locally produced timber products. This bill is a move towards figuring out how to use our local resources sustainably, improve local economies, provide more economic niches for small businesses, and give Alaska consumers options for sourcing Alaska-made products. We are in full support of these bills.

Sincerely,

Andrew Thoms
Executive Director
Sitka Conservation Society

Alana Peterson
Executive Director
Spruce Root, Inc.

Julia Nave
Interim SE Alaska Program Co-Director
The Nature Conservancy, Alaska

From: [Laura Achee](#)
To: [Anne Rittgers](#); [Jesse Logan](#)
Subject: FW: Lumber Grading
Date: Monday, March 13, 2023 11:37:30 AM

-----Original Message-----

From: Josh Leatherman <precisiontimberworks@yahoo.com>
Sent: Monday, March 13, 2023 11:35 AM
To: Laura Achee <Laura.Achee@akleg.gov>
Subject: Lumber Grading

Hi Laura,

I own and operate a small contracting company that specializes in log and timber framing. I also operate a sawmill and have to ship Douglas fir in from Washington state every season.

The reason for this is the fact that most municipalities in Alaska have adopted the international building code which states that all lumber used in a structural application must bear a grade stamp by an accredited lumber grading agency.

Passing these bills would enable many small businesses like mine to utilize our bountiful and high quality Alaskan timber. We have the two largest national forest in the nation and we should be able to obtain and utilize our resources.

Most Alaskan's that I deal with would rather use and support local grown products. Being able to use the local timber in structural applications is a great start to put us on the right path a more sensible and sustainable future.

Regards,

Josh Leatherman
Precision Timberworks

[https://urldefense.com/v3/_http://www.timberframingalaska.com_!!LdQKC6s!KNYz7IWvzdWUjWwCwxcrWKR_NG0BIEgec1mnt1aHBjhSXCPbLQeh5hiReLuyio_DIX7-qpklsEc9n_s-cS5VRYSE60P95s\\$](https://urldefense.com/v3/_http://www.timberframingalaska.com_!!LdQKC6s!KNYz7IWvzdWUjWwCwxcrWKR_NG0BIEgec1mnt1aHBjhSXCPbLQeh5hiReLuyio_DIX7-qpklsEc9n_s-cS5VRYSE60P95s$)
907-362-7688

Sent from my iPhone

From: [Gordon Chew](#)
To: [Senate Resources](#)
Cc: [Laura Achee](#); [Jesse Logan](#)
Subject: Letter in Support of SB 87
Date: Monday, March 13, 2023 10:54:02 AM

Dear Senate Resource Committee

It is with great encouragement that I offer our support for the proposed lumber grading bill.

As builders, restoration contractors and lumber millers this is a great opportunity to begin using the high quality products we offer in a wider application: this will support further employment opportunities and promote local production and sales of timber to owner/builders and contractors across the state.

There is no downside to this bill as we need to use all of our Alaskan resources to build and to rebuild the infrastructure in our towns, city's and state.

Buying from Alaskans and keeping our industry alive and thriving are just a couple of the lasting benefits to this action.

Many thanks,

~Gordon

Gordon Chew
Tenakee Logging Company

PO Box 24

Tenakee Springs, Ak 99841

907-736-9200

www.tenakeelogging.com

From: [Andrew Traxler](#)
To: [Senate Resources](#); [House Labor and Commerce](#)
Cc: [Laura Achee](#)
Subject: Senate Bill 87, House Bill 93
Date: Friday, March 10, 2023 12:36:03 PM

This email is to show that we support Senate Bill 87, and House Bill 93. In regards to making local lumber grading possible, for smaller scale sawmill operations. I Andrew Traxler write this, with the permission of the fellow business owners listed here. We are Sawmill and Logging business owners. Thank you for your time.

Andrew Traxler
Papoose Milling
ibmillinginalaska@gmail.com
1-907-315-5138

Dan Owens
Timberline Sawmill & Cabin Company
(907) 841-4336

Kelly and Murray Bond
Bond brothers Logging
kelly@bondbrothersalaska.com
(907) 841-3373

Carl Frantzich
Mat Valley Milling.
907-354-5630
mvmilling@mtaonline.net

Brett Haus
President
Evergreen Alaska Inc
PO Box 670
Kasilof, AK 99610
907-299-0450
bhaus@evergreenalaska.com

Jim Fudge
Elsie Creek Logging and Land Clearing LLC
1-907-687-9012
jimmyf@elsie creekenterprises.com

Sent from my iPhone

Anne Rittgers

From: Dennis R. Linnell <dlinnell@hdlalaska.com>
Sent: Monday, March 20, 2023 7:47 PM
To: Senate Resources; House Labor and Commerce
Cc: Laura Achee; Jesse Logan; Sen. Jesse Bjorkman
Subject: SB87 and HB93 Lumber Grading Program

Dear Senators and Representatives,

I am writing today in support of SB87 and HB93 LUMBER GRADING PROGRAM. I would strongly encourage you to support these bills. These bills will allow Alaskan sawmill operators to be trained and certified to produce quality dimensional lumber for local use. This will create many local small business opportunities in our communities, and provide a much needed value-added product from our forestry resources.

Because I didn't need building permits or construction loans, I was able to harvest and mill dimensional lumber from my property and build a shop and attached in-law apartment. I have seen first-hand the quality of the dimensional lumber that can be produced. I have also seen much of our timber resources here on the Kenai Peninsula either used for firewood and burned as slash. Much of this material could be harvested, produced into dimensional lumber, and sold to local consumers. And that is just in Kenai. I can see an even bigger benefit to our rural communities off the road system where shipping dimensional lumber adds significant costs. Quality lumber produced by local businesses and used in their local communities is a WIN, WIN, WIN situation.

Respectfully submitted,

Dennis

DENNIS LINNELL, PE

Senior Civil Engineer

d: 907.564.2106 | c: 907.529.0862

www.HDLalaska.com

