

SENATE BILL NO. 189

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - SECOND SESSION

BY SENATORS TAYLOR, Pearce

Introduced: 1/8/96

Referred: Resources

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to a ban on the export of unprocessed timber from state forest
2 land."

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 * **Section 1.** PURPOSE. It is the purpose of this Act to require the imposition of a
5 primary manufacture requirement on timber harvested from state forest land before the timber
6 is exported from the state. The requirement is imposed "to the extent consistent with law" in
7 recognition of paramount authority of the Congress to regulate interstate and foreign
8 commerce and the decision in Southcentral Timber Development, Inc., v. Wunnicke, 467 U.S.
9 82, 81 L.Ed.2d 71, 104 S.Ct. 2237 (1984), wherein the United States Supreme Court, by
10 plurality opinion, invalidated a comparable requirement imposed by state regulation. The
11 legislature adopts this legislation in order to define a policy in the event the Congress
12 explicitly acts to authorize the state to set a policy, in the event the courts expand the market
13 participant doctrine in a way that would allow the state to regulate commerce in timber from
14 its land by requiring its processing, or if the courts reconsider the subject and determine that

1 the state's primary manufacture requirement is not an unreasonable burden on interstate and
2 foreign commerce.

3 * **Sec. 2.** AS 41.17 is amended by adding a new section to read:

4 Sec. 41.17.105. REQUIREMENT OF PRIMARY MANUFACTURE OF
5 TIMBER. (a) To the extent consistent with law, the commissioner shall require the
6 primary manufacture of timber removed from state-owned forest land before the timber
7 is exported from the state.

8 (b) For the purpose of this section, timber that has been manufactured into a
9 product for use without further processing is considered to have been primarily
10 manufactured only if the commissioner determines that there is a market for the
11 product.

12 (c) In this section, "primary manufacture" means manufacture that is first in
13 order of time or development; the term

14 (1) when used in relation to a sawmilling operation, means the
15 breakdown process in which logs are reduced in size to the extent that the residual
16 cants, slabs, or planks do not exceed a nominal eight and three-quarters inches in
17 thickness;

18 (2) when used in relation to a pulp operation, means the breakdown
19 process to the point at which wood fibers have been separated;

20 (3) when used in relation to an operation for veneer for plywood
21 production, means the production of green veneer;

22 (4) when used in relation to poles or piling, whether treated or
23 untreated, means manufacture for the purpose of use as poles or piling; and

24 (5) when used in relation to timber processing wastes, means
25 manufacture into chips.

26 * **Sec. 3.** STATE REGULATIONS AUTHORIZING PRIMARY MANUFACTURE OF
27 TIMBER ANNULLED. 11 AAC 71.230 and 11 AAC 71.910(11) are annulled.