

1 IN THE SENATE

BY JONES

2

SENATE BILL NO. 112

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to forest management agreements."

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

8 * Section 1. AS 38.05 is amended by adding a new section to read:

9 Sec. 38.05.122. FOREST MANAGEMENT AGREEMENTS. (a) Notwith-
10 standing AS 38.05.110 - 38.05.120 and 38.05.300, the commissioner may
11 enter into an agreement with a contractor doing business in the state
12 for the sale of timber from state land on which the right to harvest
13 timber has not been specifically prohibited by law. An agreement
14 entered into by the commissioner under this section shall be used to
15 foster the development of the state's forest products industry. In
16 each agreement entered into by the commissioner under this section,
17 timber harvest is the exclusive beneficial use of the land subject to
18 the agreement.

19 (b) The commissioner shall establish by regulation requirements
20 for the selection, harvest, and regeneration of timber on state land
21 that is subject to an agreement under this section.

22 (c) In an agreement for the harvest of state timber entered into
23 under this section, the commissioner may provide for

- 24 (1) the term of the sale and an extension of the term;
25 (2) the stumpage prices to be charged for the timber;
26 (3) incentives to the contractor for the completion of the
27 agreement;
28 (4) compensation from the contractor for the scaling ser-
29 vices required to account for the timber sold;

1 (5) the construction and maintenance of access roads neces-
2 sary to the harvest of the timber, including the sale of materials
3 from state land for the construction of the access roads;

4 (6) timber harvest to be at a volume in excess of that
5 permissible under the nondeclining yield method of calculating sus-
6 tained yield;

7 (7) penalties for violation of the terms of the agreement
8 and termination of the agreement;

9 (8) areas sized to the capability of small contractors;

10 (9) other terms, conditions, and limitations determined to
11 be in the public interest by the commissioner; and

12 (10) the preparation of reports determined necessary by the
13 commissioner.

14 (d) In entering into an agreement under this section, the com-
15 missioner shall consider

16 (1) the economic activity to be generated in the state by
17 the proposed operation of the contractor;

18 (2) the technical and financial qualifications of the
19 contractor;

20 (3) the stumpage payments proposed to the state by the
21 contractor;

22 (4) the experience of the contractor in the state.

23 (e) The commissioner may consult with other agencies of the
24 state or with federal agencies when considering an agreement under
25 this section.

26 * Sec. 2. The commissioner of natural resources shall request proposals
27 for the management of state timber land under AS 38.05.122, as enacted in
28 sec. 1 of this Act, within one year after the effective date of this Act.