SB
310

(9) [redacted] HOUSE COMMITTEE REPORT [redacted]

Date Referred: April 8, 1994 FURTHER REFERRALS:

Date of Committee Action: 4/25/94

The RESOURCES Committee considered: CSSB 310(RES)

CS FOR SENATE BILL NO. 310(RES)

STATE/PRIVATE/MUNI TIMBER OPERATION/SALE

"An Act relating to the management and sale of state timber and relating to the administration of forest land."

RECOMMENDATIONS: [✓] the same title
be replaced with HCS CS SB 310 (RES) [ ] a new title

[ ] have attached amendments(s)

[ ] do pass

[ ] do not pass

[✓] no recommendations

[ ] individual recommendations

[ ] additional referral to the _____ Committee

ADOPTS: _____ letter of Intent

ATTACHES NEW FISCAL NOTE(s): (Dept)

[ ] fiscal impact _____

[ ] zero fiscal note _____

APPROVES PREVIOUS: (Dept/Date)

[ ] fiscal note(s) _____

[✓] zero fiscal note(s) DNR / 3-30-94

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
[signature]	✓	[signature]		✓	
[signature]	✓	[signature]		✓	
		[signature]			✓
		[signature]	✓		
		[signature]	✓		
		[signature]		✓	

[signature]
CHAIRMAN'S SIGNATURE

Alaska State Legislature

HOUSE RESOURCES COMMITTEE

State Capitol
Juneau, Alaska 99801-1182
(907) 465-3715

MEMORANDUM

TO: Jerry Luckhaupt, Drafting Attorney
Legislative Legal Services

FROM: Rep. Bill Williams, Chairman
House Resources Committee

DATE: April 29, 1994

RE: Requesting corrected version of HCS SB 310 (RES)

On April 25 the House Resources Committee moved a new committee substitute version of SB 310 out of committee which was to include ten amendments. Several of those were amendments that had been drafted by Legal Services, but were amended in committee before adoption by the committee. In transmitting instructions to you for drafting of the final committee-passed CS, my staff evidently did not make it clear that amendment X. 20 had been amended in committee to include two additional words before the full amendment was adopted.

The omission of the two words in the final copy of the House Resources CS was not noticed until after the bill had been read across the House floor and transmitted to its next committee of referral, House Finance. Since official committee action added the two words, it is important that we have a corrected version of the bill done and available to the Finance Committee as soon as possible.

I am hereby requesting that a corrected version of HCS CS SB 310 (RES) be issued. The needed change to the currently published House Resources CS is this:

Page 3, line 4, after the word "scientific" insert "or economic"

If there are any questions regarding this request please contact my House Resources Committee Aide, Mary McDowell, at 465-3715.

PASSED AS AMENDED 4/22/94

8-LS1558\X.20 -
Luckhaupt
4/14/94

AMENDMENT #X.20

OFFERED IN THE HOUSE BY REPRESENTATIVE JAMES

TO: CSSB 310(RES)

Page 1, line 4:

Delete "AS 38.05.112(c)"

Insert "AS 38.05.112"

Page 1, following line 4:

Insert new material to read:

"Sec. 38.05.112. FOREST LAND USE PLANS. (a) The department may not [SELL OR] harvest timber, except for isolated sales of less than 50,000 board feet [PERSONAL USE TIMBER HARVEST], until a site-specific forest land use plan has been adopted. A forest land use plan is required whether or not a regional or area land use plan under AS 38.04.065(a) or a forest management plan under AS 41.17.230 has been adopted.

(b) The commissioner shall base a forest land use plan on the best available data, including information provided by other agencies [DESCRIBING THE IMMEDIATE AND LONG-TERM EFFECTS OF INDIVIDUAL AND COLLECTIVE FOREST ACTIVITIES ON THE TIMBER BASE AND ON OTHER RESOURCES AND USES]."

Page 2, following line 14:

Insert a new subsection to read:

"(d) A management plan prepared by the commissioner under AS 41.17.230 or AS 38.04.065 must consider and permit the uses described in (c) of this section. If the commissioner finds that a permitted use is incompatible with one or more other uses in a portion of a state forest, the commissioner shall, consistent with AS 41.17.200, affirmatively state in the management plan that finding of

incompatibility for the specific area where the incompatibility is anticipated to exist and the time period when the incompatibility is anticipated to exist together with the reasons for each finding. **If the commissioner finds that the use described in (c)(1) of this section is incompatible, or otherwise restricts that use, the commissioner must also document the finding with sound scientific data that clearly proves the incompatibility and the benefits of the restriction."**

or economic (passed A+A)

Back-up for Amendment X.20

SENT BY: kinko's the copy center | 4-10-94 ; 2:37PM ; KINKO'S- | CCITT ECM # 1

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TODAY'S DATE | TIME | NO. OF PAGES

TO James
LOCATION Juneau
FAX NUMBER 465 2278
TELEPHONE NUMBER
COMMENTS

SENT BY Don Perkins
LOCATION Fbks
FAX NUMBER
TELEPHONE NUMBER 456 5054-21
456-5054

Kinko's provides paper for persons. We are not responsible for the contents of any communication or document or for any form associated with them.

Interior Alaska Forest Association

April 5, 1994

Dear Representative James:

The needs of the existing timber industry was not considered in the final version of SB310. What started out as a bill that would help our industry was whittled down to nothing by the end of the compromises. To be able to support this bill our top priorities, listed below, must be included:

1. ***AS 38.05.112(a) The department may not (sell or) harvest timber, except for isolated (personal use timber harvest) sales of less than 50,000 board feet.....***

Delete the (enclosed) words and add the underlined, this means wood in decks from a previous harvest would not have to have a new plan to be resold and small salvage clean up could be made without a long review process. Division of Forestry won't do these sales anymore because they are too small for all the effort.

2. ***AS 38.05.112(b) The commissioner shall base a forest land use plan on the best available data, including information provided by other agencies(.) describing the immediate and long-term effects of individual and collective forest activities on the timber base and on other resources and uses. ****

Delete the underline. It would be impossible for each sale to meet these stipulations and survive a court challenge. If absolutely necessary this could be moved to AS41.17.230 in the forest management plan for the state forest as a whole.

3. ****AS 38.05.112(d) A management plan prepared by the commissioner under AS 41.17.230 and AS 38.04.065(a) must consider and permit the uses described in (c) of this section. If the commissioner finds that a permitted use is incompatible with one or more other uses in a portion of a state forest, the commissioner shall, consistent with AS 41.17.200, affirmatively state in the management plan that finding of incompatibility for the specific area where the incompatibility is anticipated to exist and the time period when the incompatibility is anticipated to exist together with the reasons for each finding. If AS 38.05.112(c)(1) is found incompatible or restricted, sound scientific data and documentation must be provided that clearly proves such incompatibility and the benefits of such restrictions.***

Add the underlined parts. The key in stopping the state forest from being locked up is the underlined parts, which reminds them

Re: Amendment X.20 for CSSB310 (RES)

of the intent for state forests and requires proof of the need for restriction on harvest for any part of the state forest. After seeing what has happen in Mat-Su, it is our opinion and deep concern that if these changes are not added there is nothing to stop huge 1/4 mile buffers, 100 year rotation ages on birch (making them rotten), and individual tree selection harvest, all of which will kill our industry. If these Susitna Forest Guidelines were applied here about two-thirds of the commercial timber would be off limits for harvest. As written now Section 1 of SB310 will not stop this. Environmentalists don't object to logging outright, they make it uneconomical by endless conditions. That's why our additions must be made to SB310.

4. ***AS 38.05.122 (g)
(1) must be reviewed by a committee consisting of a representative of affected local government, and recognized experts in Forestry, local forest industry and Business.*****

Our association believes that there needs to be a blue ribbon panel to approve the FMA to get the best deal for the state. Since any FMA would deal with hardwoods it should open new markets for our members. We endorse such an industry coming in, but we are taking a risk that the DNR will watch out for us. DNR's track record so far has been awful. We will support the FMA if there is a blue-ribbon panel to review the final proposal.

Are we overreacting? When a large sale was proposed in the Mat-Su in the late 1980's, environmentalists from Anchorage formed The Susitna Valley Association to kill the large sale. They didn't stop there. They pushed DNR into putting severe restrictions on existing industry. When ever environmentalists get loud and vocal, DNR placates them to keep them quiet. DNR's Division of Lands willingly bent over backwards meeting every demand of the environmentallsts resulting in "The Susitna Forest Guidelines". After these restrictions went into affect, timber sales dropped from 12 timber sales to 1 sale a year. The person who designed these restrictions is an environmentalist and has now been put in charge of the timber section in forestry. These guidelines are not based on scientific fact or reasonable environmental controls.

It's the way planning is now done. They call it "consensus" where they try to satisfy everyone. So the radicals know all they have to do is to take an extreme way out position, get loud and intimidating, and they will get most of what they want. Reasonable controls to protect fisheries are already in the Forest Practices Act. We feel that they should prove any further restrictions.

The environmentalists know if they yell and shout, DNR and Division of Forestry will cave in. These agencies will bend over backwards to keep them quiet to the detriment of the people who make their living from the forest. Another example is the Kenai, where trees killed by beetles four years ago have yet to be sold. There have

been endless plans, committees, and public hearings, while the trees rot. The trees are now almost worthless. Yet, private land owners have been salvaging their trees with no problem. Just two weeks ago, the auction to salvage some of these trees was postponed to have yet a another hearing because of environmentalists complaints. This is after four years of public process. DNR is becoming completely paralyzed by a small radical group. We are not afraid of sound scientific restrictions and we don't need most of the valley, only a small piece. But what we do need is protection in law, because DNR won't do it on it's own.

Environmentalist's restrictions are based on feelings, not facts. Our version of AS 41.17.230 requires that any incompatibility or the need for restriction on harvest such as buffers must be proven. You have to remember that only a small piece of the valley has been set aside for use, so we feel any restrictions must be justified.

As we said before, it doesn't matter if you have an FMA bill, because the restrictions that the environmentalists will put in the state forest plan will kill any FMA and the local industry.

Please help us get these final changes into SB310 so we can all get strongly behind it. We need this bill for our survival, but it must have our additions for us to support it. We know we can count on your help to make sure we protect the industry we already have.

Sincerely,

Don Parks
Parks Wood Service

Al Pagh
Four Star Lumber

WITHDRAWN
1/22/94

8-LS1558\X.21
Luckhaupt
4/14/94

AMENDMENT #X.21

OFFERED IN THE HOUSE BY REPRESENTATIVE JAMES

TO: CSSB 310(RES)

Page 2, line 30, following "year,":

Insert "the commissioner shall solicit public comment concerning the extent and type of proposals under this section that the commissioner should solicit and the areas of the state the proposals should cover. The public comment period concerning the solicitation of proposals may not be less than 30 days nor more than 60 days. After soliciting and considering public comment under this subsection,"

Page 3, line 9, following "for":

Delete "a"

Insert "an unsolicited"

Page 3, line 10, following "that the":

Insert "unsolicited"

Page 4, line 17:

Delete "A"

Insert "An unsolicited"

Page 6, line 12, following "section":

Insert "concerning an unsolicited proposed agreement"

Page 6, line 13:

Delete "proposed agreements are public records and are"

Insert "unsolicited proposed agreement is a public record and is"

Page 6, line 15:

Delete ", proposed agreements"

Insert "concerning an unsolicited proposed agreement, the unsolicited proposed agreement"

Page 6, line 16:

Delete "are confidential and are"

Insert "is confidential and is"

Page 6, line 21, following "AS 09.25.120.":

Insert "Before the time the commissioner selects a tentatively successful proposed agreement under (e) of this section, proposed agreements solicited under (b) of this section are confidential and are not open to public inspection or disclosure under AS 09.25.120."

WITHDRAWN
4/22/94

8-LS1558\X.23
Luckhaupt
4/14/94

AMENDMENT X.23

OFFERED IN THE HOUSE

TO: CSSB 310(RES)

Page 4, following line 11:

Insert a new paragraph to read:

"(7) extent to which the proposed agreement provides for processing in the state of the timber harvested to the extent permitted by law;"

Renumber the following paragraphs accordingly.

PASSED 4/22/94

8-LS1558\X.24
Luckhaupt
4/14/94

AMENDMENT # X.24

OFFERED IN THE HOUSE

TO: CSSB 310(RES)

Page 2, line 31, following "land.":

Insert "The commissioner shall identify the forest land included in the solicitation of proposals. The land identified may include land covered by a cooperative resource management or development agreement under AS 38.05.027, subject to the approval of the owner of any land other than state land."

Page 6, line 10, following "commissioner.":

Insert "If the forest management agreement covers nonstate land under an agreement authorized under AS 38.05.027, the owner of the land must approve the agreement."

FAILED 4-22-94

8-LS1558\X.25
Luckhaupt
4/15/94

AMENDMENT

OFFERED IN THE HOUSE BY REPRESENTATIVE DAVIES

TO: CSSB 310(RES)

Page 8, following line 23:

Insert a new bill section to read:

"* Sec. 7. AS 41.17.230(a) is amended to read:

(a) The commissioner shall prepare a management plan consistent with AS 38.04.005 and this chapter for each state forest and for each unit of a state forest to assist in meeting the requirements of this chapter. An operational level forest inventory shall be completed before a management plan for the state forest or the unit of a state forest is adopted. The management plan shall be adopted, implemented, and maintained within three years of the establishment of a state forest by the legislature. **The management plan shall set a total amount of the harvestable timber of the forest or unit, not to exceed 75 percent, that may be the subject of forest management agreements under AS 38.05.122.**"

not passed

8-LS1558\X.26
Luckhaupt
4/15/94

AMENDMENT

OFFERED IN THE HOUSE BY REPRESENTATIVE DAVIES

TO: CSSB 310(RES)

Page 2, line 29, following "yield.":

Insert "The commissioner may only enter into one forest management agreement that covers land within each state forest in a three-year period. The commissioner may only enter into one forest management agreement in a three-year period in each region of the state for which a regional land use plan has been adopted or is to be adopted for land outside of state forests. In this subsection, "state forest" has the meaning given in AS 41.17.950."

X 26

FAILED 4-22-94

8-LS1558\X.28
Luckhaupt
4/20/94

passed 4-22-94

AMENDMENT Revised X.28

OFFERED IN THE HOUSE

TO: CSSB 310(RES)

Page 4, following line 11:

Insert a new paragraph to read:

"(7) extent to which the proposed agreement provides for processing in the state of the timber harvested, to the extent permitted by law;"

Renumber the following paragraphs accordingly.

Page 5, following line 19:

Insert a new subparagraph to read:

"(F) provisions requiring the processing of the timber in the state if that is the highest and best use of the timber as determined by the commissioner and if permitted by law;"

Reletter the following subparagraphs accordingly.

Page 8, following line 23:

Insert a new bill section to read:

"* Sec. 7. SEVERABILITY. Under AS 01.10.030, if AS 38.05.122(d)(7) or (g)(2)(F), or the application of those provisions to any person or circumstance, is held invalid, the remainder of this Act and its application to other persons or circumstances shall not be affected."

S-LS1558X.29
Luckhaupt
4/19/94

AMENDMENT X.29

OFFERED IN THE HOUSE

TO: CSSB 310(RES)

Page 2, line 30:

Delete "shall"

Insert "may"

PASSED 4-22-94

RESCINDED 4/25/94

8-LS1558\X.30 ✓
Luckhaupt
4/19/94

AMENDMENT # X.30 passed 4/25/94

OFFERED IN THE HOUSE

TO: CSSB 310(RES)

Page 8, line 6, following "industry;":

Delete "and"

Insert "[AND]"

Page 8, line 7, following "habitat":

Insert new material to read:

"; and

(8) to the fullest extent practicable, harvested forest land shall be reforested, naturally or artificially, so as to result in a sustained yield of merchantable timber from that land; if artificial planting is required, silviculturally acceptable seedlings must first be available for planting at an economically fair price"

Page 8, following line 7:

Insert a new bill section to read:

"* Sec. 5. AS 41.17.060 is amended by adding a new subsection to read:

(d) With respect to private forest land only, to the fullest extent practicable, harvested forest land shall be reforested, naturally or artificially. If artificial planting is required, silviculturally acceptable seedlings must first be available for planting at an economically fair price."

Renumber the following bill sections accordingly.

Page 8, following line 23:

Insert a new bill section to read:

"* Sec. 8. AS 41.17.060(b)(4) is repealed."

(c) The commissioner is authorized to undertake cooperative forestry programs, extension services, and education programs, and to otherwise offer a full range of professional management services to the interested public. When the commissioner considers it beneficial, the commissioner may participate in federal assistance programs by accepting assistance in whatever form offered.

(d) The commissioner may develop regulations under this chapter as part of the state program for control of nonpoint source pollution under the Federal Water Pollution Control Act, as amended. However, the Department of Environmental Conservation is the lead agency for water quality and control of nonpoint source pollution under that Act, and the regulations are therefore subject to the approval of the commissioner of environmental conservation.

(e) In the administration of this chapter, the commissioner shall consult with and draw upon the expertise of interested organizations, enterprises, individuals, government agencies, educational institutions, and landowners. The commissioner may enter into cooperative agreements and contracts with them to carry out this chapter.

(f) The commissioner shall locate department personnel with forestry expertise throughout the state to facilitate public access to professional management services and other forest resources programs.

(g) The commissioner may take other actions necessary and proper for the administration of this chapter, including the adoption of regulations under AS 44.62 (Administrative Procedure Act) and AS 41.17.047. (§ 1 ch 108 SLA 1978; am § 5 ch 34 SLA 1990)

Revisor's notes. — Formerly AS 41.17.020(d)-(i), (k). Renumbered in 1983.

Effect of amendments. — The 1990 amendment, effective October 1, 1990, rewrote subsection (d).

Opinions of attorney general. — The adoption of forest practices regulations by the Department of Natural Resources in 11 AAC 95 has completely preempted the coastal policy council's regulations, 6 AAC 80.100, in regulating timber harvest and processing in the coastal area. April 20, 1981 Op. Att'y Gen.

Re: Amendment X.30 for CSSB310(RES

Sec. 41.17.060. Regulatory and administrative standards. (a) All regulations, administrative actions, and other activities and duties undertaken under this chapter shall be in full accordance with the standards set out in this section.

(b) With respect to state, municipal, and private forest land, the following standards apply:

(1) to the maximum extent possible, all applicable data and information of applicable disciplines shall be updated and used in making decisions relative to the management of forest resources;

(2) environmentally sensitive areas shall be recognized in the development of regulations and best management practices that are designed to implement nonpoint source pollution control measures authorized under this chapter;

(3) administration of forest land shall consider marketing conditions and other economic constraints affecting the forest landowner, timber owner, or the operator;

(4) to the fullest extent practicable, harvested forest land shall be reforested, naturally or artificially, so as to result in a sustained yield of merchantable timber from that land; if artificial planting is required, silviculturally acceptable seedlings must first be available for planting at an economically fair price in the state; and

(5) significant adverse effects of soil erosion and mass wasting on water quality and fish habitat shall be prevented or minimized.

(c) With respect to state and municipal forest land only, the following standards also apply:

(1) forest land shall be administered for the multiple use of the renewable and nonrenewable resources and for the sustained yield of the renewable resources of the land in the manner that best provides for the present needs and preserves the future options of the people of the state;

(2) a system of allocating predominant uses or values to particular units within a contiguous area of land shall reflect in reasonable proportion the various resources and values present in that area;

(3) to the extent its capacity permits, forest land shall be administered so as to provide for the continuation of businesses, activities, and lifestyles that are dependent upon or derived from forest resources;

(4) timber harvesting is limited to areas where data and information demonstrate that natural or artificial reforestation techniques will result in the production of a sustained yield of merchantable timber from that area;

(5) there may not be significant impairment of the productivity of the land and water with respect to renewable resources;

(6) allowance shall be made for scenic quality in or adjacent to areas of substantial importance to the tourism and recreation industry; and

(7) allowance shall be made for important fish and wildlife habitat.

(§ 1 ch 108 SLA 1978; am §§ 6, 7 ch 34 SLA 1990)

Re: amendment X.30

Effect of amendments. — The 1990 amendment, effective May 12, 1990, in subsection (b), rewrote paragraph (2) and added paragraph (5); and in subsection (c), substituted "allowance shall be made" for "where economically practicable, allowance may be made" in paragraph (6), added paragraph (7), and made stylistic changes throughout.

NOTES TO DECISIONS

Applied in Southeast Alaska Conservation Council, Inc. v. State, 665 P.2d 544 (Alaska 1983).

FAILED 4/22/94 X 33

8-LS1558\X.33
Dierdorff
4/20/94

AMENDMENT

OFFERED IN THE HOUSE BY REPRESENTATIVE DAVIES

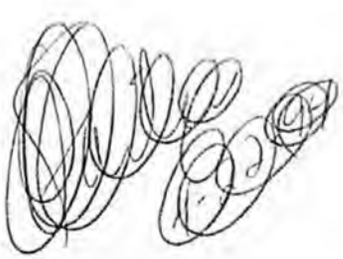
TO: CSSB 310(RES)

Page 7, line 4, after "(l)":

Insert "The commissioner shall conduct biennial performance reviews of the agreement throughout the term of the agreement."

Page 7, line 9, after "operator.":

Insert "The operator shall pay the reasonable cost of all reviews conducted under this subsection."



X 34

8-LS1558\X.34 ✓
Dierdorff
4/20/94

AMENDMENT

OFFERED IN THE HOUSE BY REPRESENTATIVE DAVIES

TO: CSSB 310(RES)

A passed 4-22-94

Page 5, line 6, after "agreement":

Insert "and the final agreement"

may A-A

Page 5, line 12, after "timber":

Insert ", which may not be less than fair market value and shall be adjusted annually by the commissioner using a nationally recognized index that is suitable for measuring inflation or deflation in the cost of comparable stumpage"

Failed 4-22-94

Page 5, line 19, after "agreement;":

Insert "the cost of construction and maintenance of necessary access roads and other necessary infrastructure shall be paid by the operator;"

temporary

A-A Failed 4-22-94

Davies

Page 6, line 5:

Delete "may"

Insert "must"

Withdrew 1-22-94

X35

8-LS1558\X.35
Dierdorff
4/20/94

AMENDMENT

OFFERED IN THE HOUSE BY REPRESENTATIVE DAVIES

TO: CSSB 310(RES)

Page 6, after line 7:

Insert a new subsection to read:

"(h) The commissioner may not enter into a final agreement until the state receives from the federal government an exemption from federal law so that the state may require that timber harvested under the agreement be processed within the state."

Reletter the following subsections accordingly.

Page 6, line 10, after "subsection,":

Insert "and subject to (h) of this section,"

FAILED
4/22/94

X 36

8-LS1558\X.36
Dierdorff
4/20/94

AMENDMENT

OFFERED IN THE HOUSE BY REPRESENTATIVE DAVIES

TO: CSSB 310(RES)

Page 7, after line 12:

Insert a new subsection to read:

"(n) Notwithstanding any other provision of this section, the operator under an agreement that includes timber harvesting on land within the Tanana Valley drainage may not harvest timber on that land under the agreement if the harvest would result, during a calendar year, in timber harvest operations

(1) on more than 6,000 acres of land, public and private, in the Tanana Valley drainage; or

(2) that harvested more than 1,000 acres of white spruce in the Tanana Valley drainage."

Reletter the following subsection accordingly.

8-LS1558\X.38
Luckhaupt
4/21/94

AMENDMENT X.38

OFFERED IN THE HOUSE

TO: CSSB 310(RES)

WITHDREW
4/25/94

Page 2, following line 21:

Insert new bill sections to read:

"* Sec. 3. AS 38.05 is amended by adding a new section to read:

Sec. 38.05.117. SALVAGE SALES. (a) Notwithstanding the provisions of AS 38.05.113, the commissioner, after making a determination that the disposal will serve the best interests of the state, may offer for salvage sale timber stands that will lose substantial economic value, or will perpetuate insect or disease epidemics, if not salvaged within two years. Timber on land to be cleared for conversion to nonforest uses also may be offered as a salvage sale under this section.

(b) A salvage sale offered as a negotiated timber sale is exempt from AS 38.05.115.

* Sec. 4. AS 38.05.118(c) is amended to read:

(c) A sale of timber may not be negotiated by the commissioner under this section except on a finding that, within an area proximate to the business site **that** [WHICH] the manufacturer may economically serve, there exists**, or will exist within two years.**

(1) a high level of local unemployment;

(2) an underutilized timber manufacturing capacity; and

(3) an underutilized allowable cut of state timber**, or timber that will lose substantial economic value due to insects, disease, fire, or land use conversion**."

Renumber the following bill sections accordingly.

8-LS1558\X.39
Luckhaupt
4/25/94

AMENDMENT X.39

OFFERED IN THE HOUSE

TO: CSSB 310(RES)

PASSED 4-25-94

Page 5, line 13:

Delete "regarding"

Insert "requiring"

Page 5, lines 15 - 16:

Delete "regarding compensation, if required by the department,"

Insert "requiring compensation"

Page 5, line 23:

Delete "regarding responsibilities"

Insert "requiring the proposer to be responsible"

Page 5, line 28:

Delete "for"

Insert "requiring"

Page 6, lines 5 - 7:

Delete all material and insert:

"(N) provisions requiring the proposer to reforest, stabilize, monitor, and meet other residual obligations upon deactivation or termination; these provisions may include bonding;"

8-LS1558\X.40
Luckhaupt
4/25/94

AMENDMENT X.40

OFFERED IN THE HOUSE

PASSED 4/25/94

TO: CSSB 310(RES)

Page 4, line 7:

Delete "proposed agreement"

Insert "proposal"

X 41

FAILED 4/25/94

AMENDMENT

TO CSSB 310(RES) BY REPRESENTATIVE FINKELSTEIN

Page 4, Lines 10-13

Delete all material and insert new subsections (6) and (7) to read:

(6) economic benefits and liabilities from the proposed agreement to the region in which the land that is to be covered by the agreement is located;"

(7) economic benefits and liabilities to the State and to the state forest land under the proposed agreement;"

X 42

FAILED 4-25-94

AMENDMENT

TO CSSB 310 (RES) BY REPRESENTATIVE FINKELSTEIN

Page 3, Line 10-11

Delete: "unless the evaluation under (d) indicates it is unlikely that the proposed agreement will be selected as a tentatively successful proposed agreement"

Page 3, Line 12

Delete: "30"

Insert: "60"

Delete: "60"

Insert: "120"

Page 5, Line 1

After "government agencies" insert: "and hold public hearings "

Page 5, Line 5

After "section." insert: "and determining that the tentatively proposed agreement is in the best interests of the State,"

Page 6, Line 8

Delete: "The"

Insert: "After soliciting public comment, holding public hearings, and determining that the proposed final agreement is in the best interests of the State, the"

Page 7, Line 5

After "shall" insert: "solicit public comment, hold public hearings,"

X43
FAILED 4/25/94

8-LS1558\X.16
Luckhaupt
4/13/94

AMENDMENT

OFFERED IN THE HOUSE

TO: CSSB 310(RES)

Page 5, line 2, following "agreement.":

Insert "If a tentatively successful proposed agreement includes land within a municipality, the commissioner shall submit the tentatively successful proposed agreement to the municipality to determine if the agreement is consistent with municipal land use plans. The municipality shall make a consistency determination within 60 days of receipt of the tentatively successful proposed agreement and, if the agreement is not consistent with municipal land use plans, specifically set forth the provisions of the agreement that are not consistent."

Page 5, following line 8:

Insert a new paragraph to read:

"(2) must be consistent to the maximum extent practicable with municipal land use plans if the agreement includes land within a municipality;"

Renumber the following paragraph accordingly.

X 44

PASSED AS AMENDED
DRAFTER TO PLACE WHEREVER
IT BELONGS

BY FINKELSTEIN

AMENDMENT

CSSB 310 (RES)

Page 4, Line 31

After "agreement." insert:

"~~The commissioner shall conduct a competitive bidding procedure in order to determine the highest qualified bidder for the proposed agreement; in addition to the bid price,~~ The commissioner shall consider the value of the area for the long-term production of timber, the extent that local hire will be increased, the intent of the bidder to process a value added product within the State of Alaska, and the experience of the bidder in the forest products industry.

8-LS1558\X.32
Luckhaupt/Dierdorff
4/20/94

X 45
PASSED AS AMENDED

AMENDMENT

OFFERED IN THE HOUSE BY REPRESENTATIVE FINKELSTEIN

TO: CSSB 310(RES)

Page 7, line 4, after "(l)":

Insert "The commissioner shall strictly enforce the provisions of the final agreement. ~~The commissioner shall perform an annual review of the operator's performance under the agreement."~~

X 46

FAILED 4-25-96

8-LS1558\X.18
Luckhaupt
4/13/94

AMENDMENT

OFFERED IN THE HOUSE

TO: CSSB 310(RES)

Page 5, line 13:

Delete "regarding compensation from the proposer"

Insert "requiring the proposer to compensate the state for full costs incurred"

Page 5, lines 15 - 16:

Delete all material and insert:

"(D) provisions requiring the proposer to pay the state's cost of administering, monitoring, and enforcing the terms and conditions of the agreement and other requirements of state law;"

Page 5, line 17:

Delete "regarding responsibilities for"

Insert "making the proposer responsible for all costs of"

Page 5, line 22, following "agreement;":

Insert "provisions under this paragraph must provide that the proposer shall pay fair market value for all material purchased from the state;"

X 47

FAILED 4-25-94

AMENDMENT

OFFERED IN THE HOUSE BY REPRESENTATIVE FINKELSTEIN

TO: CSSB 310(RES)

Page 1, line 4, through page 2, line 21:

Delete all material.

Page 2, line ..

Delete "* Sec. 3."

Insert "* Section 1."

Page 7, line 18, through page 8, line 23:

Delete all material.

8-LS1558\X.17
Luckhaupt
4/13/94

AMENDMENT

48

OFFERED IN THE HOUSE

TO: CSSB 310(RES)

FAILED 4-25-94

Page 8, lines 8 - 15:

Delete all material.

Renumber the following bill section accordingly.

#100

AMENDMENT

OFFERED IN THE HOUSE

TO: CSSB 310(RES)

Page 4, following line 13:

Insert "(8) timber inventory;"

Renumber the following text accordingly.

Passed 4-22-94

STEVE FRANK

119 N. Cushman, Rm. 213
Fairbanks, Alaska 99701
(907) 452-3421

Alaska State Legislature

Senate

While in Juneau
P.O. Box V
Juneau, Alaska 99811
(907) 465-3709
Capitol Rm. 417

Sponsor Statement - Senate Bill No. 310 (RES)

Management and Sale of State Timber

The legislation would authorize the Department of Natural Resources to utilize Forest Management Agreements (FMA's) on state land. Also, some of the duplicative planning requirements currently in law would be modified, while maintaining a public process.

After listening to public and agency comment in Senate Resources and doing further analysis, we revised the legislation to focus on the central purpose of the legislation, clarify certain aspects and incorporate specific suggestions.

We strengthened the public process, by adding additional comment periods, public notice and allowing documents to be public. Further, we clarified the environmental protection provisions that will apply to FMA's, such as sustained yield, biennial plan review and capping exempt sales at 1 MM board feet. Finally, we removed provisions of the bill not essential to our purpose that included, forest land closures, state notification, etc. A detailed listing of those changes is attached.

Forest Management Agreements have become an desirable tool in accomplishing responsible timber development because the government owner can spell out in a contract the specific terms and conditions of timber harvest, and the cost of that development is born by the operator.

Further, because FMA's are negotiated, they can provide a long term stable supply of timber to the operator which is a critical element in a companies' decision to invest because value added timber development is usually capital intensive and those investments require a long time to pay back.

Finally, FMA's can be negotiated to provide for local value added manufacturing, something that the Department cannot do today, because current law does not allow for negotiated agreements on timber sales.

I believe the general public wants new long term jobs and I believe that they support responsible development of our timber resource.

Thank you for your consideration.

WALTER J. HICKEL, GOVERNOR

P. O. BOX 107005
ANCHORAGE, AK 99510-7005
PHONE: (907) 762-2501

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF FORESTRY

March 31, 1994

The Honorable Mike Miller
Chairman, Senate Resources Committee
Alaska Senate
Room 403, State Capitol
Juneau, Alaska 99801

Dear Senator Miller:

Representatives from the Governor's Office, the Department of Fish and Game, the Department of Commerce and Economic Development and the Department of Natural Resources have thoroughly reviewed Senate Bill 310 and the committee substitute for that bill. While there were a number of acute concerns identified when reviewing the original bill, the committee substitute answers those concerns and, in some instances, does a better job of answering those concerns than did the draft language offered to you after the review of the original bill.

We want to thank the Senate Resources Committee for its hearings on this resource issue. The process which resulted in the committee substitute was a useful one and the resulting committee substitute meets the objectives and concerns of the departments represented here.

Forest management agreements require adequate public involvement as a part of the process. Good public process involves the public at the very beginning and gives assurance that the public will affect the outcomes. Our belief is that the committee substitute for Senate Bill 310 does that. The two distinct public comment periods, together comprising not less than 120 days, are necessary for a process that could result in a contract that might last as long as 20 years. Separate from requirements for forest management agreements, we believe that the cap on the amount of timber that can be offered without having been in the 5 year harvest schedule, as provided in section 2 of the committee substitute, is important.

The Alaska Forest Resources and Practices Act and other state law apply to any state timber sale, with the tighter restrictions for state land than for other types of ownerships, including a timber sale using a forest management agreement. However, enforcement requires maintenance of adequate funding. Finally, using the AS38.04.910 definition of sustained yield for forest management agreements is proper.

Sincerely,

McKie Campbell
Deputy Commissioner
Department of Fish and Game

Chris Gates, Director
Division of Economic Development
Department of Commerce and
Economic Development

Tomas H. Boutin, State Forester
Division of Forestry
Department of Natural Resources

2. Because of the large scale and rapidity at which timber will be cut, and the fact that the FMA structure will make it more difficult to get meaningful fish and wildlife protection built into the sale agreements, more biologists will be required to review operating plans, negotiate ground rules, and to monitor operations in the field. Based on the Canadian experience, at least one staff biologist should be assigned full-time to monitor each FMA exceeding 500,000 acres (780 square miles).

3. The number of U.S. Forest Service (USFS) biologists working on a long-term, large-scale contract, such as the L&P Tongass contract, would probably be a good indicator of the amount of biological work required for a similar state FMA. As many as 23 USFS biologists may work on layout and monitoring operations on long-term timber contracts in the Sitka Ranger District alone.

4. Experience with Canadian FMAs indicates that one of the major problems is that government does not monitor FMA operations closely enough and is so slow in detecting violations that they often become large problems. Once problems have been identified, they have been slow in enforcing the terms of the agreement or environmental regulations. The State of Alaska needs to avoid this problem by having staff biologists monitoring operations in the field.

5. Based on information that at least two and possibly more major timber companies have been interested in the feasibility of constructing large mills in southcentral and interior Alaska to utilize cheap Alaskan timber it is assumed that they would move quickly to submit FMA proposals. Given the current interest in using state timber to stimulate local businesses and support by the Alaska Division of Forestry, it is estimated that there could be as many as three agreements in place by 1998.

6. A single oriented-strand-board (OSB) manufacturing plant requires up to 20 million board feet (bf) of timber per year to operate. Fibreform Wood Products, Inc. 1992 corporate proposal requested up to 115 million bf annually of mixed species (equal to the total estimated volume from the Tanana Valley State Forest). [Source: Dave Wallingford (DOF) memo to Bob Dick dated July 7, 1992.]

7. Merchantable quantities of mixed species timber volumes in interior Alaska's boreal forest range between 1,200 cubic feet (4,800 bf) to 2,500 cubic feet (10,000 bf) per acre. Timber volumes in the Dawson Creek, B.C. area average 1,200 cubic feet (4,800 bf) per acre. Maximum volumes in southcentral Alaska are 3,000 cubic feet (12,000 bf); average volumes range between 2,000 cubic feet (8,000 bf) to 2,500 cubic feet (10,000 bf) per acre. [Source: Cal Kerr (American North) letter to Dave Wallingford dated July 27, 1992].

8. To support a single oriented-strand-board manufacturing plant, up to 4,167 acres (or 6.5 square miles) of interiror Alaska's boreal forest would have to be harvested annually. Using only the highest yield forests, up to 2,000 acres (3.1 square miles) would have to be harvested annually.

9. To support the Fibreform proposal, up to 23,958 acres (or 37.4 square miles) of interior Alaska' boreal forest would have to be harvested annually. Using only the highest yield foerests, up to 11,500 acres (18 square miles) must be harvested annually.

10. Once south-slope hillsides have been harvested, most remaining merchantable timber within interior Alaska's boreal forest is located within riparian corridors less than 500 feet from streams and rivers.

11. To implement our AS 16 responsibilities, maintain an appropriate field presence, and fully coordinate with ADNR in the development of forest management plans, forest management agreements, and annual harvest plans, at a minimum, the annual costs detailed on the next page would be required in the region(s) in which FMAs were conducted.

Expected Annual Expenditures per Forest Management Agreement

Personnel		93.9
PFT HBIII ($5.2/mo)	62.4	
PPT Fish.Tech.III ($3.3/mo)	20.1	
PPT Clerk Typist III ($1.9/mo)	11.4	
Travel		3.0
Contractual		4.0
Supplies		2.0
		102.9

*Not adjusted for annual inflation

DIVISION OF LEGAL SERVICES

LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

130 Seward Street, Suite 409
Juneau, Alaska 99801-2105

MEMORANDUM April 4, 1994

SUBJECT: Sectional Summary - CSSB 310(RES) (Work Order No. 8-LS1558\X)

TO: Senator Steve Frank
Attn: Rick Solie

FROM: Jerry Luckhaupt
Legislative Counsel

You have requested a sectional summary of the above-described bill. As a preliminary matter, please note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill - the bill itself is the best statement of its contents.

Section 1 of the bill amends AS 38.05.112(c) dealing with when a forest land use plan must be prepared.

Section 2 of the bill amends AS 38.05.113(c) by providing that sales of timber under 500,000 board feet and emergency sales are exempt from the requirement of AS 38.05.113 that all sales must be reflected in the two five-year schedules of sales preceding the sale, if public notice of the small or emergency sale is provided. This section also provides a maximum amount of exempt sales for each region.

Section 3 of the bill amends AS 38.05 by adding a new section to provide that the commissioner of natural resources may enter into forest management agreements with persons so that the person may enter on state forest land and select, harvest, and regenerate timber. Detailed procedures for these forest management agreements are provided. It is not clear if "state forest land" means state forests established by the Legislature under AS 41.17.210, a unit of land classified by the commissioner as forest land, or forested land that's owned by the state as the term "forest land" is used in AS 41.17.950(5).

Section 4 of the bill amends AS 41.17.060(c) relating to standards for the administration of state and municipal forest land.

Section 5 of the bill amends AS 41.17.200 to restate the primary purpose of state forests.

Section 6 of the bill amends AS 41.17.200 by adding a new subsection providing the commissioner of natural resources with direction for the management of state forests.

GPL:mi
94-080.mai

Alaska Department of NATURAL RESOURCES

BRIEFING:

Long Term Timber Sales / Agreements

April 2, 1994

DEPARTMENT OF NATURAL RESOURCES -- DIVISION OF FORESTRY

Past long term timber sales. The DNR Division of Forestry (DOF) has had favorable experience with long term timber sales. The long term timber sales in Haines and Icy Bay produced General Fund revenue and jobs in the private and public sectors. Transportation infrastructure built on state land by timber purchasers in the course of these contracts is used by DOF to increase stumpage prices paid to the General Fund for recent timber sales as well as by recreationists. The lands have been reforested with spruce which will be of marketable sawlog size within the lifetime of people in grade-school today. DOF reforestation surveys have shown that in some cases growth rates rival what can be found in any forest in the Lower 48.

The Haines long term timber sale started in 1979 and was concluded in 1985. The total volume harvested was about 17 million board feet of predominately spruce. The General Fund received $468,623. An additional $388,428 in road construction that would have been used by the contractor to reduce stumpage payments was lapsed to the benefit of the state for a total amount of $857,051. The DOF ongoing timber sale program uses these main haulroads today as do other users of the Haines State Forest. While there is no record of costs attributable only to the long term sale, the forest management costs for the Haines DOF office, which now offers the annual allowable cut of 8 to 10 million board feet, is $63,600 per year.

The Icy Cape I, Icy Cape II and Extension sales began in 1983 and were completed in 1993. The total volume harvested was about 92.9 million board feet of spruce. Over $2 million was paid to the General Fund. These contracts required the contractor to build between 10 and 20 miles of road and construct 10 steel bridges which are still in use today. The costs for the Yakutat and Icy Bay offices operated by DOF at that time plus Juneau regional office costs attributable to those sales over that period of time was $894,000.

All of these sales brought basic high-wage jobs to the economy of Alaska, increasing the service sector economies in local communities and impacting suppliers state-wide.

Forest management agreements. DOF has looked at a variety of long term timber sale contracts, communicated with the Province of Alberta on the experience there and read published material critical of long term timber contracts in Canada. Management agreements have allowed more economic stabilization than have shorter term contracts made available to the round log export market. Conceptually, the management agreement contractor becomes a partner in protecting the long term productivity of the forest. Management agreements can give the assurance of wood supply that is necessary to attract timber processing investment to Alaska without requiring the state to make the initial investment in timber sale design that a long term sale under existing law would require.

Management agreements cannot exempt any land management activity from the Forest Resources and Practices Act and sustained yield requirements. Restriction of public access does not appear to be a feature of any known long term timber sale or management agreement.

Management agreements would need to be self-supporting under existing law and under proposed legislation. However, some costs are usually associated with ownership of land-based resources even where those resources are renewable but not harvested. Management agreements have been used to meet those costs in Canada. Deficit timber sales have not been desired or proposed by anyone.

Alaska Department of NATURAL RESOURCES

State Timber Sales

April 2, 1994

DEPARTMENT OF NATURAL RESOURCES -- DIVISION OF FORESTRY

Past sales. The DNR Division of Forestry (DOF) has an active, ongoing program of timber sales on state forest land throughout Alaska. DOF sells most timber competitively through oral auction or sealed bids. Some small sales are negotiated for fair market value. DOF also issues permits to harvest firewood and houselogs or to salvage beach logs.

From 1988 to 1993, the Division sold an average of 22 million board feet (MMBF) of timber annually. About 60% of the sales occurred in Interior Alaska, where the state owns large tracts of white spruce and hardwoods, including the Tanana Valley State Forest. Sitka spruce and hemlock in Southeast Alaska, including the Haines State Forest, accounted for 30% of the sales. The remainder came from white spruce and hardwood stands in southcentral. Forest products from state land contributed $2.6 million to the General Fund for these years. Currently, 110 sales are under state contract, totaling 139 MMBF. For reference, that volume would supply the Seward Forest Products sawmill for about 4 years on one shift or the Alaska Pulp Corp pulp mill in Sitka for 9 months.

Proposed sales. DOF proposes increasing timber sales on state lands for the next five years. For 1994 to 1998, the timber sale schedules offer an average of 84 MMBF annually. With current high timber prices, the sales proposed for FY 95 could generate up to $12.4 million in General Fund revenue. DOF proposed increased sales in all regions. The largest increase is in the Kenai-Kodiak area, where we propose expanded sales to salvage trees in response to the spruce bark beetle epidemic.

Timber sale process. DOF nominates timber sales by placing them on the Five-Year Schedule of Timber Sales. Under AS 38.05.113, most sales must be on the schedule for the two cycles before sale. Small negotiated sales and emergency sales such as beetle salvage sales are exempted from the schedule requirement. The schedules provide an advance overview of the sale program for the timber industry, public, and agencies.

A Forest Land Use Plan is prepared for each sale before offering. The plan describes harvest methods, access routes, and reforestation methods. Plans serve as the preliminary best interest finding for timber sales, and receive public and agency review.

Revenues and costs. State timber sales pay the costs of road construction and maintenance, timber harvesting, and site preparation for reforestation. Roads built by commercial operators also provide access to personal use harvest areas. Administrative costs such as timber sale and road layout, contracting, inspections, public meetings and other public process requirements, and replanting costs are paid from DOF operating funds. Because DNR must manage for multiple use, provide for public involvement in timber sale planning, and meet higher standards under the Forest Practices Act, costs of state sales are higher than for private sales. Depending on the value of the wood sold, revenue on individual sales may exceed the administrative and replanting costs, or only cover part of the cost. However, the revenue from the overall timber sale program exceeds program costs. We offer certain sales that do not cover administrative costs to salvage dead timber, accelerate regeneration, and provide jobs and income from harvesting or wood processing. DOF tries to keep sale costs low by coordinating timber sale and fire programs. For example, we use seasonal fire technicians to help lay out timber sales when fire danger is low.

Timber Sale Volume (MMBF) - 1988 to 1993

REGION	1988	1989	1990	1991	1992	1993	AVERAGE
Southeast - Ketchikan Area - Juneau Area - Haines Area	6.5	5.7	18.1	0.1	0.1	9.7	6.7
Southcentral - Kenai-Kodiak Area - Mat-Su Area - McGrath Area - Copper River Area	4.5	2.0	3.4	0.6	1.5	1.1	2
Northern - Fairbanks Area - Tok Area - Delta Area	16.5	13.9	14.3	9.5	9.1	18.6	13.7
TOTAL	27.5	21.6	35.8	10.2	10.8	29.5	22.5

Proposed Timber Sale Volume (MMBF) - FY 95 to FY 98

REGION	FY 94	FY 95	FY 96	FY 97	FY 98	AVERAGE
Southeast	7.5	34.8	6.0	6.7	37.9	18.6
Southcentral	7.0	80.0	32.0	47.1	72.4	47.7
Northern	11.2	18.0	18.7	20.0*	20.2*	17.6
TOTAL	25.7	132.8	56.7	73.8	130.5	83.9

* The Tanana Valley State Forest Management Plan update is reviewing potential for additional hardwood sales. If approved, such sales could significantly increase the volume sold in FY 97 and following years.

FISCAL NOTE

No. 1

Version: SB 310

(S) Publish Date: 3-30-94

STATE OF ALASKA
1994 LEGISLATIVE SESSION

Revision Date: Original
Dept Affected: Natural Resources
Title: "An Act relating to the management and sale of state timber; relating to the classification of state land..."
BRU: Resource Development
Component: Forest Management and Development
Sponsor: Senator Frank
Requestor: Senator Frank
Component Serial No. 435

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY95	FY96	FY97	FY98	FY99	FY00
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
CHANGE IN REVENUES ( )	0.0	0.0	0.0	0.0	0.0	0.0

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY94) cost: $ None

POSITIONS

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

There is no incremental cost expected to the Department of Natural Resources.

Changes in CSSB310 (Res) have no fiscal impact. This fiscal note is appropriate.

3.29.94 Connie Aide (initial)
date

Prepared by: Tomas H. Boutin, Director
Phone : 465-3379
Division: Forestry
Date : 2-Mar-94
Approved by Commissioner: Harry A. Noah
Date: 2-Mar-94
Agency: Natural Resources

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FISCAL NOTE CSSB 310 (RES)

STATE OF ALASKA
1994 LEGISLATIVE SESSION

BILL NO. ~~SB 310~~

Revision Date:
Title: An Act relating to the management and sale of state timber
Sponsor: Senator Frank
Requestor:

Dept. Affected: Department of Fish and Game
BRU: Habitat and Restoration Division
Component: Habitat

COMPONENT SERIAL NO. 486

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
PERSONAL SERVICES	0	0	*	*	*	*
TRAVEL	0	0	*	*	*	*
CONTRACTUAL	0	0	*	*	*	*
SUPPLIES	0	0	*	*	*	*
EQUIPMENT	0	0	*	*	*	*
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	*	*	*	*
CAPITAL EXPENDITURES						
CHANGE IN REVENUES ( )						

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	0	0	*	*	*	*
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0	0	*	*	*	*

Estimate of any current year (FY 94) cost: $

POSITIONS

FULL-TIME			*	*	*	*
PART-TIME			*	*	*	*
TEMPORARY			*	*	*	*

ANALYSIS: (Attach a separate page if necessary)

*See attached page for assumptions.

Prepared By: Frank Rue
Division: Habitat and Restoration Division
Approved by Commissioner:
Agency: Alaska Department of Fish and Game

Phone: 465-4105
Date: 3/30/94
Date: 3/31/94

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ANALYSIS: (continued)

Department staff contacted Canadian provincial foresters and biologists regarding the Canadian experience with FMAs prior to preparing this analysis and fiscal note. SB 310 would substantially change the way state forests and sales of state timber are managed. The purpose of the bill appears to be to make available, very large long-term source of state timber to justify the construction of moderate to large scale timber processing facilities (i.e., plywood plants, oriented strand board, chip board plants, etc.) in interior and southcentral Alaska. These plants will require a high volume, long-term, continuous supply of timber. A typical Canadian FMA ranges from 760 square miles to 7,600 square miles. Because of the relatively low per-acre timber volumes in the boreal forest, very large acreages will have to be logged annually to meet mill consumption needs. Annual cuts of 20,000 acres per year would be consistent with what occurred on FMA mill concessions within interior Canadian forests as well as the large-scale long-term timber contracts for mills in southeastern Alaska. The need for large volumes of timber will have to be met through very large cutting areas with mechanized equipment designed to handle small diameter logs similar to ongoing large-scale mechanized logging operations on private timber land on the Kenai Peninsula.

A 36,000 acre FMA has already been negotiated on Mat-Su Borough lands in the Susitna Valley. If SB 310 is adopted, we believe that over the next five years, there are possibilities of FMAs in the Tanana Valley State Forest, the Susitna Valley, and in the Copper River Basin, Kenai Peninsula, or Kuskokwim drainages. Because the purpose of FMAs is to make a very large quantity of state timber available for logging in as short a period as possible to promote economic development, FMAs will greatly increase the annual cut in the areas of the state where they occur. This means more fish and wildlife habitat will be affected and more Title 16 reviews and forest practices inspections will be required if impacts to fish and wildlife habitat and production are to be minimized. Because pre-sale planning and pre-contract reviews will be greatly curtailed or eliminated under SB 310, many impacts which would have formerly been addressed in the pre-sale planning process, will have to be address in annual plans and in the field. This will necessitate increase reliance on annual plan reviews and field monitoring and enforcement to protect anadromous fish habitat and wildlife habitat. Trying to resolve resource conflicts with the FMA concessionaire is expected to be much more difficult because of the costs to the concessionaire. This would require a increase in ADF&G field staff to meet statutory responsibilities under Title 16 and Title 41. Because of the large size of FMAs and likely accelerated harvest, a Habitat Biologist, a Fisheries Tech III or Fish and Wildlife Tech IV, and some clerical support would be required as each new FMA is developed and comes on line. The technician would be important for surveying streams ahead of the cutters (i.e., 20,000 acres per year), marking stream buffers, and monitoring harvest.

Other assumptions we used in developing our fiscal note are:

1. The promise of cheap, long-term timber supplies will attract very large companies and plants which will need to consume very large quantities of timber. Examples include the Ketchikan and Sitka pulp mills, and the 1993 36,000 acre Mat-Su Borough FMA.

Copy of fiscal notes from a similar forest management concept that didn't pass in 1989.

(Note that SB310 has a zero fiscal note from DNR, this former bill had one for #228,700)

No. 2

STATE OF ALASKA
1989 LEGISLATIVE SESSION

BILL VERSION: CSHB 205 (Res)
PUBLISH DATE: HOUSE 5/5/89

FISCAL NOTE

REQUEST:

Revision Date:
Title: Forest Stewardship Agreement Bill
Sponsor: Menard
Requestor:

Agency Affected: Fish and Game
BRU:
Components:

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES		181.8				
TRAVEL		6.0				
CONTRACTUAL		15.0				
SUPPLIES		2.0				
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		204.8				
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME		4				
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

Prepared by: Bruce H. Barker for Frank Rue, Director
Phone: 465-4105
Division: Habitat
Date: 3/22/89

Approved by Commissioner: [signature]
Date: 3-25-89
Agency: Department of Fish and Game

Distribution (by preparer):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

No. 2

STATE OF ALASKA
1989 LEGISLATIVE SESSION

BILL VERSION: CSHB 205 (Res)
PUBLISH DATE: HOUSE 5/5/89

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: Forest Stewardship Agreement Bill
Sponsor: Menard
Requestor: _____

Agency Affected: Fish and Game
BRU: _____
Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES		181.8				
TRAVEL		6.0				
CONTRACTUAL		15.0				
SUPPLIES		2.0				
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		204.8				
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME		4				
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

Bruce H. Baker for Frank Rue, Director
Prepared by: Frank Rue, Director — Phone: 465-4105
Division: Habitat — Date: 3/22/89

Approved by Commissioner: [signature] — Date: 3-28-89
Agency: Department of Fish and Game

Distribution (by preparer):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

FISCAL NOTE ANALYSIS
Forest Stewardship Agreement Bill

This bill would allow state forest lands, which are currently required to be managed for multiple use and classified as to use under the state land planning process, to be administratively designated for forestry as a primary use by the Commissioner of ADNR, and transferred to a timber company for long-term management.

Resources conflicts which are currently resolved through the land planning, public review, and governmental decision making process would not be resolved through stewardship agreements. This would necessitate increased reliance on field monitoring and enforcement to protect anadromous streams and fish passage. Trying to resolve resource conflicts with the concessionaire is expected to be much more difficult because of the cost to the concessionaire. This would necessitate a substantial increase in ADF&G field staff.

No. 1

STATE OF ALASKA
1989 LEGISLATIVE SESSION

BILL VERSION: CSHB 205 (Res)
PUBLISH DATE: HOUSE 5/5/89

FISCAL NOTE

REQUEST:

Revision Date: 4-27-89
Title: An act relating to forest stewardship agreements
Sponsor: Monard And Larson
Requestor: House Resources

Agency Affected: Natural Resources
BRU: Forest Management
Components: Forest Management

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES		157.7				
TRAVEL		21.0				
CONTRACTUAL		22.5				
SUPPLIES		2.5				
EQUIPMENT		28.0				
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		228.7				
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND		228.7				
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME		3				
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

See attached

Prepared by: George K. Hollett
Phone: 465-2491
Division: Forestry
Date: 5-5-89

Approved by Commissioner:
Date: 5/5/89
Agency:

Distribution (by preparer):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

CS HB 205 (RES) ANALYSIS

Assumptions: Regulations will have to be developed to establish the requirements of a forest stewardship agreement as well as those of determining a qualified bidder.

Several new plans must be developed and taken through the public review process.

Program Summary: The Natural Resource Manager I positions to to be located in Anchorage and Fairbanks along with a Logging Engineer position will develop the regulations and new plans and take them through the review process.

The public review process called for will be very extensive and require travel to many communities in order to have acceptance of the proposed FSA. As new plans are developed they must be taken public requiring a large printing and distribution.

There will be a need for new vehicles for the positions in order to travel to the field in developing the necessary data. On the ground inspection is necessary to be able to comment and review on any plans submitted by a FSA holder.

Development of new forest industries will have good effects on the state and local government economy by bringing in additional revenue and creation of jobs. The local government will also benefit by increase in demand for other products and supplies thereby adding additional jobs within the communities.

1.	POSITION TITLE Natural Resource Manager I			RANGE/STEP 18/A	BARG. UNIT GG	PAGE/LINE	GOV.	APPROV.	DISAPP
2.	TYPE OF POSITION PFT	STAFF MONTHS 12	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION Anchorage	ELECTION DISTRICT 7	LEG.		

3.	CONTINUATION LEVEL		ADDITION	x

	TYPE OF EXPENDITURE		AMOUNT
	1	2	3
	PERSONAL SERVICES		
5.	Salary 12 x 3113	37.4	
6.	Benefits 12 x 1119	13.4	
7.	Supplemental Benefits		
8.	Fixed Benefits		
9.	TOTAL PERSONAL SERVICES	01	50.8
10.	Travel	02	8.0
11.	Contractual	03	10.0
12.	Commodities	04	1.0
13.	Equipment	05	10.0
14.	Other		
15.	TOTAL COST		79.8

	RECEIPT CODE	FUNDING SOURCE		
16.		Federal Receipts	1002	
17.		G.F. Match	1003	
18.		General Funds	1004	79.8
19.		I-A Receipts	1005	
20.		Program Receipts	1028	
21.		Other		

FOR B&M USE ONLY
KEY NUMBER - - - - -

JUSTIFICATION:

This position will be the lead person responsible for drafting required regulations and taking through the public review process with the Anchorage Area.

Prepare a plan for administration oversight of a FSA within the Mat-Su valley and take it to the affected state agencies.

Develop actions necessary to prepare one FSA and take it through the review process to completion.

Work with Logging Engineer and Northern NRM I in developing the required contract and any additional plans that must be developed.

REQUEST FOR
NEW POSITION

AGENCY Natural Resources

BRU Forest Management

COMPONENT Forest Management

Revised Date

1.	POSITION TITLE Logging Engineer				RANGE/STEP 18/A	BARG. UNIT GG	PAGE/LINE	GOV.	APPROV.	DISAPP
2.	TYPE OF POSITION	STAFF MONTHS 12	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION Anchorage	ELECTION DISTRICT 7	LEG.		

3.	CONTINUATION LEVEL		ADDITION	x
4.	TYPE OF EXPENDITURE			AMOUNT
	1		2	3
	PERSONAL SERVICES			
5.	Salary 12 x 3113		37.4	
6.	Benefits 12 x 1119		1.4	
7.	Supplemental Benefits			
8.	Fixed Benefits			
9.	TOTAL PERSONAL SERVICES	01		50.8
10.	Travel	02		5.0
11.	Contractual	03		2.5
12.	Commodities	04		0.5
13.	Equipment	05		8.0
14.	Other			
15.	TOTAL COST			66.8

	RECEIPT CODE	FUNDING SOURCE		
16.		Federal Receipts	1002	
17.		G.F. Match	1003	
18.		General Funds	1004	66.8
19.		I-A Receipts	1005	
20.		Program Receipts	1028	
21.		Other		

FOR B&M USE ONLY
KEY NUMBER - - - - -

JUSTIFICATION:

This position will be the Division of Forestry field Engineer. In order to know what can and what can not be dore in road development this position will be working on the ground with the NRM I's. Transportation information is needed to work into the appraisals and will be necessary for the agency and public review.

Access development is necessary in any areas that may be purposed as FSA's ard will become a part of the selection process of a concessionaire. The Division does not have this capability at present.

REQUEST FOR
NEW POSITION

AGENCY Natural Resources

BRU Forest Management

COMPONENT Forest Management

Page 1 of 1

Revised Date

	POSITION TITLE				RANGE/STEP	BARG. UNIT	PAGE/LINE	GOV.	APPROV.	DISAPP
1.	Natural Resource Manager I				18/A	GG				
	TYPE OF POSITION	STAFF MONTHS	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION	ELECTION DISTRICT	LEG.		
2.	PFT	12				Fairbanks	20			

3.	CONTINUATION LEVEL		ADDITION	x
4.	TYPE OF EXPENDITURE			AMOUNT
	1		2	3
	PERSONAL SERVICES			
5.	Salary 12 x 3237		38.8	
6.	Benefits 12 x 1194		14.3	
7.	Supplemental Benefits			
8.	Fixed Benefits			
9.	TOTAL PERSONAL SERVICES	01		53.1
10.	Travel	02		8.0
11.	Contractual	03		10.0
12.	Commodities	04		1.0
13.	Equipment	05		10.0
14.	Other			
15.	TOTAL COST			82.1

	RECEIPT CODE	FUNDING SOURCE		
16.		Federal Receipts	1002	
17.		G.F. Match	1003	
18.		General Funds	1004	82.1
19.		I-A Receipts	1005	
20.		Program Receipts	1028	
21.		Other		

FOR B&M USE ONLY
KEY NUMBER - - - - -

JUSTIFICATION:

This position will help develop the required regulations and take them through the public review process in the Fairbanks area.

Prepare a plan for administrative oversight of a FSA within the Northern Region and take it to the affected State Agencies.

Develop actions necessary to prepare one FSA and take it thorough the review process to completion.

Work with the Logging Engineer and Southcentral NRM I in developing the required contact and any additional plans that must be developed.

REQUEST FOR
NEW POSITION

AGENCY Natural Resources

BRU Forest Management

COMPONENT Forest Management

Page 1 of 1

Revised Date

ship normally will be
non agreement, see, e.
dum of Agreement,
ing, App 153–164 (re-
rtnership agreement),
ong the partners.

contends that for
application of Title
ision whether to admit
he firm implicates the
right to association.
s alleged that respon-
nployer is obligated by
onsider petitioner for
n equal terms without
. I agree that enforce-
obligation, voluntarily
ld impair no right of

In admission decisions made by law firms, it is now widely recognized—as it should be—that in fact neither race nor sex is relevant. The qualities of mind, capacity to reason logically, ability to work under pressure, leadership, and the like are unrelated to race or sex. This is demonstrated by the success of women and minorities in law schools, in the practice of law, on the bench, and in positions of community, state, and national leadership. Law firms—and, of course, society—are the better for these changes.

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opinion properly reminds us private discrimination . . . accorded affirmative constitu-." Ante, at 78, 81 L Ed 2d, at ot to say, however, that en-ws that ban discrimination vithout cost to other values, tutional rights. Such laws e exercise of personal judg-ng one's associates or col-nerally Fallon, To Each Ac-bility, From None According e Concept of Merit in the Law ation, 60 Boston Univ L Rev 80). Impediments to the exer-ht to choose one's associates right of association protected Fourteenth Amendments. Cf. n, 371 US 415, 9 L Ed 2d 405, 83 S Ct 328 (1963); NAACP v Alabama, 357 US 449, 2 L Ed 2d 1488, 78 S Ct 1163 (1958).

With respect to laws that prevent discrimination, much depends upon the standards by which the courts examine private decisions that are an exercise of the right of association. For example, the Courts of Appeals generally have acknowledged that respect for academic freedom requires some deference to the judgment of schools and universities as to the qualifications of professors, particularly those considered for tenured positions. Lieberman v Gant, 630 F2d 60, 67–68 (CA2 1980); Kunda v Muhlenberg College, 621 F2d 532, 547–548 (CA3 1980). Cf. University of California Regents v Bakke, 438 US 265, 311–315, 57 L Ed 2d 750, 98 S Ct 2733 (1978) (opinion of Justice Powell). The present case, before us on a motion to dismiss for lack of subject-matter jurisdiction, does not present such an issue.

EDITOR'S NOTE

ion on "Sex discrimination in employment against female attorney in deral civil rights laws—federal cases," appears p 894, infra.

See second page

[467 US 82]

SOUTH-CENTRAL TIMBER DEVELOPMENT, INC., Petitioner

v

ESTHER WUNNICKE, Commissioner, Department of Natural Resources of Alaska, et al.

467 US 82, 81 L Ed 2d 71, 104 S Ct 2237

[No. 82-1608]

Argued February 29, 1984. Decided May 22, 1984.

Decision: Alaska's "primary manufacture" requirement for timber taken from state lands held unauthorized by congressional action.

SUMMARY

An Alaska timber and logging corporation sued for an injunction against enforcement, in the sale by the Alaska Department of Natural Resources of 49 million board-feet of timber, of Alaska's "primary manufacture" requirement that timber taken from state lands be partially processed prior to export. The United States District Court for the District of Alaska issued the injunction on the ground that the primary manufacture requirement violated the negative implications of the commerce clause (511 F Supp 139). The United States Court of Appeals for the Ninth Circuit reversed on the ground that there was implicit congressional authorization for the primary manufacture requirement in the federal policy of imposing a primary manufacture requirement on timber taken from federal land in Alaska. The Court of Appeals pretermitted the question whether, standing alone, the primary manufacture requirement would violate the commerce clause (693 F2d 890).

On certiorari, the United States Supreme Court reversed and remanded. In an opinion by WHITE, J., part of which (Parts I and II) constituted the opinion of the court, joined by BURGER, Ch. J., and BRENNAN, BLACKMUN, POWELL, and STEVENS, JJ., it was held that the congressional action with respect to federal lands was insufficient to support an inference that it intended to authorize a similar policy with respect to state lands. In Parts III and IV of his opinion, joined by BRENNAN, BLACKMUN, and STEVENS, JJ., Mr. Justice WHITE expressed the views that Alaska could not avail itself of

Briefs of Counsel, p 923, infra.

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the market-participant doctrine to immunize its downstream regulation of the timber-processing market in which it was not a participant, and that the primary manufacture requirement is invalid as a burden on interstate and foreign commerce.

BRENNAN, J., concurring, joined Mr. Justice WHITE's opinion in full and filed a concurring opinion stating that the primary manufacture requirement is invalid as a market regulation not authorized by Congress.

POWELL, J., joined by BURGER, Ch. J., joined Parts I and II of Mr. Justice WHITE's opinion but would remand the case to the Court of Appeals for consideration of other issues.

REHNQUIST, J., joined by O'CONNOR, J., dissented on the ground that the commerce clause did not invalidate the primary manufacture requirement.

MARSHALL, J., did not participate.

HEADNOTES

Classified to U.S. Supreme Court Digest, Lawyers' Edition

Commerce § 220 — timber — processing

1a, 1b. Congressional imposition of a complete ban on foreign exports of unprocessed logs from western federal lands except those within Alaska does not implicity authorize Alaska to impose a "primary manufacture" requirement on purchasers of timber from state lands, requiring a purchaser to partially process the lumber prior to shipping it outside

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15A Am Jur 2d, Commerce §§ 20, 38
USCS, Constitution, Art I § 8, cl 3
US L Ed Digest, Commerce § 220
L Ed Index to Annos, Commerce
ALR Quick Index, Commerce
Federal Quick Index, Commerce
Auto-Cite®: Any case citation herein can be checked for form, parallel references, later history and annotation references through the Auto-Cite computer research system.

ANNOTATION REFERENCE

Validity, under commerce clause of Federal Constitution, of state restrictions on interstate movement of goods, products, and natural resources originating from within state. 71 L Ed 2d 890.

state, and therefore leaves the "primary manufacture" requirement subject to the commerce clause.

Commerce § 144 — burden — state laws

2. The commerce clause is a self-executing limitation on the power of the states to enact laws imposing substantial burdens on interstate and foreign commerce.

Commerce § 102 — state regulation — permission

3. Congress may redefine the distribution of power over interstate commerce by permitting the states to regulate the commerce in a manner which would otherwise not be permissible.

Commerce § 99 — federal inaction — state power

4. For a state regulation to be removed from the reach of the dormant commerce clause, congressional intent must be unmistakably clear.

SYLLABUS BY REPORTER OF DECISIONS

Pursuant to an Alaska statute, the Alaska Department of Natural Resources published a notice that it would sell certain timber from state lands under a contract requiring "primary manufacture" (partial processing) of the timber within Alaska before the successful bidder could ship it outside of the State. Petitioner, an Alaska corporation engaged in the business of purchasing timber and shipping the logs into foreign commerce, does not operate a mill in Alaska and customarily sells unprocessed logs. When it learned that the primary-manufacture requirement was to be imposed on the sale of state-owned timber involved here, petitioner filed an action in Federal District Court seeking an injunction on the ground that the requirement violated the negative implications of the Commerce Clause under which States may not enact laws imposing substantial burdens on interstate and foreign commerce unless authorized by Congress. The District Court agreed and issued an injunction, but the Court of Appeals reversed. That court found it unnecessary to reach the question whether, standing alone, the requirement would violate the Commerce Clause, because it found implicit congressional authorization in the federal policy of imposing a primary-manufacture requirement on timber taken from federal land in Alaska.

Held: The judgment is reversed, and the case is remanded.

693 F2d 890, reversed and remanded.

Justice White delivered the opinion of the Court with respect to Parts I and II, concluding that the Court of Appeals erred in holding that Congress has authorized Alaska's primary-manufacture requirement. Although there is a clearly delineated federal policy, endorsed by Congress, imposing primary-manufacture requirements as to timber taken from *federal* lands in Alaska for export from the United States or for shipment to other States, in order for a state regulation to be removed from the reach of the dormant Commerce Clause as being authorized by Congress, congressional intent must be unmistakably clear. The requirement that Congress affirmatively contemplate otherwise invalid state legislation is mandated by the policies underlying dormant Commerce Clause doctrine. The fact

that Alaska's policy appears to be consistent with federal policy—or even that state policy furthers the goals that Congress had in mind—is an insufficient indicium of congressional intent. Congress acted only with respect to federal lands; it cannot be inferred from that fact that it intended to authorize a similar policy with respect to state lands.

White, J., announced the judgment of the Court and delivered the opinion of the Court with respect to Parts I and II, in which Burger, C.J., and Brennan, Blackmun, Powell, and Stevens, JJ., joined, and an opinion with respect to Parts III and IV, in which Brennan, Blackmun, and Stevens, JJ., joined. Brennan, J., filed a concurring opinion. Powell, J., filed an opinion concurring in part and concurring in the judgment, in which Burger, C.J., joined. Rehnquist, J., filed a dissenting opinion, in which O'Connor, J., joined. Marshall, J., took no part in the decision of the case.

APPEARANCES OF COUNSEL

LeRoy Eugene DeVeaux argued the cause for petitioner.

Kathryn A. Oberly argued the cause for the United States as amicus curiae, by special leave of Court.

Ronald W. Lorensen argued the cause for respondents.

Briefs of Counsel, p 923, infra.

OPINION OF THE COURT

Justice **White announced the judgment of the Court and delivered** the opinion of the Court with respect to Parts I and II, and an opinion with respect to Parts III and IV, in which Justice **Brennan**, Justice **Blackmun**, and Justice **Stevens** joined.

[467 US 84]

[1a] We granted certiorari in this case to review a decision of the Court of Appeals for the Ninth Circuit that held that Alaska's requirement that timber taken from state lands be processed within the State prior to export was "implicitly authorized" by Congress and therefore does not violate the Commerce Clause. 464 US 890, 78 L Ed 2d 224, 104 S Ct 231 (1983). We hold that it was not authorized and reverse the judgment of the Court of Appeals.

I

In September 1980, the Alaska Department of Natural Resources published a notice that it would sell approximately 49 million board-feet of timber in the area of Icy Cape, Alaska, on October 23, 1980. The notice of sale, the prospectus, and the proposed contract for the sale all provided, pursuant to 11 Alaska Admin Code § 76.130 (1974), that "[p]rimary manufacture within the State of Alaska will be required as a special provision of the contract."[1] App 35a. Under the primary-manufacture requirement, the successful bidder must partially process the timber prior to shipping it outside of the

1. The proposed contract, which the successful bidder on the timber sale would have been required to sign, provided:

"*Section 68. Primary Manufacture.* Timber cut under this contract shall not be transported for primary manufacture outside the State of Alaska without written approval of the State.

"Primary Manufacture is defined under 11 AAC 76.130 and the Governor's policy statement of May 1974."

State. The requirement is imposed by contract and

[467 US 85]

does not limit the export of unprocessed timber not owned by the State. The stated purpose of the requirement is to "protect existing industries, provide for the establishment of new industries, derive revenue from all timber resources, and manage the State's forests on a sustained yield basis." Governor's Policy Statement, App 28a. When it imposes the requirement, the State charges a significantly lower price for the timber than it otherwise would. Brief for Respondents 6-7.

The major method of complying with the primary-manufacture requirement is to convert the logs into *cants*, which are logs slabbed on at least one side. In order to satisfy the Alaska requirement, cants must be either sawed to a maximum thickness of 12 inches or squared on four sides along their entire length.[3]

Petitioner, South-Central Timber Development, Inc., is an Alaska corporation engaged in the business of purchasing standing timber, logging the timber, and shipping the logs into foreign commerce, almost exclusively to Japan.[4] It

[467 US 86]

does not operate a mill in Alaska and customarily sells unprocessed logs. When it learned that the primary-manufacture requirement was to be imposed on the Icy Cape sale, it brought an action in Federal District Court seeking an injunction, arguing that the requirement violated the negative implications of the Commerce Clause.[5] The District Court

[467 US 87]

agreed

2. 11 Alaska Admin Code § 76.130 (1974) (repealed 1982), which authorized the contractual provision in question, provided:

"PRIMARY MANUFACTURE

"(a) The director may require that primary manufacture of logs, cordwood, bolts or other similar products be accomplished within the State of Alaska.

"(b) The term primary manufacture means manufacture which is first in order of time or development. When used in relation to sawmilling, it means

"(1) the breakdown process wherein logs have been reduced in size by a headsaw or gang saw to the extent that the residual cants, slabs, or planks can be processed by resaw equipment of the type customarily used in log processing plants; or

"(2) manufacture of a product for use without further processing, such as structural timbers (subject to a firm showing of an order or orders for this form of product).

"(c) Primary manufacture, when used in reference to pulp ventures, means the breakdown process to a point where the wood fibers have been separated. Chips made from timber processing wastes shall be considered to have received primary manufacture. With respect to veneer or plywood production, it means the production of green veneer. Poles and piling, whether treated or untreated, when manufactured to American National Institute Standards specifications are considered to have received primary manufacture."

The local-processing requirement is now authorized by Alaska Admin Code §§ 71.230, 71.910 (1982).

3. Current regulations require that the cants be no thicker than 8¾ inches unless slabs are taken from all four sides. 11 Alaska Admin Code § 71.910 (1982).

4. Apparently, there is virtually no interstate market in Alaska timber because of the high shipping costs associated with shipment between American ports. Consequently, over 90% of Alaska timber is exported to Japan. Brief for Petitioner 14, n 14.

5. Although it would appear at first blush that it would be economically more efficient to have the primary processing take place within Alaska, that is apparently not the case. Material appearing in the record suggests that the slabs removed from the log in the process of making cants are often quite valuable, but apparently cannot be used and are burned. Record, Exh 11, p 63. It appears that because of the wasted wood, cants are actually worth *less* than the unprocessed logs. An affidavit of a vice president of South-Central states in part:

"5. It is also my observation that within Alaska there is absolutely no market for do-

and issued an injunction. South-Central Timber Development, Inc. v LeResche, 511 F Supp 139 (Alaska 1981). The Court of Appeals for the Ninth Circuit reversed, finding it unnecessary to reach the question whether, standing alone, the requirement would violate the Commerce Clause, because it found implicit congressional authorization in the federal policy of imposing a primary-manufacture requirement on timber taken from federal land in Alaska. South-Central Timber Development, Inc. v LeResche, 693 F2d 890 (1982).

We must first decide whether the court was correct in concluding that Congress has authorized the challenged requirement. If Congress has not, we must respond to respondents' submission that we should affirm the judgment on two grounds not reached by the Court of Appeals: (1) whether in the absence of congressional approval Alaska's requirement is permissible because Alaska is acting as a market participant, rather than as a market regulator; and (2), if not, whether the local-processing requirement is forbidden by the Commerce Clause.

II

[2, 3] Although the Commerce Clause is by its text an affirmative grant of power to Congress to regulate interstate and foreign commerce, the Clause has long been recognized as a self-executing limitation on the power of the States to enact laws imposing substantial burdens on such commerce. See Lewis v BT Investment Managers, Inc., 447 US 27, 35, 64 L Ed 2d 702, 100 S Ct 2009 (1980); Hughes v Oklahoma, 441 US 322, 326, 60 L Ed 2d 250, 99 S Ct 1727 (1979); H. P. Hood & Sons, Inc. v Du Mond, 336 US 525, 534–538, 93 L Ed 865, 69 S Ct 657 (1949); Cooley v Board of Wardens, 12 How 299, 13 L Ed 996 (1852). It is equally clear that Congress may "redefine the distribution of power over interstate commerce" by "permit[ting] the

[467 US 88]

states to regulate the commerce in a manner which would otherwise not be permissible." Southern Pacific Co. v Arizona, 325 US 761, 769, 89 L Ed 1915, 65 S Ct 1515 (1945). See also Sporhase v Nebraska ex rel. Douglas, 458 US 941, 958–960, 73 L Ed 2d 1254, 102 S Ct 3456 (1982); New England Power Co. v New Hampshire, 455 US 331, 71 L Ed 2d 188, 102 S Ct 1096 (1982); Western & Southern Life Insurance Co. v State Board of Equalization, 451 US 648, 652–655, 68 L Ed 2d 514, 101 S Ct 2070 (1981); Prudential Insurance Co. v Benjamin, 328 US 408, 90 L Ed 1342, 66 S Ct 1142, 164 ALR 476 (1946). The Court of Appeals held that Congress had done just that by consistently endorsing primary-manufacture requirements on timber taken from *federal* land. 693 F2d, at 893. Although the court recognized that cases of this Court have spoken in terms of *express* approval by Congress, it stated:

"But such express authorization is not always necessary. There will be instances, like the case before us, where federal policy is so clearly delineated that a state may enact a parallel policy without explicit congressional approval, even if the purpose and effect of the state law is to favor local interests." Ibid.

We agree that federal policy with respect to federal land is "clearly delineated," but the Court of Appeals was incorrect in concluding either that there is a clearly delineated federal policy approving Alaska's local-processing requirement or that Alaska's policy with respect to its timber lands is authorized by the existence of a "parallel" federal policy with respect to federal lands.

Since 1928, the Secretary of Agriculture has restricted the export of unprocessed timber cut from National Forest lands in Alaska. The current regulation, upon which the State places heavy reliance, provides:

"Unprocessed timber from National Forest System lands in Alaska may not be exported from the United States or shipped to other States without prior approval of the Regional Forester. This requirement is necessary

[467 US 89]

to ensure the development and continued existence of adequate wood processing capacity in that State for the sustained utilization of timber from the National Forests which are geographically isolated from other processing facilities." 36 CFR § 223.10(c) (1983).

From 1969 to 1973, Congress imposed a maximum export limitation of 350 million board-feet of unprocessed timber from federal lands lying west of the 100th meridian (a line running from central North Dakota through central Texas). 16 USC § 617(a) [16 USCS § 617(a)]. Beginning in 1973, Congress imposed, by way of a series of annual riders to appropriation Acts, a complete ban on foreign exports of unprocessed logs from western lands except those within Alaska. See, e. g., Pub L 96-126, Tit III, § 301, 93 Stat 979. These riders limit only foreign exports and do not require in-state processing before the timber may be sold in domestic interstate commerce. The export limitation with respect to federal land in Alaska, rather than being imposed by statute, was imposed by the above-quoted regulation, and applies to exports to other States, as well as to foreign exports.

Alaska argues that federal statutes and regulations demonstrate an affirmative expression of approval of its primary-manufacture require-

mestic resawing of 'cant' or 'square' manufactured to State of Alaska specifications. In other words, a cant or square manufactured in Alaska would be virtually unsaleable within local Alaska sawmill markets. The reasons are:

"A. Any sawmill would prefer round logs for its sawmill operations and the small volume of round logs required would be readily available locally.

"B. Round logs are preferable because they can be stored in the water and moved in the water, whereas cants must be transported on land.

"C. Once a log is placed on the sawmill carriage and the costs of getting it there have been incurred, it produces more lumber for the costs involved than does a cant.

"D. Also the round log is much less subject to deterioration from weather and outside conditions.

"6. South-Central had experience with attempting to make a sale of cants inside the State of Alaska. We had some cants at Jakalof Bay which were manufactured to State specifications, but which were not loaded aboard ships during that season. We attempted to market those cants to a sawmill in Anchorage, but found that just costs of transporting the cants from Jakalof Bay to Anchorage exceeded the highest possible sales price of the cants. Accordingly no sale was made.

"7. Based on the above statements and my observations of the Alaska timber industry, it is my firm conclusion that a cant or a square manufactured to State of Alaska primary manufacture specifications is marketable only in foreign commerce and cannot be sold for use within Alaska. It is also my firm conclusion that no sawmill in Alaska will manufacture a cant or square for any domestic Alaska market." App 121a–122a.

ment for three reasons: (1) federal timber export policy has, since 1928, treated federal timber land in Alaska differently from that in other States; (2) the Federal Government has specifically tailored its policies to ensure development of wood-processing capacity for utilization of timber from the National Forests; and (3) the regulation forbidding without prior approval the export from Alaska of unprocessed timber or its shipment to other States demonstrates that it is the Alaska wood-processing industry in particular, not the domestic wood-processing industry generally, that has been the object of federal concern.

Acceptance of Alaska's three factual propositions does not mandate acceptance of its conclusion. Neither South-Central

[467 US 90]

nor the United States[6] challenges the existence of a federal policy to restrict the out-of-state shipment of unprocessed Alaska timber from federal lands. They challenge only the derivation from that policy of an affirmative expression of federal approval of a parallel policy with respect to state timber. They argue that our cases dealing with congressional authorization of otherwise impermissible state interference with interstate commerce have required an "express" statement of such authorization, and that no such authorization may be implied.

It is true that most of our cases have looked for an express statement of congressional policy prior to finding that state regulation is permissible. For example, in Sporhase v Nebraska ex rel. Douglas, supra, the Court declined to find congressional authorization for state-imposed burdens on interstate commerce in ground water despite 37 federal statutes and a number of interstate compacts that demonstrated Congress' deference to state water law. We noted that on those occasions in which consent has been found, congressional intent and policy to insulate state legislation from Commerce Clause attack has been "expressly stated." 458 US, at 960, 73 L Ed 2d 1254, 102 S Ct 3456. Similarly, in New England Power Co. v New Hampshire, 455 US 331, 71 L Ed 2d 188, 102 S Ct 1096 (1982), we rejected a claim by the State of New Hampshire that its restriction on the interstate flow of privately owned and produced electricity was authorized by § 201(b) of the Federal Power Act. That section provides that the Act "shall not . . . deprive a State or State commission of its lawful authority now exercised over the exportation of hydroelectric energy which is transmitted across a State line." 16 USC § 824(b) [16 USCS § 824(b)]. We found nothing in the statute or legislative history "evinc[ing] a congressional intent 'to alter the limits of state power otherwise imposed by the Commerce Clause.'" 455 US, at 341, 71 L Ed 2d 188, 102 S Ct 1096

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(quoting United States v Public Utilities Comm'n of California, 345 US 295, 304, 97 L Ed 1020, 73 S Ct 706 (1953)).

Alaska relies in large part on this Court's recent opinion in White v Massachusetts Council of Construction Employers, Inc., 460 US 204, 75 L Ed 2d 1, 103 S Ct 1042 (1983), for its "implicit approval" theory. At issue in White was an executive order issued by the Mayor of Boston requiring all construction projects funded by the city or by funds that the city had authority to administer, to be performed by a work force consisting of at least 50% residents of the city. A number of the projects were funded in part with federal Urban Development Action Grants. The Court held that insofar as the city expended its own funds on the projects, it was a market participant unconstrained by the dormant Commerce Clause; insofar as the city expended federal funds, "the order was affirmatively sanctioned by the pertinent regulations of those programs." Id., at 215, 75 L Ed 2d 1, 103 S Ct 1042. Alaska relies on the Court's statements in White that the federal regulations "affirmatively permit" and "affirmatively sanctio[n]" the executive order and that the order "sounds a harmonious note" with the federal regulations, and it finds significance in the fact that the Court did not use the words "expressly stated."

Rather than supporting the position of the State, we believe that White undermines it. If approval of state burdens on commerce could be implied from parallel federal policy, the Court would have had no reason to rely upon the market-participant doctrine to uphold the executive order. Instead, the order could have been upheld as being in harmony with federal policy as expressed in regulations governing the expenditure of federal funds.

[4] There is no talismanic significance to the phrase "expressly stated," however; it merely states one way of meeting the requirement that for a state regulation to be removed from the reach of the dormant Commerce Clause, congressional intent must be unmistakably clear. The requirement that Congress affirmatively contemplate otherwise invalid state legislation

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is mandated by the policies underlying dormant Commerce Clause doctrine. It is not, as Alaska asserts, merely a wooden formalism. The Commerce Clause was designed "to avoid the tendencies toward economic Balkanization that had plagued relations among the Colonies and later among the States under the Articles of Confederation." Hughes v Oklahoma, 441 US 322, 325, 60 L Ed 2d 250, 99 S Ct 1727 (1979). Unrepresented interests will often bear the brunt of regulations imposed by one State having a significant effect on persons or operations in other States. Thus, "when the regulation is of such a character that its burden falls principally upon those without the state, legislative action is not likely to be subjected to those political restraints which are normally exerted on legislation where it affects adversely some interests within the state." South Carolina State Highway Dept. v Barnwell Brothers, Inc., 303 US 177, 185, n 2, 82 L Ed 734, 58 S Ct 510 (1938); see also Southern Pacific Co. v Arizona, 325 US, at 767–768, n 2, 89 L Ed 1915, 65 S Ct 1515. On the other hand, when Congress acts, all segments of the country are represented, and there is significantly less danger that one State will be in a position to exploit others. Furthermore, if a State is in such a position, the decision to allow it is a collective one. A rule requiring a clear expression of approval by Congress ensures that there is, in fact, such a collective decision and reduces significantly the risk that unrepresented

6. The United States appears as amicus curiae in support of the position of South-central.

interests will be adversely affected by restraints on commerce.[7]

[1b] The fact that the state policy in this case appears to be consistent with federal policy—or even that state policy furthers the goals we might believe that Congress had in mind—is an insufficient indicium of congressional intent. Congress acted only with respect to federal lands; we cannot infer from that fact that it intended to authorize a similar policy with respect

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to state lands.[8] Accordingly, we reverse the contrary judgment of the Court of Appeals.

III

We now turn to the issues left unresolved by the Court of Appeals. The first of these issues is whether Alaska's restrictions on export of unprocessed timber from state-owned lands are exempt from Commerce Clause scrutiny under the "market-participant doctrine."

Our cases make clear that if a State is acting as a market participant, rather than as a market regulator, the dormant Commerce Clause places no limitation on its activities. See White v Massachusetts Council of Construction Employers, Inc., 460 US, at 206-208, 75 L Ed 2d 1, 103 S Ct 1042; Reeves, Inc. v Stake, 447 US 429, 436–437, 65 L Ed 2d 244, 100 S Ct 2271 (1980); Hughes v Alexandria Scrap Corp., 426 US 794, 810, 49 L Ed 2d 220, 96 S Ct 2488 (1976). The precise contours of the market-participant doctrine have yet to be established, however, the doctrine having been applied in only three cases of this Court to date.

The first of the cases, Hughes v Alexandria Scrap Corp., supra, involved a Maryland program designed to reduce the number of junked automobiles in the State. A "bounty" was established on Maryland-licensed junk cars, and the State imposed more stringent documentation requirements on out-of-state

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scrap processors than on in-state ones. The Court rejected a Commerce Clause attack on the program, although it noted that under traditional Commerce Clause analysis the program might well be invalid because it had the effect of reducing the flow of goods in interstate commerce. Id., at 805, 49 L Ed 2d 220, 96 S Ct 2488. The Court concluded that Maryland's action was not "the kind of action with which the Commerce Clause is concerned," ibid., because "[n]othing in the purposes animating the Commerce Clause prohibits a State, in the absence of congressional action,

7. The need for affirmative approval is heightened by the fact that Alaska's policy has substantial ramifications beyond the Nation's borders. The need for a consistent and coherent foreign policy, which is the exclusive responsibility of the Federal Government, enhances the necessity that congressional authorization not be lightly implied.

8. It is for that reason that we need not resolve the dispute between the parties about whether Congress' purpose in applying the primary-manufacture requirement to federal lands was for the purpose of encouraging the Alaska wood-processing industry or whether it was merely to ensure adequate processing capacity to deal with federal timber. In either event, no congressional intent to permit a primary-manufacture requirement by the State appears.

It is worthy of note, although we do not rely upon it, that Congress has been requested to authorize the imposition by States of in-state processing requirements but has declined to do so. Prohibit Export of Unprocessed Timber: Hearing on HR 639 before the Subcommittee on Forests, Family Farms, and Energy of the House Committee on Agriculture, 97th Cong, 1st Sess, 18–19 (1981).

from participating in the market and exercising the right to favor its own citizens over others." Id., at 810, 49 L Ed 2d 220, 96 S Ct 2488 (footnote omitted).

In Reeves, Inc. v Stake, supra, the Court upheld a South Dakota policy of restricting the sale of cement from a state-owned plant to state residents, declaring that "[t]he basic distinction drawn in Alexandria Scrap between States as market participants and States as market regulators makes good sense and sound law." Id., at 436, 65 L Ed 2d 244, 100 S Ct 2271. The Court relied upon "the long recognized right of trader or manufacturer, engaged in an entirely private business, freely to exercise his own independent discretion as to parties with whom he will deal." Id., at 438–439, 65 L Ed 2d 244, 100 S Ct 2271 (quoting United States v Colgate & Co., 250 US 300, 307, 63 L Ed 992, 39 S Ct 465, 7 ALR 443 (1919)). In essence, the Court recognized the principle that the Commerce Clause places no limitations on a State's refusal to deal with particular parties when it is participating in the interstate market in goods.

The most recent of this Court's cases developing the market-participant doctrine is White v Massachusetts Council of Construction Employers, Inc., supra, in which the Court sustained against a Commerce Clause challenge an executive order of the Mayor of Boston that required all construction projects funded in whole or in part by city funds or city-administered funds to be performed by a work force of at least 50% city residents. The Court rejected the argument that the city was not entitled to the protection of the doctrine because the order had the effect of regulating employment contracts between public contractors and their employees. Id.,

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at 211, n 7, 75 L Ed 2d 1, 103 S Ct 1042. Recognizing that "there are some limits on a state or local government's ability to impose restrictions that reach beyond the immediate parties with which the government transacts business," the Court found it unnecessary to define those limits because "[e]veryone affected by the order [was], in a substantial if informal sense, 'working for the city.'" Ibid. The fact that the employees were "working for the city" was "crucial" to the market-participant analysis in White. United Building and Construction Trades Council v Mayor of Camden, 465 US 208, 219, 79 L Ed 2d 249, 104 S Ct 1020 (1984).

The State of Alaska contends that its primary-manufacture requirement fits squarely within the market-participant doctrine, arguing that "Alaska's entry into the market may be viewed as precisely the same type of subsidy to local interests that the Court found unobjectionable in Alexandria Scrap." Brief for Respondents 24. However, when Maryland became involved in the scrap market it was as a purchaser of scrap; Alaska, on the other hand, participates in the timber market, but imposes conditions downstream in the timber-processing market. Alaska is not merely subsidizing local timber processing in an amount "roughly equal to the difference between the price the timber would fetch in the absence of such a requirement and the amount the state actually receives." Ibid. If the State directly subsidized the timber-processing industry by such an amount, the pur-

chaser would retain the option of taking advantage of the subsidy by processing timber in the State or forgoing the benefits of the subsidy and exporting unprocessed timber. Under the Alaska requirement, however, the choice is made for him: if he buys timber from the State he is not free to take the timber out of state prior to processing.

The State also would have us find Reeves controlling. It states that "Reeves made it clear that the Commerce Clause imposes no limitation on Alaska's power to choose the terms on which it will sell its timber." Brief for Respondent 25. Such an unrestrained reading of Reeves is unwarranted. Although the Court in Reeves did strongly endorse the right of

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a State to deal with whomever it chooses when it participates in the market, it did not—and did not purport to—sanction the imposition of any terms that the State might desire. For example, the Court expressly noted in Reeves that "Commerce Clause scrutiny may well be more rigorous when a restraint on foreign commerce is alleged," 447 US, at 438, n 9, 65 L Ed 2d 244, 100 S Ct 2271; that a natural resource "like coal, timber, wild game, or minerals," was not involved, but instead the cement was "the end product of a complex process whereby a costly physical plant and human labor act on raw materials," id., at 443–444, 65 L Ed 2d 244, 100 S Ct 2271; and that South Dakota did not bar resale of South Dakota cement to out-of-state purchasers, id., at 444, n 17, 65 L Ed 2d 244, 100 S Ct 2271. In this case, all three of the elements that were not present in Reeves—foreign commerce, a natural resource, and restrictions on resale—are present.

Finally, Alaska argues that since the Court in White upheld a requirement that reached beyond "the boundary of formal privity of contract," 460 US, at 211, n 7, 75 L Ed 2d 1, 103 S Ct 1042, then, a fortiori, the primery-manufacture requirement is permissible, because the State is not regulating contracts for resale of timber or regulating the buying and selling of timber, but is instead "a seller of timber, pure and simple." Brief for Respondents 28. Yet it is clear that the State is more than merely a seller of timber. In the commercial context, the seller usually has no say over, and no interest in, how the product is to be used after sale; in this case, however, payment for the timber does not end the obligations of the purchaser, for, despite the fact that the purchaser has taken delivery of the timber and has p[illegible]or it, he cannot do w[illegible]s l[illegible]ses. Instead, he is o[illegible] with a stranger to the [illegible]er completion of the sale.

9. The facts of the present case resemble closely the facts of Foster-Fountain Packing Co. v Haydel, 278 US 1, 73 L Ed 147, 49 S Ct 1 (1928), in which the Court struck down a Louisiana law prohibiting export from the State of any shrimp from which the heads and hulls had not been removed. The Court rejected the claim that the fact that the shrimp were owned by the State authorized the State to impose such limitations. Although not directly controlling here, because of the Court's recognition that "the State owns, or has power to control, the game and fish within its borders not absolutely or as proprietor or for its own use or benefit but in its sovereign capacity as representative of the people," id., at 11, 73 L Ed 147, 49 S Ct 1, the Court's reasoning is relevant. The Court noted that the State might have retained the shrimp for consumption and use within its borders, but "by permitting its shrimp to be taken and all the products thereof to be shipped and sold in interstate commerce, the State necessarily releases its hold and, as to the shrimp so taken, definitely terminates its control." Id., at 13, 73 L Ed 147, 49 S Ct 1.

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That privity of contract is not always the outer boundary of permissible state activity does not necessarily mean that the Commerce Clause has no application within the boundary of formal privity. The market-participant doctrine permits a State to influence "a discrete, identifiable class of economic activity in which [it] is a major participant." White v Massachusetts Council of Construction Workers, Inc., 460 US, at 211, n 7, 75 L Ed 2d 1, 103 S Ct 1042. Contrary to the State's contention, the doctrine is not carte blanche to impose any conditions that the State has the economic power to dictate, and does not validate any requirement merely because the State imposes it upon someone with whom it is in contractual privity. See Tr of Oral Arg 35.

The limit of the market-participant doctrine must be that it allows a State to impose burdens on commerce within the market in which it is a participant, but allows it to go no further. The State may not impose conditions, whether by statute, regulation, or contract, that have a substantial regulatory effect outside of that particular market.[10] Unless the

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"market" is relatively narrowly defined, the doctrine has the potential of swallowing up the rule that States may not impose substantial burdens on interstate commerce even if they act with the permissible state purpose of fostering local industry.

At the heart of the dispute in this case is disagreement over the definition of the market. Alaska contends that it is participating in the processed timber market, although it acknowledges that it participates in no way in the actual processing. Id., at 34. South-Central argues, on the other hand, that although the State may be a participant in the timber market, it is using its leverage in that market to exert a regulatory effect in the processing market, in which it is not a participant. We agree with the latter position.

There are sound reasons for distinguishing between a State's preferring its own residents in the initial disposition of goods when it is a market participant and a State's attachment of restrictions on dispositions subsequent to the goods coming to rest in private hands. First, simply as a matter of intuition a state market participant has a greater interest as a "private trader" in the immediate transaction than it has in what its purchaser does with the goods after the State no longer has an interest in them. The common law recognized such a notion in the doctrine of restraints on alienation.

10. The view of the market-participant doctrine expressed by Justice Rehnquist, post, at 102-103, 81 L Ed 2d, at 86-87, would validate under the Commerce Clause any contractual condition that the State had the economic power to impose, without regard to the relationship of the subject matter of the contract and the condition imposed. If that were the law, it would have been irrelevant that the employees in White v Massachusetts Council of Construction Workers, Inc., 460 US 204, 75 L Ed 2d 1, 103 S Ct 1042 (1983), were in effect "working for the city." Id., at 211, n 7, 75 L Ed 2d 1, 103 S Ct 1042. If the only question were whether the condition is imposed by contract, a residency requirement could have been imposed with respect to the work force on all projects of any employer doing business with the city.

See Dr. Miles Medical Co. v John D. Park & Sons Co., 220 US 373, 404, 55 L Ed 502, 31 S Ct 376 (1911); but cf. Continental T.V., Inc. v GTE Sylvania Inc., 433 US 36, 53, n 21, 53 L Ed 2d 568, 97 S Ct 2549 (1977). Similarly, the antitrust laws place limits on vertical restraints. It is no defense in an action charging vertical trade restraints that the same end could be achieved through vertical integration; if it were, there would be virtually no antitrust scrutiny of vertical arrangements. We reject the contention that a State's action as a market regulator may be upheld against Commerce Clause challenge on the ground that the State could

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achieve the same end as a market participant. We therefore find it unimportant for present purposes that the State could support its processing industry by selling only to Alaska processors, by vertical integration, or by direct subsidy. See Tr of Oral Arg 34, 37, 45.

Second, downstream restrictions have a greater regulatory effect than do limitations on the immediate transaction. Instead of merely choosing its own trading partners, the State is attempting to govern the private, separate economic relationships of its trading partners; that is, it restricts the post-purchase activity of the purchaser, rather than merely the purchasing activity. In contrast to the situation in White, this restriction on private economic activity takes place after the completion of the parties' direct commercial obligations, rather than during the course of an ongoing commercial relationship in which the city retained a continuing proprietary interest in the subject of the contract.[11] In sum, the State may not avail itself of the market-participant doctrine to immunize its downstream regulation of the timber-processing market in which it is not a participant.

IV

Finally, the State argues that even if we find that Congress did not authorize the processing restriction, and even if we conclude that its actions do not qualify for the market-participant exception, the restriction does not substantially burden interstate or foreign commerce under ordinary Commerce Clause principles. We need not labor long over that contention.

Viewed as a naked restraint on export of unprocessed logs, there is little question that the processing requirement cannot survive scrutiny under the precedents of the Court. For

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example, in Pike v Bruce Church, Inc., 397 US 137, 25 L Ed 2d 174, 90 S Ct 844 (1970), we invalidated a requirement of the State of Arizona that all Arizona cantaloupes be packed within the State. The Court noted that the State's purpose was "to protect and enhance the reputation of growers within the State," a purpose we described as "surely legitimate." Id., at 143, 25 L Ed 2d 174, 90 S Ct 844. We observed:

"[T]he Court has viewed with particular suspicion state statutes requiring business operations to be performed in the home State that could more efficiently be performed elsewhere. Even where the State is pursuing a clearly legitimate local interest, this particular burden on commerce has been declared to be virtually per se illegal. Foster-Fountain Packing Co. v Haydel, 278 US 1 [73 L Ed 147, 49 S Ct 1]; Johnson v Haydel, 278 US 16 [73 L Ed 155, 49 S Ct 6]; Toomer v Witsell, 334 US 385 [92 L Ed 1460, 68 S Ct 1156]." Id., at 145, 25 L Ed 2d 174, 90 S Ct 844.

We held that if the Commerce Clause forbids a State to require work to be done within the State for the purpose of promoting employment, then, a fortiori, it forbids a State to impose such a requirement to enhance the reputation of its producers. Because of the protectionist nature of Alaska's local-processing requirement and the burden on commerce resulting therefrom, we conclude that it falls within the rule of virtual per se invalidity of laws that "bloc[k] the flow of interstate commerce at a State's borders." City of Philadelphia v New Jersey, 437 US 617, 624, 57 L Ed 2d 475, 98 S Ct 2531 (1978).

We are buttressed in our conclusion that the restriction is invalid by the fact that foreign commerce is burdened by the restriction. It is a well-accepted rule that state restrictions burdening foreign commerce are subjected to a more rigorous and searching scrutiny. It is crucial to the efficient execution of the Nation's foreign policy that "the Federal Government . . . speak with one voice when regulating commercial relations with foreign governments." Michelin Tire Corp. v Wages, 423 US 276, 285, 46 L Ed 2d 495, 96 S Ct 535 (1976); see also Japan Line, Ltd. v County of Los Angeles, 441 US 434, 60 L Ed 2d 336, 99 S Ct 1813 (1979). In light of the substantial attention given by Congress to the subject of export restrictions on unprocessed timber, it would be peculiarly inappropriate to permit state regulation of the subject. See Prohibit Export of Unprocessed Timber: Hearing on HR 639 before the Subcommittee on Forests, Family Farms, and Energy of the House Comm on Agriculture, 97th Cong, 1st Sess (1981).

The judgment of the Court of Appeals is reversed, and the case is remanded for proceedings consistent with the opinion of this Court.

It is so ordered.

Justice Marshall took no part in the decision of this case.

SEPARATE OPINIONS

Justice Brennan, concurring.

I join Justice White's opinion in full because I believe Alaska's in-state processing requirement constitutes market regulation that is not authorized by Congress. In my view, Justice White's treatment of the market-participant doctrine and the response of Justice Rehnquist point up the inherent weakness of the doctrine. See Hughes v Alexandria Scrap Corp., 426 US 794, 817, 49 L Ed 2d 220, 96 S Ct 2488 (1976) (Brennan, J., dissenting).

Justice Powell, with whom The Chief Justice joins, concurring in part and concurring in the judgment.

I join Parts I and II of Justice White's opinion. I would remand the

11. This is not to say that the State could evade the reasoning of this opinion by merely including a provision in its contract that title does not pass until the processing is complete. It is the substance of the transaction, rather than the label attached to it, that governs Commerce Clause analysis.

case to the Court of Appeals to allow that court to consider whether Alaska was acting as a "market participant" and whether Alaska's primary-manufacture requirement substantially burdened interstate commerce under the holding of Pike v Bruce Church, Inc., 397 US 137, 25 L Ed 2d 174, 90 S Ct 844 (1970).

Justice **Rehnquist**, with whom Justice **O'Connor** joins, dissenting.

In my view, the line of distinction drawn in the plurality opinion between the State as market participant and the

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State as market regulator is both artificial and unconvincing. The plurality draws this line "simply as a matter of intuition," ante, at ——, 81 L Ed 2d 83, but then seeks to bolster its intuition through a series of remarks more appropriate to antitrust law than to the Commerce Clause.* For example, the plurality complains that the State is using its "leverage" in the timber market to distort consumer choice in the timber processing market, ibid., a classic example of a tying arrangement. See, e. g., United States Steel Corp. v Fortner Enterprises, Inc., 429 US 610, 619–621, 51 L Ed 2d 80, 97 S Ct 861 (1977). And the plurality cites the common-law doctrine of restraints on alienation and the antitrust limits on vertical restraints in dismissing the State's claim that it could accomplish exactly the same result in other ways. Ante, at 98-99, 81 L Ed 2d, at 83-84.

Perhaps the State's actions do raise antitrust problems. But what the plurality overlooks is that the antitrust laws apply to a State only when it is acting as a market participant. See, e. g., Jefferson County Pharmaceutical Assn., Inc. v Abbott Laboratories, 460 US 150, 154, 74 L Ed 2d 882, 103 S Ct 1011 (1983) (state action immunity "does not apply where a State has chosen to compete in the private retail market"). When the State acts as a market regulator, it is immune from antitrust scrutiny. See Parker v Brown, 317 US 341, 350–352, 87 L Ed 315, 63 S Ct 307 (1943). Of course, the line of distinction in cases under the Commerce Clause need not necessarily parallel the line drawn in antitrust

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law. But the plurality can hardly justify placing Alaska in the market-regulator category, in this Commerce Clause case, by relying on antitrust cases that are relevant only if the State is a market participant.

The contractual term at issue here no more transforms Alaska's sale of timber into "regulation" of the processing industry than the resident-hiring preference imposed by the city of Boston in White v Massachusetts Council of Construction Employers, Inc., 460 US 204, 75 L Ed 2d

* The plurality does offer one other reason for its demarcation of the boundary between these two concepts.

"[D]ownstream restrictions have a greater regulatory effect than do limitations on the immediate transaction. Instead of merely choosing its own trading partners, the State is attempting to govern the private, separate economic relationships of its trading partners; that is, it restricts the post-purchase activity of the purchaser, rather than merely the purchasing activity." Ante, at 99, 81 L Ed 2d, at 84.

But, of course, this is not a "reason" at all, but merely a restatement of the conclusion. The line between participation and regulation is what we are trying to determine. To invoke that very distinction in support of the line drawn is merely to fall back again on intuition.

103 S Ct 1042 (1983), constituted regulation of the construction industry. Alaska is merely paying the buyer of the timber indirectly, by means of a reduced price, to hire Alaska residents to process the timber. Under existing precedent, the State could accomplish that same result in any number of ways. For example, the State could choose to sell its timber only to those companies that maintain active primary-processing plants in Alaska. Reeves, Inc. v Stake, 447 US 429, 65 L Ed 2d 244, 100 S Ct 2271 (1980). Or the State could directly subsidize the primary-processing industry within the State. Hughes v Alexandria Scrap Corp., 426 US 794, 49 L Ed 2d 220, 96 S Ct 2488 (1976). The State could even pay to have the logs processed and then enter the market only to sell processed logs. See ante, at 99, 81 L Ed 2d, at 84. It seems to me unduly formalistic to conclude that the one path chosen by the State as best suited to promote its concerns is the path forbidden it by the Commerce Clause.

For these reasons, I would affirm the judgment of the Court of Appeals.

**** ORDER SUMMARY ****
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SPONSOR REMARKS(PUB): TESTIMONY:Y ALLOWED 2 MINUTE LIMIT
PUBLIC TESTIMONY WILL BE TAKEN ON SB310. STILL LISTEN ONLY ON SB46.
TCN REQUESTED ON 04/20/94 AND HAS 5 UPDATES

**** AGENDA ****
1 SB 46 AUTHORIZE MOOSE FARMING
2 SB 310 STATE/PRIVATE/MUNI TIMBER OPERATION/SALE

**** PARTICIPATING SITES ****

	ANC ANCHORAGE	716 W 4TH, #200		LOCATION	STAFF
	COR CORDOVA	705 2ND STREET		LOCATION	STAFF
	FBX FAIRBANKS	119 N CUSHMAN ST		LOCATION	STAFF
	GLN GLENNALLEN	COMMUNITY LIB.		LOCATION	STAFF
	HOM HOMER LTC	126 W PIONEER #4		LOCATION	STAFF
*	JNU JUNEAU	CAPITOL	CAP124	LOCATION	STAFF
	KOD KODIAK	112 MILL BAY RD.		LOCATION	STAFF
	MAT MATSU	165 E PARKS HWY.		LOCATION	STAFF
	NOM NOME	FRONT STREET		LOCATION	STAFF
	PSG PETERSBURG	101 GJOA STREET		LOCATION	STAFF
	SEW SEWARD	2001 SEWARD HWY		LOCATION	STAFF
	SIT SITKA	210 LAKE STREET		LOCATION	STAFF
	SOL KEN/SOL	34824 KALIFONSKY		LOCATION	STAFF
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	PO BOX 254		ESTER	AK	99725	(907)458-8251
12	MR. MIKE	WALLERI	TANANA CHIEFS		OBSV. SB 310	
	122 FIRST AVE.#600		FAIRBANKS	AK	99701	(907)452-8251

PARTICIPANTS IN:GLENNALLEN GLN

1	MR. DAVID	HILL			OBSV. SB 310	
	PO BOX 12		COPPER CENTER	AK	99573	(907)822-3420
2	MR. ROBERT	FRISBIE			OBSV. SB 310	
	PO BOX 635		GLENNALLEN	AK	99588	(907)822-3062
3	MR. MARTIN	MARICLE			OBSV. SB 310	
	PO BOX 412		GLENNALLEN	AK	99588	(907)822-3414

PARTICIPANTS IN:JUNEAU JNU

1	MS KATYA	KIRCH			TSFY. SB 310	
			HAINES	AK		(907)766-0000
2	MS BARBARA	KELLY			TSFY. SB 310	
			JNU	AK		(907)000-0000
3	MS CHRIS	??			TSFY. SB 310	
			JNU	AK		(907)000-0000
4	MS DAVE	KELLYHOUSE	F&G		TSFY. SB 46	
				AK		(907)000-0000
5	TO	OBSERVE			OBSV. ALL ITEMS	
6	TO	OBSERVE			OBSV. ALL ITEMS	
7	TO	OBSERVE			OBSV. ALL ITEMS	
8	TO	OBSERVE			OBSV. ALL ITEMS	
9	TO	OBSERVE			OBSV. ALL ITEMS	
10	TO	OBSERVE			OBSV. ALL ITEMS	
11	TO	OBSERVE			OBSV. ALL ITEMS	
12	TO	OBSERVE			OBSV. ALL ITEMS	
13	TO	OBSERVE			OBSV. ALL ITEMS	
14	TO	OBSERVE			OBSV. ALL ITEMS	
15	TO	OBSERVE			OBSV. ALL ITEMS	
16	TO	OBSERVE			OBSV. ALL ITEMS	
17	TO	OBSERVE			OBSV. ALL ITEMS	

PARTICIPANTS IN:JUNEAU JNU

18	TO	OBSERVE			OBSV. ALL ITEMS	
19	TO	OBSERVE			OBSV. ALL ITEMS	
20	TO	OBSERVE			OBSV. ALL ITEMS	
21	TO	OBSERVE			OBSV. ALL ITEMS	
22	TO	OBSERVE			OBSV. ALL ITEMS	
23	TO	TESTIFY			TSFY. ALL ITEMS	
24	TO	TESTIFY			TSFY. ALL ITEMS	
25	TO	TESTIFY			TSFY. ALL ITEMS	
26	TO	TESTIFY			TSFY. ALL ITEMS	
27	TO	TESTIFY			TSFY. ALL ITEMS	
28	TO	TESTIFY			TSFY. ALL ITEMS	
29	TO	TESTIFY			TSFY. ALL ITEMS	
30	TO	TESTIFY			TSFY. ALL ITEMS	
31	TO	TESTIFY			TSFY. ALL ITEMS	
32	TO	TESTIFY			TSFY. ALL ITEMS	

PARTICIPANTS IN:NOME NOM

1	MS. ROSE	ATUK-POSDICK	KAWERAK, INC.		TSFY. SB 46	
	BOX 1485		NOME	AK	99762	(907)443-5231

PARTICIPANTS IN:SEWARD SEW

1	MR CHARLES R	BOOTH	SELF		OBSV. SB 46	
	PO BOX 102		SEWARD	AK	99664	(907)224-5751

PARTICIPANTS IN:KEN/SOL SOL

1	MR. CHUCK	SCHWARTZ	SELF		OBSV. SB 46	
	390 ENDICOTT DR		SOLDOTNA	AK	99669	(907)262-7540

PARTICIPANTS IN:VALDEZ VAL

1	MS. NANCY	LETHCOE	AWRTA		TSFY. SB 310	
	PO BOX 1353		VALDEZ	AK	99686	(907)835-4300
2	MR. GREG	WILLIAMS	KCHU		OBSV. ALL ITEMS	
	PO BOX 467		VALDEZ	AK	99686	(907)835-4655

PARTICIPANTS IN:OFFNET 1 ZZZ OF1

1	MR JOHN	CRAMMER			OBSV. SB 46	
			PALMER	AK		(907)745-7200
2	TO	OBSERVE			OBSV. SB 46	
				AK		(907)000-0000

LTN1100-R01 LEGISLATIVE TELECONFERENCE NETWORK PAGE 01
04/15/94 11:54:11
TCN: 40637 DATE & TIME: 04/15/94 08:15 TO 10:00 STATUS:6 ADJOURNED

**** ORDER SUMMARY ****
SPONSOR: HRES HOUSE RESOURCES CHAIRS: WILLIAMS
PURPOSE: PUB PUBLIC HEARING LEGISLATIVE
CONTACT: MARY MCDOWELL TEL#: (907)465-3715
CHAIRING SITE: JUNEAU CAPITOL CAP124

SPONSOR REMARKS(PUB): TESTIMONY:Y ALLOWED 3 MINUTE LIMIT
TESTIMONY WILL BE TAKEN WITH A 3 MINUTE LIMIT. CHAIR MAY NOT HAVE TIME TO HEA ALL TESTIMONY. ANOTHER TC WILL BE HELD ON 4/20 TO HEAR ANY REMAINING TESTIMONY
TCN REQUESTED ON 04/15/94 AND HAS 15 UPDATES

**** AGENDA ****
1 SB 310 STATE/PRIVATE/MUNI TIMBER OPERATION/SALE

**** PARTICIPATING LIOS ****

	ANC	ANCHORAGE	716 W 4TH. #200		LOCATION STAFF
	COR	CORDOVA	705 2ND STREET		LOCATION STAFF
	FBX	FAIRBANKS	119 N CUSHMAN ST		LOCATION STAFF
	HOM	HOMER LTC	126 W PIONEER #4		LOCATION STAFF
*	JNU	JUNEAU	CAPITOL	CAP124	LOCATION STAFF
	KOD	KODIAK	112 MILL BAY RD.		LOCATION STAFF
	KTN	KETCHIKAN	352 FRONT STREET		LOCATION STAFF
	MAT	MATSU	165 E PARKS HWY.		LOCATION STAFF
	PSG	PETERSBURG	101 GJOA STREET		LOCATION STAFF
	SEW	SEWARD	2001 SEWARD HWY		LOCATION STAFF
	SIT	SITKA	210 LAKE STREET		LOCATION STAFF
	SOL	KEN/SOL	34824 KALIFONSKY		LOCATION STAFF
	TOK	TOK	MP 1314 AK. HWY		LOCATION STAFF
	VAL	VALDEZ	STATE BLDG. #13		LOCATION STAFF

**** VOLUNTEER & OFFNET SITES ****

FBX	NEN NENANA	CITY OFFICES	KAREN HARVEY	(907)832-5544
SIT	HNS HAINES	CITY HALL	ALETA ADKINS	(907)766-2294
SIT	PTP PORT PROTECTION	COMMUNTIY ASSOC.	TERRY KLINE	(907)489-2218
ZZZ	OF1 OFFNET 1	TALKEETNA	KATHY SULLIVAN	(907)733-1700
ZZZ	OF2 OFFNET 2	LAKE CREEK LODGE	ED SHARP	(907)733-2051

PARTICIPANTS IN:ANCHORAGE ANC

1	JUDY	HARGIS				UNABL SB 310
	3920 PIONEER DR		ANCHORAGE	AK	99504	(907)338-6696
2	TABITHA	GREGORY				UNABL SB 310
	19530 PRIBILOFF		EAGLE RIVER	AK	99577	(907)696-1215
3	TERRY	BRADY				UNABL SB 310
	2900 BONIFACE NO 672		ANCHORAGE	AK	99504	(907)333-9462
4	AIMEE	BOULANGER				UNABL SB 310
	HC 83. BOX 2334		EAGLE RIVER	AK	99577	(907)696-8136
5	STEVE	COLT				UNABL SB 310
	1408 P ST. NO B		ANCHORAGE	AK	99501	(907)278-5107
6	CARYL	BOEHNERT	ACE			UNABL SB 310
	519 W 8TH. NO 201		ANCHORAGE	AK	99501	(907)274-3621
7	JIM	MINTON	FLAT HORN LAKE			UNABL SB 310
	BOX 190121		ANCHORAGE	AK	99519	(907)248-1965
8	JEFF	PARKER	ASA TU			UNABL SB 310
	1201 HYDER		ANCHORAGE	AK	99501	(907)274-5418

PARTICIPANTS IN:ANCHORAGE ANC

9	GEORGE	MATZ				UNABL SB 310
	14345 CODY		ANCHORAGE	AK	99516	(907)345-3137
10	MIKE	BRONSON				UNABL SB 310
	860 COLONIAL DR		WASILLA	AK	99676	(907)376-9577
11	MARY	GRISCO				UNABL SB 310
	PO BOX 202045		ANCHORAGE	AK	99520	(907)258-1896
12	ERUK	WILLIAMS	ANC F&G ADVISORY			UNARL SB 310
	12720 LUPINE RD		ANCHORAGE	AK	99516	(907)345-7678
13	JIM	PAGE	SEWARD FOREST PR			UNABL SB 310
	560 E 34TH AVE		ANCHORAGE	AK	99503	(907)563-8866
14	GABRIELLE	BARNETT				UNABL SB 310
	BOX 662		GIRDWOOD	AK	99587	(907)783-1306
15	MATT	BERMAN				UNABL SB 310
	BOX 662		GIRDWOOD	AK	99587	(907)783-1306
16	MARK	STAHL	CHUGACH AK CORP			OBSV. SB 310
	560 E 34TH. NO 200		ANCHORAGE	AK	99503	(907)563-8866
17	GLORIA	GILL				UNABL SB 310
	PO BOX 190749		ANCHORAGE	AK	99519	(907)248-9908
18	JIM	SEELEY	RED SHIRT LAND			UNABL SB 310
	4330 SEELEY CT		ANCHORAGE	AK	99502	(907)243-7001
19	RICH	OWENS				UNABL SB 310
	2114 MCKENZIE DR		ANCHORAGE	AK	99517	(907)248-9104
20	DARYL	DOUTHET				UNABL SB 310
	PO BOX 38		CHUGIAK	AK	99567	(907)688-3795
21	JIM	SYKES				UNABL SB 310
	PO BOX 68		TALKEETNA	AK	99676	(907)278-7436
22	DAVE	THOMAS				OBSV. SB 310
	406 G ST. STE 206		ANCHORAGE	AK	99501	(907)276-7686
23	GREG	BELL				UNABL SB 310
	6231 OLD SEWARD HWY		ANCHORAGE	AK	99517	(907)276-6769
24	KEVIN	HARUN				UNABL SB 310
	519 W 8TH. NO 201		ANCHORAGE	AK	99501	(907)274-3621
25	ALAN	PHIPPS				UNABL SB 310
	18241 STILLWATER		EAGLE RIVER	AK	99577	(907)696-2656
26	UNNAMED	OBSERVER				OBSV. SB 310
				AK		(907)000-0000
27	UNNAMED	OBSERVER				OBSV. SB 310
				AK		(907)000-0000
28	UNNAMED	OBSERVER				OBSV. SB 310
				AK		(907)000-0000
29	UNNAMED	OBSERVER				OBSV. SB 310
				AK		(907)000-0000
30	UNNAMED	OBSERVER				OBSV. SB 310
				AK		(907)000-0000
31	UNNAMED	OBSERVER				OBSV. SB 310
				AK		(907)000-0000
32	UNNAMED	OBSERVER				OBSV. SB 310
				AK		(907)000-0000

PARTICIPANTS IN:CORDOVA COR

1 MR.	STEPHEN	BODNAR	SELF			TSFY. SB 310
	PO BOX 2262		CORDOVA	AK	99574	(907)424-5427
2 MS.	DORN	HAWXHURST	CDFU			TSFY. SB 310

PARTICIPANTS IN:CORDOVA COR

	PO BOX 939	CORDOVA	AK 99574	(907)424-3447

PARTICIPANTS IN:FAIRBANKS FBX

1	MS.	DOREEN	SIMMONDS			UNABL SB 310
		PO BOX 84825		FAIRBANKS	AK 99708 (907)474-9806	
2	MR.	DOUGLAS	YATES			UNABL SB 310
		PO BOX 221		FAIRBANKS	AK 99725 (907)479-8300	
3	MS.	CRISTINA	SCHNEIDER			UNABL SB 310
		PO BOX 80883		FAIRBANKS	AK 99708 (907)474-3982	
4	MR.	JIM	CHUMBLEY			UNABL SB 310
		426 HAINES AVE.		FAIRBANKS	AK 99701 (907)452-6189	
5	MR.	MIKE	DAVIS			UNABL SB 310
		PO BOX 81435		FAIRBANKS	AK 99708 (907)455-6430	
6	MS.	NINA	MOLLETT			UNABL SB 310
		1900 GILMORE TRAIL		FAIRBANKS	AK 99712 (907)457-1833	
7	MS.	SUZANN	SPECKMAN			UNABL SB 310
		PO BOX 81838		FAIRBANKS	AK 99708 (907)474-6213	
8	MR.	RICHARD	CHAPELL			UNABL SB 310
		5801 HAYSTACK MTN. RD.		FAIRBANKS	AK 99712 (907)389-5801	
9	MR.	GLYNN	HOENER			UNABL SB 310
		2885 BEVERLY LANE		FAIRBANKS	AK 99709 (907)455-6870	
10	MS.	SYLVIA	WARD			UNABL SB 310
		218 DRIVEWAY ST.		FAIRBANKS	AK 99701 (907)452-5021	
11	MR.	LANE	THOMPSON			UNABL SB 310
		PO BOX 80368		FAIRBANKS	AK 99708 (907)479-6712	
12	MR.	BIRCH	PAVELSKY			UNABL SB 310
		6063 RECONSTRUCTION RD.		FAIRBANKS	AK 99709 (907)456-0500	
13	MR.	EDWIN	RHOADS			UNABL SB 310
		592 SANDPIPER DR.		FAIRBANKS	AK 99709 (907)479-5355	
14	MR.	LARRY	MAYO			UNABL SB 310
		282 MAY WAY		FAIRBANKS	AK 99709 (907)479-2954	
15	MS.	HILLARY	SCHAEFER			UNABL SB 310
		PO BOX 435		FAIRBANKS	AK 99725 (907)000-0000	
16	MR.	JOHN	KNEEHTEL			UNABL SB 310
		PO BOX 435		ESTER	AK 99725 (907)000-0000	
17	MS.	MARY	SHIELDS			UNABL SB 310
		PO BOX 80961		FAIRBANKS	AK 99708 (907)455-6469	
18	MS.	MARY	ROMBERG			UNABL SB 310
		PO BOX 81444		FAIRBANKS	AK 99708 (907)479-7209	
19		OAKLEY	COCHRAN			UNABL SB 310
		PO BOX 85071		FAIRBANKS	AK 99708 (907)474-7146	
20	MR.	DAVE	LACEY			UNABL SB 310
		PO BOX 81765		FAIRBANKS	AK 99708 (907)474-8224	
21	MR.	SEAN	MCGUIRE			UNABL SB 310
		351 CLOUDBERRY DR.		FAIRBANKS	AK 99709 (907)479-7134	
22	MS.	EVA	SAULITIS			UNABL SB 310
		325 YANA		FAIRBANKS	AK 99709 (907)474-4584	
23	MR.	LARRY	LANDRY			UNABL SB 310
		PO BOX 70934		FAIRBANKS	AK 99707 (907)479-4986	
24	MR.	CAROL	ROLAND			UNABL SB 310
		2382 OLIVIA LANE		FAIRBANKS	AK 99707 (907)479-4869	
25	MR.	FRED	PRATT			OBSV. SB 310
		PO BOX 72981		FAIRBANKS	AK 99707 (907)000-0000	

PARTICIPANTS IN:FAIRBANKS FBX

26	MR.	LARRY	PAQUIN			OBSV. SB 310
		966 GOLDMINE TRAIL		FAIRBANKS	AK 99712 (907)000-0000	
27	MS.	GINNY HILL	WOOD			OBSV. SB 310
		1819 MUSK OX TRAIL		FAIRBANKS	AK 99709 (907)479-2754	
28	MS.	CELIA	HUNTER			OBSV. SB 310
		1819 MUSK OX TRAIL		FAIRBANKS	AK 99709 (907)479-2754	
29	MR.	ROGER	SIGLIA			UNABL SB 310
		169 FROG POND CIRCLE		FAIRBANKS	AK 99712 (907)457-6612	
30	MR.	DAVID	DELONG			UNABL SB 310
		PO BOX 83531		FAIRBANKS	AK 99708 (907)455-6368	
31	MR.	DAVID	STANNARD			UNABL SB 310
		1009 O'CONNER		FAIRBANKS	AK 99701 (907)452-7208	
32	MR.	KENNETH	KLOPF			UNABL SB 310
		1191 EASTWOOD LANE		FAIRBANKS	AK 99712 (907)457-8502	
33	MS.	CAROL	CLOPF			UNABL SB 310
		1191 EASTWOOD LANE		FAIRBANKS	AK 99712 (907)457-8502	
34	MS.	JAN	DAWE			UNABL SB 310
		PO BOX 82003		FAIRBANKS	AK 99708 (907)479-8343	
35	MS.	MARTHA	RAYNOLDS			UNABL SB 310
		PO BOX 84169		FAIRBANKS	AK 99708 (907)479-3726	
36	MR.	JACK	SCHMID			UNABL SB 310
		PO BOX 84244		FAIRBANKS	AK 99708 (907)455-4283	
37	MR.	WAYNE	GLENTZ			UNABL SB 310
		PO BOX 81815		FAIRBANKS	AK 99708 (907)479-8597	
38	MR.	WILLIMA	WALTERS			OBSV. SB 310
		122 1ST ST.		FAIRBANKS	AK 99701 (907)452-8251	
39	MS.	JULIE	SCOTT			UNABL SB 310
		PO BOX 80435		FAIRBANKS	AK 99708 (907)479-6308	
40	MS.	MALINDA	CHASE			OBSV. SB 310
		PO BOX 82960		FAIRBANKS	AK 99708 (907)451-6436	
41	MR.	TOMMY	PETER			OBSV. SB 310
		401 SLATER ST. #2		FAIRBANKS	AK 99701 (907)451-6436	
42	MR.	MIKE	WALLERI			OBSV. SB 310
		122 1ST. AVE.		FAIRBANKS	AK 99701 (907)000-0000	

PARTICIPANTS IN:HOMER LTC HOM

1	MR.	LARRY	SMITH	KACHEMAK RES.INT		UNABL SB 310
		1520 LAKESHORE		HOMER	AK 99603 (907)235-3855	
2	MS.	KATHERINE	SMITH			UNABL SB 310
		1193 COOPER CT		HOMER	AK 99603 (907)235-5448	
3	MS.	TRINA	FELLOWS			UNABL SB 310
		266 E. BAYVIEW		HOMER	AK 99603 (907)235-6546	
4	MR.	STEVE	GIBSON			UNABL SB 310
		1622 HIGHLAND DR		HOMER	AK 99603 (907)235-6487	
5	MR.	WINSLOW	HOFFMAN			UNABL SB 310
		PO BOX 1842		HOMER	AK 99603 (907)000-0000	

PARTICIPANTS IN:JUNEAU JNU

1	TO	OBSERVE		OBSV. ALL ITEMS
2	TO	OBSERVE		OBSV. ALL ITEMS
3	TO	OBSERVE		OBSV. ALL ITEMS
4	TO	OBSERVE		OBSV. ALL ITEMS
5	TO	OBSERVE		OBSV. ALL ITEMS

PARTICIPANTS IN:JUNEAU JNU

6	TO	OBSERVE		OBSV. ALL ITEMS
7	TO	OBSERVE		OBSV. ALL ITEMS
8	TO	OBSERVE		OBSV. ALL ITEMS
9	TO	OBSERVE		OBSV. ALL ITEMS
10	TO	OBSERVE		OBSV. ALL ITEMS
11	TO	OBSERVE		OBSV. ALL ITEMS
12	TO	OBSERVE		OBSV. ALL ITEMS
13	TO	OBSERVE		OBSV. ALL ITEMS
14	TO	OBSERVE		OBSV. ALL ITEMS
15	TO	OBSERVE		OBSV. ALL ITEMS
16	TO	OBSERVE		OBSV. ALL ITEMS
17	TO	OBSERVE		OBSV. ALL ITEMS
18	TO	OBSERVE		OBSV. ALL ITEMS
19	TO	OBSERVE		OBSV. ALL ITEMS
20	TO	OBSERVE		OBSV. ALL ITEMS
21	TO	OBSERVE		OBSV. ALL ITEMS
22	TO	OBSERVE		OBSV. ALL ITEMS
23	TO	OBSERVE		OBSV. ALL ITEMS
24	TO	TESTIFY		TSFY. ALL ITEMS

25	TO	TESTIFY			TSFY. ALL ITEMS
26	TO	TESTIFY			TSFY. ALL ITEMS
27	TO	TESTIFY			TSFY. ALL ITEMS
28	TO	TESTIFY			TSFY. ALL ITEMS
29	TO	TESTIFY			TSFY. ALL ITEMS
30	TO	TESTIFY			TSFY. ALL ITEMS
31	TO	TESTIFY			TSFY. ALL ITEMS
32	TO	TESTIFY			TSFY. ALL ITEMS
33	TO	TESTIFY			TSFY. ALL ITEMS

PARTICIPANTS IN:KODIAK KOD

1 MR.	BRIAN	JOHNSON				UNABL SB 310
	BOX 2661		KODIAK	AK	99615	(907)486-4684
2 MR	ED	OPHEIM				UNABL SB 310
	1421 KOUSKOV		KODIAK	AK	99615	(907)486-4460

PARTICIPANTS IN:KETCHIKAN KTN

1 MS.	MARICKE	BARNES	INDIVIDUAL			TSFY. SB 310
	517 REVILLA		KETCHIKAN	AK	99901	(907)247-1275
2 MR.	TROY	REINHART	AFA			TSFY. SB 310
	111 STEDMAN #200		KETCHIKAN	AK	99901	(907)225-6114

PARTICIPANTS IN:MATSU MAT

1 MS.	DORI	MCDANNOLD				TSFY. SB 310
	HC03 BOX 8012		PALMER	AK	99645	(907)746-5213
2 MS.	ELEANOR	HUFFINES				TSFY. SB 310
	PO BOX 981		PALMER	AK	99645	(507)746-3580
3 MS.	ELLEN	AMERICUS				TSFY. SB 310
	PO BOX 875384		WASILLA	AK	99687	(907)746-1492
4 MR.	STEVE	STRUBE				OBSV. SB 310
	PO BOX 521155		BIG LAKE	AK	99652	(907)892-7760
5 MR.	JONATHAN	MCNEILLY				OBSV. SB 310
	1261 SEWARD MERIDAN		WASILLA	AK	99654	(907)376-3289
6 MS.	JERRY	CARTER				OBSV. SB 310

PARTICIPANTS IN:MATSU MAT

	PO BOX 286		WILLOW	AK	99688	(907)495-6823
7 MR.	JAMES	CARTER				OBSV. SB 310
	PO BOX 286		WILLOW	AK	99688	(907)495-6823

PARTICIPANTS IN:PETERSBURG PSG

1 MR.	JOSEPH	SEBASTIAN				TSFY. SB 310
	P.O. BOX 129		PT. BAKER	AK	99927	(907)559-2218

PARTICIPANTS IN:SEWARD SEW

1	DUANE	KEIL	SELF			OBSV. SB 310
	PO BOX 3696		SEWARD	AK	99664	(907)224-7172
2	CHRIS	SMITH	SELF			OBSV. SB 310
	PO BOX 89		SEWARD	AK	99664	(907)224-8070
3	DARYL	SELA	SELF			OBSV. SB 310
	PO BOX 912		SEWARD	AK	99664	(907)224-3125
4	CHUCK	BOOTH	SELF			OBSV. SB 310
	PO BOX 102		SEWARD	AK	99664	(907)224-5751

PARTICIPANTS IN:SITKA SIT

1	LINDA	BEHNKEN	ALFA			OBSV. SB 310
	403 LINCOLN STE. 237		SITKA	AK	99835	(907)747-3400
2	DON	MULLER				OBSV. SB 310
	BOX 1042		SITKA	AK	99835	(907)747-8808

PARTICIPANTS IN:HAINES SIT HNS

1	VIVIAN	MENAKER				OBSV. SB 310
	BOX 118		HAINES	AK	99827	(907)766-2360
2	ERIC	HOLLE	LYNN CANAL CONSV			UNABL SB 310
	BOX 964		HAINES	AK	99827	(907)766-2295
3	BURL	SHELDON				UNABL SB 310
	BOX 959		HAINES	AK	99827	(907)766-2709
4	NANCY	BURLAND				UNABL SB 310
	BOX 959		HAINES	AK	99827	(907)766-2709

PARTICIPANTS IN:KEN/SOL SOL

1 MR.	DUANE	ANDERSON	LITTLE PEOPLE			UNABL SB 310
	37685 CONNOR RD.		SOLDOTNA	AK	99669	(907)000-0000

PARTICIPANTS IN:TOK TOK

1 MS	BONNIE	JENKINS	CHAMBER OF COMM			UNABL SB 310
	PO BOX 389		TOK	AK	99780	(907)883-5887
2 MR	HENRY	TIMM				UNABL SB 310
	HC62, BOX 5080		DELTA JCT	AK	99737	(907)000-0000
3 MR	TED	CHARLES				UNABL SB 310
	PO BOX 416		TOK	AK	99780	(907)883-4753
4 MR	GLEN	MARUNDE				UNABL SB 310
	PO BOX 192		TOK	AK	99780	(907)883-4601
5 MR	JOE	YOUNG				UNABL SB 310
	PO BOX 42		TOK	AK	99780	(907)883-5060
6 MR	SAM	ACKMAN				OBSV. SB 310
	PO BOX 149		TOK	AK	99780	(907)883-5887
7 MR	DICK	MALCHOW				OBSV. SB 310
	PO BOX 212		TOK	AK	99780	(907)883-5539

PARTICIPANTS IN:TOK TOK

8 MR	CHARLES	MILLER	TANANA CHIEFS			OBSV. SB 310
	PO BOX 126		TOK	AK	99780	(907)883-5181
9 MR	DOUGLAS	EUERS				OBSV. SB 310
	PO BOX 201		TOK	AK	99780	(907)883-4344
10 MR	DAVID	STANCLIFF				OBSV. SB 310
	PO BOX 633		TOK	AK	99780	(907)883-4468

PARTICIPANTS IN:VALDEZ VAL

1 MR.	TERRY	HERMACH				UNABL SB 310
	PO BOX 2493		VALDEZ	AK	99686	(907)835-5473
2 MS.	KRISTA	ROGERSON				UNABL SB 310
	PO BOX 1336		VALDEZ	AK	99686	(907)835-3788
3 MR.	GREG	WILLIAMS	KCHU			OBSV. SB 310
	PO BOX 467		VALDEZ	AK	99686	(907)835-4665

TCN: 40670 DATE & TIME: 04/20/94 08:15 TO 10:00 STATUS:6 ADJOURNED

**** ORDER SUMMARY ****
SPONSOR: HRES HOUSE RESOURCES CHAIRS: WILLIAMS
PURPOSE: PUB PUBLIC HEARING LEGISLATIVE
CONTACT: MARY MCDOWELL TEL#: (907)465-3715
CHAIRING SITE: JUNEAU CAPITOL CAP124

SPONSOR REMARKS(PUB): TESTIMONY:Y ALLOWED 2 MINUTE LIMIT
TESTIMONY WILL BE TAKEN WITH A 2 MINUTE LIMIT.
TCN REQUESTED ON 04/20/94 AND HAS 8 UPDATES

**** AGENDA ****
1 SB 310 STATE/PRIVATE/MUNI TIMBER OPERATION/SALE

**** PARTICIPATING LIOS ****

	ANC	ANCHORAGE	716 W 4TH. #200		LOCATION STAFF
	COR	CORDOVA	705 2ND STREET		LOCATION STAFF
	FBX	FAIRBANKS	119 N CUSHMAN ST		LOCATION STAFF
	GLN	GLENNALLEN	COMMUNITY LIB.		LOCATION STAFF
	HOM	HOMER LTC	126 W PIONEER #4		LOCATION STAFF
*	JNU	JUNEAU	CAPITOL	CAP124	LOCATION STAFF
	KOD	KODIAK	112 MILL BAY RD.		LOCATION STAFF
	KTN	KETCHIKAN	352 FRONT STREET		LOCATION STAFF
	MAT	MATSU	165 E. PARKS HWY.		LOCATION STAFF
	PSG	PETERSBURG	101 GJOA STREET		LOCATION STAFF
	SEW	SEWARD	2001 SEWARD HWY		LOCATION STAFF
	SIT	SITKA	210 LAKE STREET		LOCATION STAFF
	SOL	KEN/SOL	34824 KALIFONSKY		LOCATION STAFF
	TOK	TOK	MP 1314 AK. HWY		LOCATION STAFF
	VAL	VALDEZ	STATE BLDG. #13		LOCATION STAFF

**** VOLUNTEER & OFFNET SITES ****

FBX	NEN NENANA	CITY OFFICES	KAREN HARVEY	(907)832-5544
SIT	HNS HAINES	CITY HALL	ALETA ADKINS	(907)766-2294
SIT	PTP PORT PROTECTION	COMMUNTIY ASSOC.	TERRY KLINE	(907)489-2218
ZZZ	OF1 OFFNET 1	FT. YUKON	PATRICIA STANLEY	(907)662-2597
ZZZ	OF2 OFFNET 2	TANANA	BILL FLIRIS	(907)366-7245

PARTICIPANTS IN:ANCHORAGE ANC

1	TABITHA	GREGORY	AK CNT ENVIR			TSFY. SB 310
	19530 PRIBILOF LP		EAGLE RIVER	AK	99577	(907)696-1215
2	JUDY	HARGIS				TSFY. SB 310
	8920 PIONEER DR		ANCHORAGE	AK	99504	(907)269-4565
3	DANE	WAGNER				TSFY. SB 310
	4801 AIRCRAFT DR		ANCHORAGE	AK	99502	(907)298-4341
4	JIM	MINTON	FLAT HRN LK			TSFY. SB 310
	BOX 190121		ANCHORAGE	AK	99519	(907)248-1965
5	MATT	BERMAN				UNABL SB 310
	PO BOX 662		GIRDWOOD	AK	99587	(907)000-0000
6	GABRIELLE	BARNETT				UNABL SB 310
	PO BOX 662		GIRDWOOD	AK	99587	(907)000-0000
7	JIM	SEELEY	S.V.A.			UNABL SB 310
	4330 SEELEY CT		ANCHORAGE	AK	99502	(907)243-7001
8	JIM	LEVINE				UNABL SB 310
	7343 LINDEN DR		ANCHORAGE	AK	99502	(907)248-0747

TCN: 40670 DATE & TIME: 04/20/94 08:15 TO 10:00 STATUS:6 ADJOURNED

PARTICIPANTS IN:ANCHORAGE ANC

9	PAMELA	BRODIE				UNABL SB 310
	241 E 5TH. NO 205		ANCHORAGE	AK	99501	(907)248-9398
10	MARY	GRISCO				UNABL SB 310
	PO BOX 202045		ANCHORAGE	AK	99520	(907)258-1896
11	DARYL	DOUTHOT				UNABL SB 310
	BOX 38		CHUGIAK	AK	99567	(907)688-3795
12	REID	WAGNER				OBSV. SB 310
	BOX 237		ELMENDORF AFB	AK	99504	(907)337-0404
13	DIRK	WAGNER				OBSV. SB 310
	205 MULDOON RD		ANCHORAGE	AK	99504	(907)337-6040

PARTICIPANTS IN:CORDOVA COR

1 MR.	STEPHEN	BODNAR				OBSV. SB 310
	PO BOX 2262		CORDOVA	AK	99574	(907)424-5427
2 MS.	DORNE	HAWXHURST	CDFU			OBSV. SB 310
	PO BOX 939		CORDOVA	AK	99574	(907)424-3447
3 MRS.	MARLA	ADKINS				OBSV. SB 310
	PO BOX 641		CORDOVA	AK	99574	(907)424-7311

PARTICIPANTS IN:FAIRBANKS FBX

1 MS.	CRISTINA	SCHNEIDER				TSFY. SB 310
	PO BOX 80883		FAIRBANKS	AK	99708	(907)000-0000
2 MR.	SEAN	MCGUIRE				TSFY. SB 310
	351 COLOUDBERRY		FAIRBANKS	AK	99709	(907)479-7134
3 MR.	KEN	JESSEN				TSFY. SB 310
	PO BOX 80424		FAIRBANKS	AK	99708	(907)479-6354
4 MS.	EVA	SAULITIS				TSFY. SB 310
	PO BOX 83715		FAIRBANKS	AK	99708	(907)474-4584
5 MS.	SARAH	JAMES				TSFY. SB 310
			ARCTIC VILLAGE	AK	99722	(907)456-2329
6 MS.	OAKLEY	COCHRAN				TSFY. SB 310
	PO BOX 85071		FAIRBANKS	AK	99708	(907)474-7146
7 MR.	RON	RICKETTS				TSFY. SB 310
	269 TOPSIDE RD.		FAIRBANKS	AK	99712	(907)452-2185
8 MS.	BETTY	ROLLINS				TSFY. SB 310
	PO BOX 5516		NORTH POLE	AK	99705	(907)488-6614
9	HOWARD	LUKE				TSFY. SB 310
				AK		(907)000-0000
10 MR.	DAVE	LACEY				TSFY. SB 310
	PO BOX 71371		FAIRBANKS	AK	71372	(907)474-8234
11 MR.	ROGER	SIGLIN				TSFY. SB 310
	169 FROG POND CIRCLE		FAIRBANKS	AK	99712	(907)457-6612
12 MS.	CONNIE	STRICKS				TSFY. SB 310
	PO BOX 81437		FAIRBANKS	AK	99708	(907)455-6308
13 MR.	DOUG	YATES				TSFY. SB 310
	PO BOX 221		ESTER	AK	99725	(907)479-8300
14 MS.	PUTT	CLARK				TSFY. SB 310
	PO BOX 80106		FAIRBANKS	AK	99708	(907)479-3761
15 MR.	LARRY	PAQUIN				TSFY. SB 310
	966 GOLDMINE TR		FAIRBANKS	AK	99712	(907)457-6714
16 MR.	BYRON	HALEY				TSFY. SB 310
	1002 PIONEER RD.		FAIRBANKS	AK	99701	(907)456-4426
17 MR.	LANE	THOMPSON				TSFY. SB 310

TCN: 40670 DATE & TIME: 04/20/94 08:15 TO 10:00 STATUS:6 ADJOURNED

PARTICIPANTS IN:FAIRBANKS FBX

	PO BOX 80368		FAIRBANKS	AK	99708	(907)479-6712
18 MR.	RICHARD	HAYDEN				TSFY. SB 310
	470 CANARY LANE		FAIRBANKS	AK	99709	(907)479-0374
19 MR.	FRANK	CHAPADOS				OBSV. SB 310
	924 KELLUM ST. APT #012		FAIRBANKS	AK	99701	(907)452-5217
20 MR.	BIRCH	PAVELSKY				TSFY. SB 310
	6063 RECONSTRUCTION		FAIRBANKS	AK	99709	(907)000-0000
21 MR.	IRV	LIPSCOMB				TSFY. SB 310
	6 MI. CHENA RIDGE		FAIRBANKS	AK	99709	(907)479-6833
22 MS.	TARIKA	LEA				TSFY. SB 310
	1703 FIDDLE WAY		FAIRBANKS	AK	99709	(907)479-3820
23 MS.	CINDY	GERE				TSFY. SB 310
	UAF STUDENT		FAIRBANKS	AK	99775	(907)474-6666
24 MR.	GREGORY	MCGUIRE				UNABL SB 310
	UAF STUDENT		FAIRBANKS	AK	99775	(907)474-6666
25 MR.	DAN	LUM				TSFY. SB 310
	UAF STUDENT		FAIRBANKS	AK	99775	(907)474-6666
26 MS.	GINNY	WOOD				TSFY. SB 310
	1819 MUSK OX TRAIL		FAIRBANKS	AK	99709	(907)479-2754
27 MR.	JACK	SCHMID				UNABL SB 310
	PO BOX 84244		FAIRBANKS	AK	99708	(907)459-3118
28 MR.	FRED	BROWN				UNABL SB 310
	1469 HOLY CROSS DR.		FAIRBANKS	AK	99709	(907)479-0215
29 MR.	JOHN	LOQUVAM				UNABL SB 310
	1874 BUCK'S RD.		FAIRBANKS	AK	99709	(907)455-9057
30 MS.	RONNIE	ROSENBERG				UNABL SB 310
	841 9TH AVE.		FAIRBANKS	AK	99701	(907)452-6476
31 MS.	SYLVIA	WARD				UNABL SB 310
	218 DRIVEWAY		FAIRBANKS	AK	99701	(907)452-5021
32 MR.	DALE	HAGGSTROM				UNABL SB 310
	2349 STEVENS AVE.		FAIRBANKS	AK	99709	(907)455-6242
33 MR.	JIM	CHUMBLEY				UNABL SB 310
	426 HAINES AVE.		FAIRBANKS	AK	99701	(907)452-6189
34 MR.	GLYNN	HOENER				UNABL SB 310
	2885 BEVERLY LANE		FAIRBANKS	AK	99709	(907)455-6870
35 MS.	MARY	SHIELDS				UNABL SB 310
	2699 WALDHEIN		FAIRBANKS	AK	99709	(907)455-6469
36 MR.	LARRY	MAYO				UNABL SB 310
	282 HAY WAY		FAIRBANKS	AK	99709	(907)479-2954
37 MS.	CELIA	HUNTER				OBSV. SB 310
	1819 MUSK OX TR.		FAIRBANKS	AK	99709	(907)479-2754
38 MR.	CARL	ROLAND				UNABL SB 310
	2382 OLIVIA LANE		FAIRBANKS	AK	99709	(907)479-4869
39 MR.	JON	MILLER				UNABL SB 310
	2630 HOME RUN		FAIRBANKS	AK	99709	(907)479-5629
40 MR.	WAYNE	GENTZ				UNABL SB 310
	1171 GRENAC RD.		FAIRBANKS	AK	99709	(907)479-8597
41 MR.	JOHN	WRIGHT				UNABL SB 310
	1874 BUCK'S RD.		FAIRBANKS	AK	99709	(907)455-9057
42 MR.	BILL	JOHNSON				UNABL SB 310
	841 9TH AVE.		FAIRBANKS	AK	99701	(907)452-6476
43 MS.	CAROL	KLOPF				UNABL SB 310
	1191 EASTWOOD LANE		FAIRBANKS	AK	99712	(907)457-8502

PARTICIPANTS IN:FAIRBANKS FBX

44	MR.	MIKE	MUSICK		UNABL SB 310	
		PO BOX 161	ESTER	AK	99725	(907)479-5336
45	MS.	CAROL	KLECKNER		UNABL SB 310	
		233 FAIRHILL RD.	FAIRBANKS	AK	99712	(907)457-2451
46	MS.	ANNE	RUGGLES		UNABL SB 310	
		PO BOX 82950	FAIRBANKS	AK	99708	(907)474-3755
47	MS.	PAULA	LOTSPEICH		UNABL SB 310	
		PO BOX 80792	FAIRBANKS	AK	99708	(907)479-8753
48	MR.	NIILO	KOPONEN		UNABL SB 310	
		710 CHENA RIDGE RD.	FAIRBANKS	AK	99709	(907)479-6782
49	MR.	ROBERT	AMMICHT		TSFY. SB 310	
		2784 RAILROAD DR	FAIRBANKS	AK	99709	(907)000-0000

PARTICIPANTS IN:GLENNALLEN GLN

1	MR.	MARTIN	MARICLE		OBSV. SB 310	
		PO BOX 412	GLENNALLEN	AK	99588	(907)822-3414
2	MR.	DAVID	HILL		OBSV. SB 310	
		PO BOX 12	COPPER CENTER	AK	99573	(907)822-3420

PARTICIPANTS IN:HOMER LTC HOM

1	MR.	LARRY	SMITH	KACHEMAK RES.INS	TSFY. SB 310	
		1520 LAKESHORE DR	HOMER	AK	99603	(907)235-3855
2	MRS.	KATHERINE	SMITH		TSFY. SB 310	
		1193 COOPER CT	HOMER	AK	99603	(907)235-5448
3	MRS.	NANCY	HILLSTRAND	(NEW)	TSFY. SB 310	
		PO BOX 674	HOMER	AK	99603	(907)235-2572

PARTICIPANTS IN:KODIAK KOD

1	MR.	BRIAN	JOHNSON		TSFY. SB 310	
		BOX 2661	KODIAK	AK	99615	(907)486-4684
2	MR.	ED	OPHIEM		TSFY. SB 310	
		1421 KOUSKOV	KODIAK	AK	99615	(907)486-4460
3	MR.	CHARLES	SINK	WOODY TIMBER CO.	OBSV. SB 310	
		PO BOX 1186	KODIAK	AK	99615	(907)487-4929

PARTICIPANTS IN:KETCHIKAN KTN

1	MS.	MEREDITH	MARSHALL		TSFY. SB 310	
		PO BOX 7418	KETCHIKAN	AK	99901	(907)225-2134
2	MS.	SANDRA	MESKE		TSFY. SB 310	
		PO BOX 1445	WARD COVE	AK	99928	(907)225-1060
3	MS.	KATHY	MILLER		TSFY. SB 310	
		PO BOX 9602	KETCHIKAN	AK	99901	(907)225-9280
4	MR.	MICHAEL	MESKE		TSFY. SB 310	
		PO BOX 1445	WARD COVE	AK	99928	(907)225-1060
5	MR.	RONALD	WOLFE		TSFY. SB 310	
		9466 BRADY PL	JUNEAU	AK	99801	(907)789-7104
6	MS.	MARIEKE	BARNES		OBSV. SB 310	
		517 REVILLA STREET	KETCHIKAN	AK	99901	(907)247-1275

PARTICIPANTS IN:MATSU MAT

1	MS.	ELEANOR	HUFFINES		TSFY. SB 310	
		PO BOX 981	PALMER	AK	99645	(907)746-3580
2	MR.	RICK	ERNST		TSFY. SB 310	

PARTICIPANTS IN:MATSU MAT

		PO BOX 13172	TRAPPER CREEK	AK	99683	(907)733-2721

PARTICIPANTS IN:PETERSBURG PSG

1	MR.	JOSEPH	SEBASTIAN		TSFY. ALL ITEMS	
		BOX 129	POINT BAKER	AK	99927	(907)559-2218
2	MR.	SYD	WRIGHT		TSFY. ALL ITEMS	
		BOX 624	PETERSBURG	AK	99833	(907)772-4859

PARTICIPANTS IN:SEWARD SEW

1	MR.	CHARLES	BOOTH	SELF	TSFY. SB 310	
		PO BOX 102	SEWARD	AK	99664	(907)224-5751
2	MR.	MARK	LUTTRELL	SELF	TSFY. SB 310	
		PO BOX 511	SEWARD	AK	99664	(907)224-5372
3	MR.	CHRIS	SMITH	PHOENIX LOG	OBSV. SB 310	
		PO BOX 89	SEWARD	AK	99664	(907)224-8070
4	MR.	AL	SCHAFER	SELF	TSFY. SB 310	
		PO BOX 610	SEWARD	AK	99664	(907)224-3130
5	MR.	STEVEN	SCHAFER	AFOGNAK	OBSV. SB 310	
		PO BOX 610	SEWARD	AK	99664	(907)224-3139
6	MR.	ROBERT	VALDETTA	ASSOC. CONSULT.	OBSV. SB 310	
		PO BOX 1267	SEWARD	AK	99664	(907)224-5656
7	MR.	JIM	GILMORE	SELF	OBSV. SB 310	
		PO BOX 854	SEWARD	AK	99664	(907)224-8478

PARTICIPANTS IN:SITKA SIT

1		BOB	ELLIS	SITKA CONSERVATI	TSFY. SB 310	
		BOX 319	SITKA	AK	99835	(907)000-0000
2		KAREN	MARTINSEN	AWRTA	TSFY. SB 310	
		103 SUNSET DR.	SITKA	AK	99835	(907)747-8999

PARTICIPANTS IN:HAINES SIT HNS

1		BURL	SHELDON	LYNN CANAL CONS.	TSFY. SB 310	
		BOX 952	HAINES	AK	99827	(907)766-2709
2		VIVIAN C.	MENAKER		TSFY. SB 310	
		BOX 118	HAINES	AK	99827	(907)766-2360

PARTICIPANTS IN:KEN/SOL SOL

1	MR.	DUANE	ANDERSON	AK WOOD PROCSS	TSFY. SB 310	
		37685 CONNER RD	SOLDOTNA	AK	99669	(907)000-0000

PARTICIPANTS IN:TOK TOK

1	MR	DOUGLAS	EUERS		OBSV. SB 310	
		PO BOX 201	TOK	AK	99780	(907)883-4344
2	MR	DICK	MALCHOW		OBSV. SB 310	
		PO BOX BOX 212	TOK	AK	99780	(907)883-5539
3	MR	JOSEPH	YOUNG		TSFY. SB 310	
		PO BOX 42	TOK	AK	99780	(907)883-5060
4	MR	GLEN	MARUNDE		OBSV. SB 310	
		PO BOX 192	TOK	AK	99780	(907)883-4601
5	MR	CHARLES	MILLER		OBSV. SB 310	
		PO BOX 126	TOK	AK	99780	(907)883-5181

PARTICIPANTS IN:VALDEZ VAL

PARTICIPANTS IN:VALDEZ VAL

1	MR.	ED	DAVIS	AWRTA	TSFY. SB 310	
		PO BOX 1616	FAIRBANKS	AK	99707	(907)479-7236
2	MR.	TERRY	HERMACH	PWSCA	OBSV. SB 310	
		PO BOX 2443		AK	99686	(907)835-5473
3	MS.	NANCY	LETHCOE		TSFY. SB 310	
		PO BOX 1313	VALDEZ	AK	99686	(907)835-5175
4	MR.	GREG	WILLIAMS	KCHU	OBSV. SB 310	
		PO BOX 467	VALDEZ	AK	99686	(907)835-4665

* PLEASE PRINT + INCLUDE COMPLETE MAILING ADDRESS *

HOUSE RESOURCES COMMITTEE

DATE: 4-25-94

PLACE: Capitol, Room 124

SUBJECT OF MEETING:
SB 306 - Anti Trust Exemption for Fishermen
SB 314 - Material Sites for Timber Operations
SB 310

NAME	REPRESENTING	BUSINESS/PERSONAL MAILING ADDRESS	ZIP	(H) PHONE	(W) PHONE	DO YOU WANT TO TESTIFY?		WHAT SUBJECT/ WHICH BILL?
Kate Troll	SEAS	9226 Lang Run			780-5717	(Y)	N	SB 306
John Abshire	Dep. Comm. DOL	P.O. Box 21149 Juneau 99802-1149			465-277	(Y)	N	SB 306 if necessary
Ron Worley	KFP	JUNEAU			789-7114	(Y)	N	310
Jerry McCune	UFA	Juneau			5862820	(Y)	N	SB 306
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	

* PLEASE PRINT + INCLUDE COMPLETE MAILING ADDRESS *

HOUSE RESOURCES COMMITTEE

DATE: 4/20/94

PLACE: Capitol, Room 124

SUBJECT OF MEETING:
SB 310 - State/Private/Muni Timber Operation/Sale

	NAME	REPRESENTING	BUSINESS/PERSONAL MAILING ADDRESS	ZIP	(H) PHONE	(W) PHONE	DO YOU WANT TO TESTIFY?		WHAT SUBJECT/ WHICH BILL?
4:35	Katye Kosel	Alaska Environmental Lobby	*			4633366	(Y)	N	SB 310
4:40	Barbara Kelly	myself	6751 Marguerite, Juneau				(Y)	N	SB 310
4:46							Y	N	
							Y	N	
							Y	N	
							Y	N	
							Y	N	
							Y	N	
							Y	N	
							Y	N	
							Y	N	

* PLEASE PRINT + INCLUDE COMPLETE MAILING ADDRESS *

HOUSE RESOURCES COMMITTEE

DATE: APRIL 20, 1994

PLACE: Capitol, Room 124

SUBJECT OF MEETING:
SB 310 - STATE/PRIVATE/MUNI TIMBER OPERATION/SALE

NAME	REPRESENTING	BUSINESS/PERSONAL MAILING ADDRESS	ZIP	(H) PHONE	(W) PHONE	DO YOU WANT TO TESTIFY?		WHAT SUBJECT/ WHICH BILL?
830 JAN DAWE ✓	~~INTERIOR BOREAL FOREST ASSN~~ Alaska Boreal Forest Council	* Fairbanks		479-8343	474-8343	(Y)	N	SB 310
824 Glen Judkins ✓	SELF	4837 Palo Verde Ave Fairbanks	99709	479-3765	474-6717	(Y)	N	SB 310
Colin Reed ✓	SELF	653 Lud Rd. Fairbanks	99712	488 7117	474 5075	(Y)	N	SB 310
Chris Gates ✓	DCED	Juneau				(Y)	N	SB 310
Troy Reinhart	AFA	KTN				(Y)	N	SB 310
938 Liller Cotter	Self	Box 462 Nenana	99760			(Y)	N	SB 310
948 Gayle Stevens	self	Box 38 Nenana				(Y)	N	SB 310
Barbara Kelly	self	6751 Marguerite, Juneau				(Y)	N	SB 310
Katya Kirsch	Alaska Environmental Lobby				4633366	(Y)	N	SB 310
						Y	N	
						Y	N	

* PLEASE PRINT + INCLUDE YOUR COMPLETE MAILING ADDRESS *

HOUSE RESOURCES COMMITTEE

DATE: APRIL 15, 1994

PLACE: Capitol, Room 124

SUBJECT OF MEETING:
SB 310 - State / Private / Muni Timber Operation / Sale

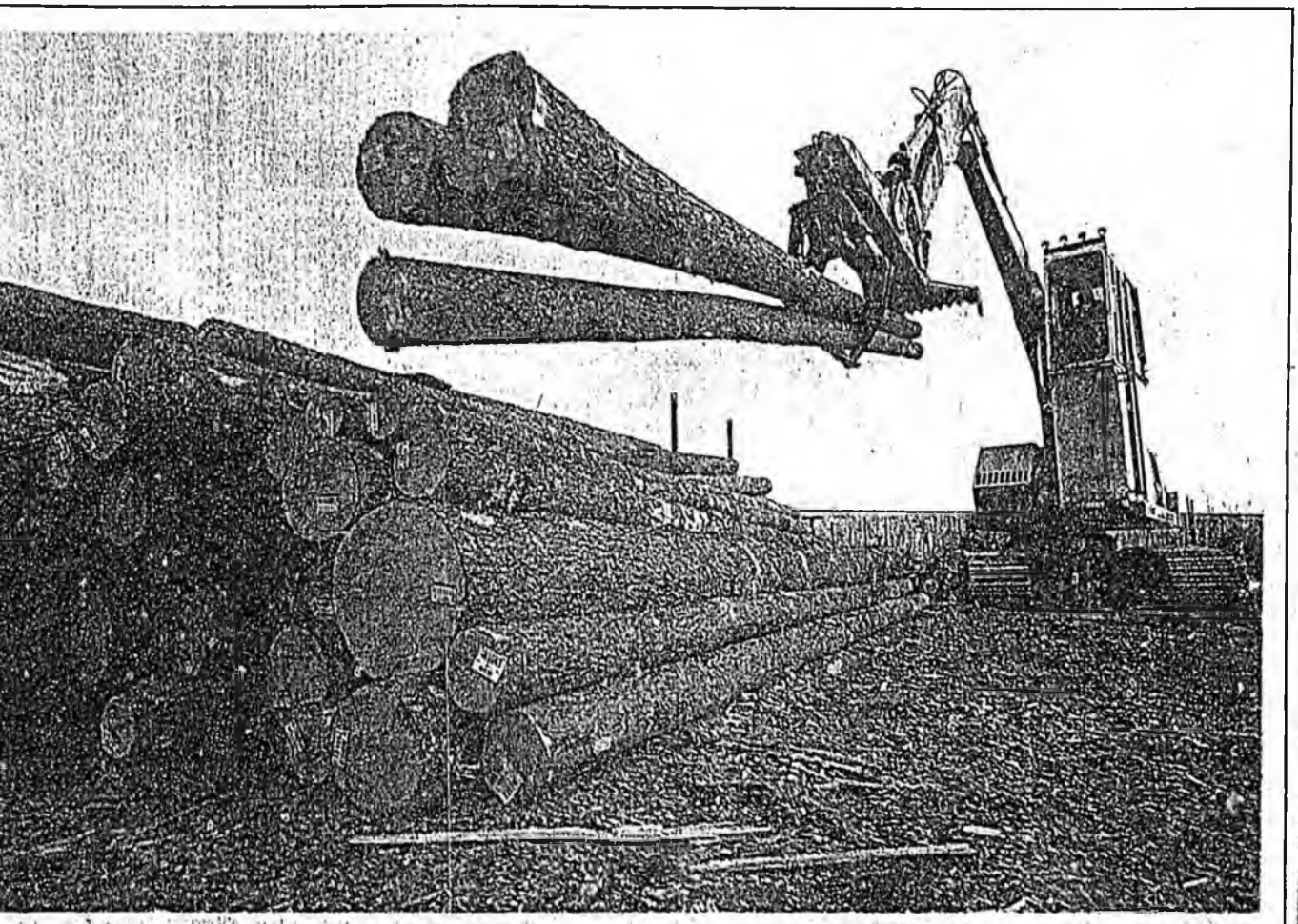
NAME	REPRESENTING	* BUSINESS/PERSONAL MAILING ADDRESS	ZIP	(H) PHONE	(W) PHONE	DO YOU WANT TO TESTIFY?		WHAT SUBJECT/ WHICH BILL?
Tom Boutin	DNR D. v of Forestry				465-3379	(Y)	N	SB 310
Chip Thoma	Self					(Y)	N	SB 310
Chip Gates	DCED				465-2017	(Y)	N	SB 310
Kalya Lisel	AK Environmental Lobby				4633366	(Y)	N	SB 310
Betty Lou Hart	Self	BOX 21896 Juneau				Y	N	
Albert M. Pagh	SELF	2849 PARKS HWY FBKS AK 99709			479 6643	(Y)	N	SB 310
Roal Wolfe	KFP	P.O. BOX 34655 JUNEAU AK 99803-4655		789-7104	789-3353	(Y)	N	CS 310
						Y	N	
						Y	N	
						Y	N	
						Y	N	

FAIRBANKS

Daily News-M

The Voice of Interior Alaska

L. XCII, No. 92 | FAIRBANKS, ALASKA, SUNDAY, APRIL 3, 1994



Log it. Leave it. Argue it.

Mike Mathers/News-Miner photos

LOADING LUMBER— Above, Jim Brown loads spruce logs harvested near Nenana on rail cars in the Nenana railroad yard Wednesday. Brown works for Four Star Lumber Co., which is contracted by a log broker to load the cars for delivery to Seward.

MAKING THE GRADE— Scaler Mike Dunham, left, grades harvested logs in the Nenana rail yard. Dunham is contracted by Rayonier, a log broker.

Interests, values clash over timber proposal

By JONATHAN HOLLAND
Staff Writer

From the floor of the Tanana Valley to the floor of the state Legislature, the argument about large-scale harvesting of Interior timber is a classic Alaska resource battle.

It's jobs vs. environmental sensibilities.

Timber harvest advocates and state resource managers say Alaskans are wasting a valuable resource by not encouraging serious, large-scale timber harvests in the 1.8 million-acre Tanana Valley State Forest.

Hundreds, possibly even thousands, of jobs, and badly needed revenue for state and local government, are at stake, they say.

"We've got a choice of letting the trees rot on the stumps or trying to do something, and do it right," said Al Pagh, who owns Four Star Lumber Co. and has worked in the woods for 53 years. "We've got to find a way to make money besides oil."

Environmentalists, though, say increasing the timber harvest will lead to destruction of the Tanana Valley's ecosystem as big companies pillage the forest.

They say the new jobs will be few and will go to outsiders from the depressed, timber-based economy of the Pacific Northwest. They also question whether the state will make any money off Tanana timber sales.

"Al is a nice guy, but they (small timber harvesters) just don't understand the whole economics of it," said 47-year Fairbanksan and environmental advocate Ginny Wood. "I don't think we'll be able to get firewood, house logs or even a single locally made two-by-four once the big companies get in here."

The focus is on Senate Bill 310, which is beginning to work its way through the state Senate and is given a good chance of passing there and in the House. The bill seeks to allow leasing of timber tracts through "forest management agreements," 20-year agreements with Outside forest products companies.

Public opposition to increased harvesting, already incited by an earlier timber proposal by the Department of Natural Resources, was heightened further when Sen. Steve Frank of Fairbanks submitted SB 310.

A March teleconference broke

See TIMBER, Page A-9

Bill enjoys support in Legislature

By KATE RIPLEY
Staff Writer

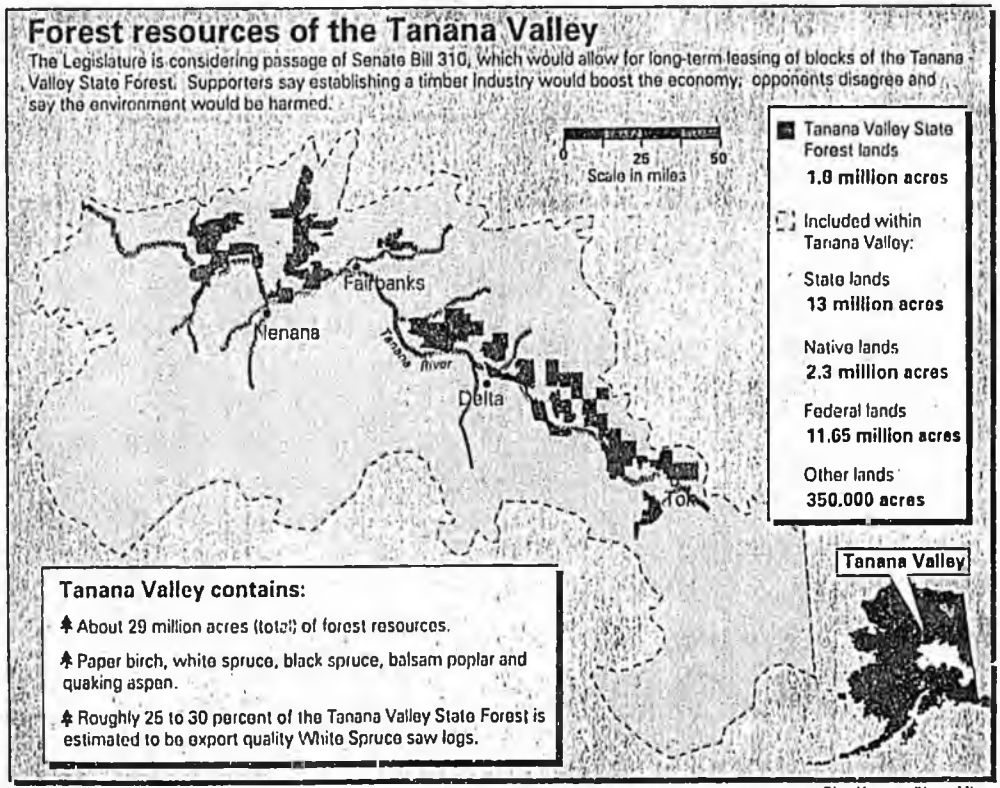
JUNEAU—Sen. Steve Frank sat at one end of the empty conference table, his right hand rubbing his temple, his brows knit together above a slight frown.

FRANK

It was a rainy afternoon in the capital city, and Frank was the only member of the Senate Resources Committee at the table. Above his head, the teleconference speaker boomed angry voices from people across the state opposed to Frank's pro-timber bill, Senate Bill 310.

Another barrage of negative testimony. Another onslaught of public criticism. Occasionally,

See POLITICS, Page A-9



Source: Division of Forestry

Gina Hoppner/News-Miner

Plan includes longterm contracts

By KATE RIPLEY
Staff Writer

JUNEAU—Large-scale logging. Long-term contracts. Forest management agreements.

Buzzwords surround Senate Bill 310, Sen. Steve Frank's idea of how timber sales should be conducted on state timber land. That land includes more than 3 million acres in the 29-million-acre Tanana Valley basin.

Opponents call it the "clean-shave" bill; supporters say it will create jobs.

What would this bill really allow? What does it really say?

If Senate Bill 310 becomes law, the Department of Natural Resources would solicit proposals from companies that want to log Tanana Valley timber. They would choose the best proposal, and then negotiate a 20-year timber harvest contract with the company offering the highest bid.

Under a "forest management agreement," the company would be guaranteed a steady stream of timber from the valley. Foresters believe state-owned land in the valley could supply 60 million board feet per year, harvesting 4,000 to 5,000 acres annually. That's five times the current harvest.

That amount of timber is enough to support one large manufacturing plant, said state forester Tom Boutin. About 5,000 acres annually also is the limit for logging on a sustained-yield basis, meaning the cut rate could not surpass the rate of new growth.

The idea for long-term contracts is not new. In 1987, the Senate unanimously approved a bill that would establish a much broader interpretation of forest management agreements. That bill never made it through the House.

The U.S. Forest Service knows all about long-term contracts. It has two, 50-year contracts with mills in southeast Alaska. Environmentalists claim the contracts are money-losing ventures that have led to massive clear-cuts.

Supporters believe long-term contracts are the only hope of ensuring in-state manufacturing of raw logs, rather than shipping them out. That's the whole idea behind Frank's bill, supporters say.

But nowhere in Frank's bill does it actually require in-state processing. Frank said several attorneys advised him it could be illegal, or at least an open invitation for a lawsuit, to link the long-term agreements directly to in-state plants.

Frank hopes the bill's requirement that agreements be economically beneficial to local communities will result in construction of local processing plants.

Supporters say long-term supply is necessary for the in-state jobs. Opponents see 20-year contracts as a lock-up of public resources for the sake of one special interest, which could end up shipping the logs Outside anyway.

The company would submit an operations plan to the state every two years and conduct a forest inventory every five years. State officials also could terminate a contract if the company doesn't hold up its end of the bargain.

The Department of Natural Resources would examine the contract after 15 years to determine if it should be renewed after 20 years. If everything is found in compliance, the state could renew the contract for an additional 20 years.

Critics have claimed the bill circumvents standards set out in the state Forest Practices Act. Frank and state foresters insist that all logging under the plan must comply with existing laws, including the Forest Practices Act.

The bill contains some pro-development policy statements; for instance, it says the primary purpose of the state forest is the development of commercial forest land under the principles of sustained yield and multiple use.

But it also says fish and wildlife habitat, watersheds, recreation, tourism and a variety of other uses must be considered in the negotiated agreements.

Under former commissioner Glenn Olds, the Department of Natural Resources drafted a similar bill to Frank's last year, but the Hickel administration never introduced it.

Frank said that's partially because of the controversy surrounding the concept. "They got cold feet," he said of DNR.

DNR roughed out several draft bills last year, but by that time it was April, too late in the legislative session, said Raga Elim, a special assistant to Olds last year who now works as Gov. Walter Hickel's legislative liaison.

Critics allege the bill was drafted for Frank by pro-development forces, such as Ron Ricketts of the Fairbanks Industrial Development Corp. Frank acknowledges Ricketts is a prime supporter and backer of the bill, but denies the FIDC had any hand in writing the bill.

"Nobody put me up to this. I take full credit and full responsibility," Frank said.

Original SB 310

- Exempts sales under 500,000 board feet from public notice requirements.
- Exempts forest land under a forest management agreement from operation-level forest inventories and management plans.
- Commissioner of state Department of Natural Resources to solicit proposals and designate a tentative agreement without public input. Proposals would remain secret until tentative deal reached.
- Evaluation criteria for proposed agreement limited to financial feasibility, economic benefits, stumpage payments and other technical and financial information.
- No time-certain public comment period after FMA tentatively selected.
- Allow 20-year contracts with extensions of up to 20 years.
- No provisions for terminating contract.
- Sustained-yield defined to allow an aggressive logging rate.
- Timber harvesting can not be considered an incompatible use on state land.
- Timber harvesting considered dominant land-use in forest.
- Allows DNR to establish transportation corridors within the Tanana Valley State Forest.

Amended SB 310

- Exempts sales under 500,000 board feet from the two-year advance notice requirement, but requires 30-day public notice. Exempt sales may not exceed 1 million board feet per year in a given area.
- Requires operational-level inventories and management plans.
- Proposals open to public inspection for at least 30 days and up to 60 days.
- Evaluation criteria for proposed agreements expanded to include personal use harvesting, fish and wildlife habitat, recreation, tourism, mining, agriculture, watershed management, water quality and public access.
- Specifies 90-day public comment period after tentative agreement is chosen.
- Allows 20-year contracts, but grants review after 15 years and possible renewal.
- Contains provision for terminating contract, including possiblity of bonding.
- Sustained-yield defined based on forest to regeneration rate.
- Does not prevent timber harvesting from being named an incompatible use.
- Forest lands managed with multiple-use, variety of businesses, activities and lifestyles in mind.
- Deletes references to transportation corridors.

Gina Hoppner/News-Miner

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Gina Hoppner/News-Miner

TIMBER: *Logging industry, environmentalists debate sustainable yield, jobs*

Continued from Page A-1

into shouting and catcalls when the head of the Alaska Industrial and Export Authority called SB 310's opponents a vocal minority.

The rationale is that big timber harvesters need steady, long-term supplies of raw material to justify bringing equipment and processors to the area. Timber giants Louisiana Pacific and Fiberform looked at the Tanana Valley about a year ago, but reportedly lost interest because there was no guarantee of a long-term supply.

"The reality is that the day of the chainsaw is about through," said Ed Packee, assistant professor of forest management at the University of Alaska Fairbanks.

Packee said a modern logging operation needs heavy equipment costing $250,000 to $300,000 per machine to harvest efficiently, not chainsaws and men on foot. Production plants that make valuable products such as particle board out of less-valuable trees require a capital investment in the millions of dollars.

Particle board plants typically employ 125 to 135 people, with wages ranging from $12 to $14 per hour. Some forest managers believe the plants will arrive with the establishment of an industry, making use of marginal Interior timber economically feasible.

"You need to offer enough timber to ship it to tidewater in the form of value-added forest products," said Frank Seymour, a state forestry economist. "That would take care of the 70 percent of the forest that is underharvested."

About 25 to 30 percent of the trees in the Interior are white spruce "saw logs" suitable for export in the round, most likely to the strong Pacific Rim markets, he said.

Seymour estimated that a thriving forest industry could create as many as 5,000 to 10,000 felling, transportation and processing jobs in the Interior during the next decade.

FMA's are by far the best way the state could set up a timber industry, he said, and the abundance of the resource makes an environmental catastrophe unlikely.

"There are 30 million acres of forest in the general area. The most ambitious plans I've heard would harvest only 10 to 15 percent of that acreage," he said.

"Eighty-five percent of the commercial-grade forest lands (in the Tanana Valley) will never be touched because of set-asides, accessibility problems and other problems."

Environmentalists are not assuaged by such bland assurances.

"They can promise you the moon, but you have to be skeptical of the industry because of their track record in other areas," said Sylvia Ward of the Northern Alaska Environmental Center in Fairbanks.

"When, or where, has sustainable forestry ever been practiced," she asked. "They can't substantiate their claims, and they can't promise us anything."

Ward said large forest product companies want the Interior's marginal timber resource because they've overharvested elsewhere. She has concerns about the economy, too.

"It (the industry) is supposed to contribute to the economy and the community, but it is all very vague. How many jobs and for whom? The timber industry has the second-worst record for local hire in the state," Ward said. "The timber industry hires 44 percent of its people from out of state, and we can't legally require them to hire locally."

Ward said FMA's would establish a timber monopoly in the Interior, with producers able to control government by threatening to pull out of an economy grown dependent on the new business.

DNR regional forester Les Fortune agrees there are no guarantees about jobs or value-added plants as yet. It is difficult, he said, to predict the outcome of a sale before knowing what can be sold.

"We are not going to go out tomorrow and make a firm offer (to sell)," Fortune said. "Once the legislation is in place, we can start planning what kind of sale we are going to have.

"One of the next steps that is necessary is to find out what type of industry you want to attract to town and then write the contract to attract that type of industry," he said.

Fortune hopes to offer for sale a resource that is only worth shipping to tidewater in a value-added state, meaning production facilities would be needed near the forest.

"Passing the legislation doesn't guarantee that anything is going to happen," he said.

Al Pagh wouldn't like to see that happen. Pagh, whose 11 grandchildren have worked for his lumber company in the summers, sees the industry as a glimmer of hope for the Tanana Valley's youth.

"You don't need a college education to do it, and a lot of kids can't get one (a degree)," Pagh said. "There is not much a kid can do anymore to make a decent wage. This creates good jobs for them. It's hard to get excited about minimum wage."

Ginny Wood doubts that these particular jobs are the answer to Fairbanks' future prosperity.

"Well that's probably true, you don't need a doctorate to work in the woods, but think about the number of loggers that are out of jobs because of overcutting," she said.

Pagh sees the problem in simpler terms yet.

"Everybody's got this attitude that I paid for five acres, but I want the surrounding 50,000 acres protected to protect the atmosphere of my property," Pagh said.

POLITICS: *Observers say controversial bill has excellent chance of passage*

Continued from Page A-1

very occasionally, a nice word or two.

Despite the outcry in four statewide hearings, Frank has held with his bill because he believes it is a good idea.

The measure would allow the state to sell its timber to private companies through 20-year negotiated contracts. The long-term commitment, Frank says, would entice a company to build an in-state processing plant for the lumber, providing jobs for the Interior.

"I knew it would be controversial," he said later, sitting behind the desk of his fifth-floor capitol office. "But I believe it is a very balanced bill. I continue to believe the people of my district and my community want responsible resource utilization."

As controversial as the bill is, Frank's colleagues and political observers say the measure has an excellent chance of passing the Legislature this year.

Pro-development Republicans control both the House and Senate. Six of 11 members in the Senate majority have signed on as co-sponsors of Frank's bill.

The measure passed out of the Senate Resources Committee last week and could come before the full Senate for a vote this week.

Once it lands in the House, the bill is expected to receive one committee referral, to the Resources Committee. That panel is chaired by Rep. Bill Williams, whose home is the pro-timber community of Ketchikan.

The bill also has strong support among the Fairbanks delegation, though Rep. John Davies, D-Fairbanks, has some reservations about it.

There's another factor in Frank's favor; he's co-chairman of the powerful Senate Finance Committee, and colleagues know who controls the purse strings.

Still, Frank isn't exactly known in the halls of the Legislature for throwing his weight around to get his way. And he insists passage of the bill is not a sure thing.

Kate Ripley/News-Miner

TALKING TIMBER—Rep. Mike Miller, R-North Pole, center, and Sen. Steve Frank, R-Fairbanks, right, took testimony by teleconference in mid-March on Senate Bill 310, which would open the Tanana Valley State Forest to large-scale logging.

Aligned with Frank is the Alaska Forest Association, a pro-logging group made up mostly of members in southeast Alaska.

Thyes Shaub, a lobbyist for the organization, said it's critical the bill move through the Senate and get to the House shortly after Easter. This is the final year of the two-year session, and bills that don't make it through are wiped off the books.

"Things are going to move very, very quickly after the Easter break," Shaub said. "Even a bill that looks totally greased can run into trouble."

She agrees the political climate is right for a bill like Frank's. "Still, you never know when a bill is going to be held hostage for something else, when it's going to be used as leverage for something totally unrelated," she said.

If Russell Heath has his way, a glitch like that will indeed stop Frank's bill. Heath is director of the Alaska Environmental Lobby, which lists the bill among the top five in terms of their threat to the environment.

"We're incredibly frustrated," Heath said. "They're going through the motions of public hearings just to mollify us."

Sylvia Ward of the Northern Alaska Environmental Center, based in Fairbanks, said she, too, is frustrated at being on the losing end of the debate. She said she takes some comfort in the fact that Frank deleted entire sections of his original bill, sections that mandated timber harvesting as the most important use on state forest lands.

"It was poorly written and didn't do what he wanted," she said. "Now it does what he wants, but it's still not a compromise."

Initially, the bill allowed the Department of Natural Resources commissioner to negotiate proposed contracts with private companies but to keep the proposals secret until a tentative deal was struck. That provision outraged people in Fairbanks who claimed the public was shut out of the process.

Since he first introduced the bill in February, Frank added two public comment sections and inserted language calling for the agreements to consider the environment, recreation, wildlife and other uses.

Other changes include a revised definition of sustained-yield logging that would allow a slower rate of cutting.

"You put a bill in and quite often you know it's not perfect," Rep. Gene Therriault, R-North Pole, said of Frank's proposal. "But the committee process is working. He's taken things out that were, perhaps, ill-conceived."

Davies agrees, but he said the changes have not gone far enough. There should be some percentage cap or limit on how much of the state forest could be tied up in long-term contracts, he said.

"Maybe something not quite so long-term and not so large-scale," he said.

Davies, who sits on the House Resources Committee, said Frank has been willing to discuss concerns.

Tanana Chiefs Conference, the largest forest-resources manager in the state forest, pushed for many of the changes. But the nonprofit group for Interior Athabascans has yet to endorse the bill because its villages are deeply divided on the subject.

"There is absolutely no question we were caught in the middle of this," said Mike Walleri, TCC's attorney.

Chief Randy Mayo of Stevens Village, for instance, has spoken against the bill at hearings. Leaders of other villages, such as Nenana and Tok, seem more willing to consider expanded logging.

The chiefs will meet Tuesday to discuss the bill, and could form an official position then, Walleri said.

Ron Ricketts of the Fairbanks Industrial Development Corp. already has his official position: pass the bill into law as soon as possible.

Ricketts agrees the public testimony on the bill has been mostly against the long-term contracts. But he insists there is a silent majority in support of the bill, which promotes a diversified economy.

Ward, of the Northern Alaska Environmental Center, said economic benefits would come at the expense of the environment. While an expanded logging industry would no doubt pour dollars into the economy, the state would likely lose money in the deal and end up subsidizing the industry, she said.

"Twenty years is a long time; that's five governors," Ward said. Think about how much change occurs in 20 years."

State forester Tom Boutin said subsidies of the timber industry are unlikely.

"The state owns very valuable wood. It shouldn't surprise anyone that we can sell this with a sizable return to the state," he said.

Although the state grossed $1.1 million from its timber sales in 1992, the latest year for which full statistics are available, officials can't say with any certainty how much of that is profit. That's because the state Division of Forestry does not routinely calculate its costs and expenses for timber sales.

Forester Marc Lee in Fairbanks did track costs for a 2.5-million-board-foot sale west of Nenana, along the Tanana River, in December. In that case, the state's total costs for sale administration was $75,000. The timber sold to Northland Woodproducts in Fairbanks for $228,000, for a profit to the state of $153,000.

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The Voice of Interior Alaska

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Opinion

SAM BISHOP, Editorial Page Editor: 456-6661 (Ext. 274)

FAIRBANKS

Daily News - Miner

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SUE MATTSON, Managing Editor — JACK KNEECE, Asst. Managing Editor — SAM BISHOP, Editorial Page Editor

Back the forest agreements

Proposals to quadruple the rate of timber harvest in the Tanana Valley predictably brought protests during the past few years from a limited community of interested people in Fairbanks. But Sen. Steve Frank's proposal this winter to mandate the leasing of forest land to large corporations drew outrage from a much broader group.

The burgeoning protest reflected concern about specific language in the bill that undermined public comment opportunities, sustained yield principles and multiple-use mandates.

Many of those objections to SB 310 were on target. But when Sen. Frank pruned the bill to address many of the problems, the protests didn't die.

The bill brings up a philosophical debate that tends to evoke strong opinions. Should natural resources be managed in such a way that favors use by individuals and small companies or use by national and multinational corporations? Alaska has seen its share of such debate, dating back to the battles over corporate fish traps on our rivers.

We decided against the fish traps, but that doesn't mean we should decide against corporate use of our timber. It seems the debate should not be over big vs. small, but over costs vs. gains. And the gains from well-designed forest management agreements appear to outweigh the costs.

Shutting down the corporate fish traps helped Alaskans more than it hurt because our individual residents could still tap the full potential of the resource. But the individuals and small companies using the Tanana Valley forest today aren't tapping its potential benefits. And neither are the few big operators that we do attract—they just load the whole logs onto railroad cars in Nenana and ship them to Japan. They have no incentive to invest in the kind of processing plants here that would return value to Alaskans.

Forest management agreements, with the associated processing plants, would help us tap the economic value our forests possess. Such value, which will become more important as our oil wealth declines, not only will be found in jobs and income to the state but also in more stable habitat for some of our more edible wildlife such as moose and hares. The balance should be positive as long as the state charges market-based fees for the timber, refrains from dabbling in subsidies and sets aside plenty of forest land outside the agreements for other users. We can enforce those conditions through the public process.

The quest for economic value cannot eclipse our foresight and responsibility to the land, though. Forest management agreements must be done right and contain a public process to ensure that they are. Frank's original bill didn't meet these standards. It advocated a timber cutting concept called "variable periodic output" that seemed to allow the sustained yield principle to be ignored simply to boost the forest's productivity. That was particularly worrisome because the bill also apparently exempted the state from inventorying trees under forest management agreements. The combined effect could be disastrous for certain forest types and wildlife habitats.

The Tanana Valley's few million acres of commercial-level forest are not the productive gardens of the Pacific Northwest. So we must be extra careful with forest management agreements on them. We need detailed inventories by forest type. Cutting must adhere to the sustained yield ideal within each of those types, with consideration for losses to fire, disease and man's encroachment.

To a certain extent, we must trust that the Division of Forestry personnel will meet those goals. The revised SB 310 shouldn't prevent them from doing so. In fact, it may help them by creating the justification for inventory funding that they can't obtain now. And it offers a way that citizens can object if the goals are not met.

PUBLIC COMMENT

SB 310

Fairbanks Industrial Development Corporation

April 19, 1994 VIA FAX

Charles E. Cole
400 Cushman
Fairbanks, AK 99701

Dear Charlie:

As you know, I have reviewed your letter to Representative Williams regarding SB 310. Your suggested changes to the bill do much to improve it, and I concur with them, except in one instance.

Road building will typically involve two approaches: one in which the roads are temporary in nature, to be abandoned after logging is finished in the area; the other involves constructing roads which are planned to be permanent, to be taken over by the State after the logging is completed.

In the negotiations it would typically be the case that a concession on stumpage prices would be granted for the value to the State of acquiring the permanent road(s).

Perhaps, as we discussed, this exception could be crafted into the bill.

Yours very truly,

Ronald L. Ricketts
Executive Director

RLR/lpm

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To Rep. Lo. Williams	From C. Cole
Co.	Co.
Dept.	Phone #
Fax # 465 3793	Fax #

515 Seventh Avenue, Suite 320, Fairbanks, Alaska 99701 (907) 452-2185 Fax: (907) 456-1836

LAW OFFICES OF
CHARLES E. COLE

406 CUSHMAN
FAIRBANKS, ALASKA 99701
TELEPHONE 907 452-1124

April 19, 1994

VIA FAX

Representative William Williams
Chairman, House Resources Committee
Capital Building
Juneau, Alaska

Dear Chairman Williams:

Owing to the public furor surrounding SB310, I latched on to a copy of it and read it. Some of its provisions trouble me, and warrant, perhaps, my passing along my thoughts on them.

Troubling to me is the unbridled power given the Commissioner of Natural Resources by section (g)(1) to enter into forest management agreements on such "terms, conditions, and limitations determined by the commissioner to be in the public interest." No substantive fetters on this broad authority are contained in the proposed enactment. Section (g)(2), by and large, simply enumerates the subject of the provisions which must be contained in a "proposed final agreement." But the content of these provisions is nowhere mandated; required only by this section are "provisions regarding...". For example, (2)(c) merely requires "provisions regarding compensation for state scaling services; (2)(d) requires nothing more than "provisions regarding" state administrative services; and 2(e) just mandates "provisions regarding responsibilities for construction and maintenance of access roads. Left to the sole unrestrained determination by the commissioner, it seems, is the content of each of the provisions which, under (g)(2), must be contained in the agreement.

I question whether granting this wholesale authority to the commissioner of natural resources is sound public policy. Unrealistic, of course, would be an endeavor to prescribe by statute definitive terms for forest management agreements. But the legislature may wish to give thought to the imposition of some basic limitations on the commissioner's authority to develop and to execute a "proposed final agreement." Restraints would seem to be particularly in order since no public review is afforded to the "proposed final agreement" developed by the commissioner before it is submitted to the attorney general for approval, only as to form, under section (h). Underscoring this thought is the absence of any requirement that the "proposed final agreement" developed by the commissioner bear any relationship to the "tentatively

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successful proposed agreement" submitted for public and governmental comment under section (f). As SB310 now stands, the "proposed final agreement" could legally embody wholesale revisions of the publicly reviewed "tentatively successful proposal agreement," the only essential of the "final agreement" being that the commissioner determine it to be "in the public interest."

Being of the view that no one public official should be given what amounts to the unshackled power to dispose of state natural resources, I suggest that consideration be given to the amendment of section (g) to read as follows:

(B) Provisions requiring the proposer to pay the fair market value of the stumpage.[1]

(C) Provisions requiring the proposer to pay the full cost of the state scaling services necessary to account for timber sold pursuant to the agreement.

(D) Provisions requiring the proposer to pay for the state services necessary to administer the agreement.

(E) Provisions requiring the proposer to pay for the construction and maintenance of access roads necessary to manage the land covered by the agreement.

(F) Provisions requiring the proposer to pay the fair market value for material obtained from state land for the construction of access roads on state land covered by the agreement.

(G) Provisions requiring the proposer to perform reforestation and silvacultural practices on state land.

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[1] This provision requires only that the proposer pay the fair market value of the State timber being sold, so it should not be objectionable. Certainly the State would not stand still for its oil being sold for less then its fair market value, so certainly it should require that its timber resources, too, be sold for their fair market value.

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(H) Provisions requiring the proposer, upon expiration or termination of the agreement, to ensure reforestation, stabilization, and monitoring on the state land covered by the agreement, including the requirement of posting of a good and sufficient corporate surety bond guaranteeing the proposer's performance of such obligations.[2]

Some thought probably should also be given to tightening section (d), the section establishing the considerations required by the commissioner in evaluating a proposed agreement. Subsection (3), requiring consideration of the "financial feasibility of the proposed agreement," seems unduly loose. Is consideration to be given to the financial feasibility of the agreement itself, or is consideration to be given to the financial feasibility of the proposal? The two concepts are vastly different. If the financial feasibility of the agreement is to be considered, then the financial interest of the state must be examined. If the financial feasibility of only the proposal is to be considered, the review is considerably narrowed.

Subsections (6) and (7), on the other hand, seem unduly narrow. They require consideration of economic benefits under the proposed agreement to the region where the forest land is located and to the forest land itself. Rare is the forest management agreement which generates only economic benefits. Liabilities inevitably also arise--to the region, to the state, and to the land itself. And it may be unadvisable to ignore them when consideration is given to the proposed agreement. If the legislature is of this view, it may wish to give thought to amending subsection (6) and (7) to read like this:

(6) economic benefits and liabilities from the proposed agreement to the region in which the land that is to be covered by the agreement is located;

(7) economic benefits and liabilities to the State and to the state forest land under the proposed agreement;

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2 I have kept the term "monitoring" in this section, as it is contained in the current 310, but I am not sure what is being monitored.

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Confusion may exist over whether the "proposed final agreement" is subject to the same conclusions required of the commissioner before he may designate a "tentatively successful proposed agreement." Under section (e), the commissioner may not designate a "tentatively successful proposed agreement" unless he makes a written finding that supports his conclusion that the subject timber is not necessary to provide sustained harvest for a sawmill or wood processing facility and that the agreement will best serve the interests of the state and is consistent with existing applicable land use or management plans. No mention is made in section (g), dealing with the "proposed final agreement," of the sustained harvest requirement or consistency with land use or management plans. If before the commissioner is required to make certain findings before designating a "tentatively successful proposed agreement," these same findings should probably be requisite to the development of and the signing of the final agreement. Yet section (g) does not require them.

I express no view with respect to the philosophy underlying SB310; my views relate only to those of its provisions which I think are apt to benefit from further review. Perhaps too long I was a state bureaucrat and therefore look at legislation of this type too keenly from the standpoint of the state's interest, but it is too late to do anything about that now.

At any rate, thank you for the opportunity to express my views.

Very truly yours,

Charles E. Cole

CEC:vlg

cc: Senator Steve Frank

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To Rep. Wms	From Chs. Cole
Co.	Co.
Dept.	Phone # 451-1124
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Alaska State Legislature

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MEMO

To: House Resource Committee

From: Rep. Jeannette James

Date: 4/18/94

RE: SB 310, Concerns of Ed Packee Ph.D.

Dr. Packee asked that I distribute the attached letter articulating his concerns with the ADF&G fiscal note.

Also attached is a letter from Dr. Packee to Warren Oja delineating his concerns about SB 310.

If you have any questions please call Dr. Packee.

1977 Melanie Lane
Fairbanks, Alaska 99709
17 April 1994

The Honorable Jeannette James
House of Representatives
Alaska State Legislature
Juneau, Alaska

Dear Representative James:

Early on 13 April 1994 I faxed to you a letter commenting on SB310. I asked that you read it into the House Resources Committee hearing record. I understand that you had it entered. Thank you. I now ask that you append this letter to my previous letter. This letter refers to the ADF&G fiscal note.

As a prelude to discussing the fiscal note, I want it clearly understood that I support the concept of sustainable resource management—management that ensures that the potential productivity of the land and aquatic ecosystems is maintained or enhanced and that human needs must be addressed. This does not mean that there is to be no management or no production of goods and benefits other than what and how nature provides them. It does not mean that there will be no impairment to productivity on some lands or in some waters. I firmly believe that FMA's can work within the framework of sustainability and multiple resource management.

In my letter I referred to the ADF&G statement that FMA's would cost the State money. I stated,

> "FMA's do not have to cost. Where ADF&G came up with such a large sum as a cost to the State can only [be] conjectured and could be based upon inefficiency or flawed thinking. One ADF&G policy maker accepts the Northern Alaska Environmental Center's position as the best position; one-half of the 1,100 members are from out of State. I don't like outsiders telling us how to manage our resources. FMA's do not need large increased staffs. FMA's do need to be randomly audited; but in no way should there be such a cost. Is this cost concern just another attempt to block development?"

Late Friday, I obtained a copy of the fiscal note. I am appalled by the document. It is a clear attempt by ADF&G to influence the Alaska Legislature's right to legislate and set policy. I find that logic and basis to be incredible. Ms. Sylvia Ward of the Northern Alaska Environmental Center tried the same arguments and logic on me during a KFAR Saturday morning talk show in early December. The fiscal note is based on inefficiency and flawed thinking within ADF&G and also, frankly, on an apparent lack of knowledge. How else does one explain the inaccuracies?

ADF&G purports to have contacted Canadian provincial foresters and biologists. It is important to know what provinces they contacted and who the foresters and biologists were. Did the foresters work for the province; if so in what capacity and what district? Were the foresters registered professional foresters? Many of the Alberta biologists opposed FMA's from their inception and continue to do so. Others support the effort and work well with both the provincial foresters and the FMA concessionaire foresters. ADF&G, except to quote readily available public information, uses little Canadian information in their analysis.

ADF&G states that the SB310 "would substantially change the ways state forests and sales of state timber are managed." However, they make no effort to support or explain this statement. This appears to be an attempt to raise unnecessary fears. Some wildlife biologists believe that the wildlife resource comes above all else, including people! Perhaps they see FMA's as an approach

that is a threat to their power? Frankly, I don't know; but I have dealt with biologists who had this perception and many who did not.

ADF&G states "The purpose of the bill appears to make available, very large long-term source of state timber to justify the construction of moderate to large scale timber processing facilities (i.e., plywood plants, oriented strand board, chip board plants, etc.) in interior and southcentral Alaska." First of all these plants do not have to be very large nor are such plants the only things possible. Guaranteed supplies of timber through FMA's could provide the collateral for harvesting equipment or a small, highly efficient sawmill. It would appear that ADF&G has made some unwarranted assumptions. It would be nice to use an FMA to lure a value-added plant of moderate size to interior Alaska to create reasonably well-paying jobs. However, any such plant must be sustainable in both the ecological sense and the sense of sustained yield, these are given.

ADF&G states that a typical Canadian FMA ranges from 760 to 7,600 square miles (484,400 to 4,864,000 acres). There simply are not 4,864,000 state-owned acres of commercial timber in the Tanana Valley! In British Columbia, the sizes of Tree Farm Licenses (equivalent of FMA) in 1975 ranged from 16,200 to 4,362,800 acres with 29 of 34 being less than 484,400 acres. There have been additional TFL's granted since 1985 and some amalgamations; but the general picture is the same. The allowable annual cuts in 1975 for the British Columbia TFL's range from 1,010,000 to 125,000,000 cubic feet.

ADF&G refers to annual cuts of 20,000 acres per year for FMA mill concessions within interior Canadian forests as well as for the large-scale long term timber contracts for mills in Southeast Alaska. I do not know where they obtained their figures. A modern 300 ton per day chemi-thermomechanical pulp mill would require the harvest from 4,320 to 4,500 acres annually: based on hardwoods, this would require 300,000 acres more-or-less on a rotation of 60 years. Such a mill would buy additional small wood (conifers and hardwood) and low quality wood (beetle killed wood but not fire killed wood unless charcoal-free) from local operators; this would reduce the acreage. There are mills of this size operating in Alberta. Using ADF&G's figure of 20,000 acres and based on a 60 year hardwood rotation, the total acreage required would be 1,200,000 acres Based on an 80 year conifer rotation, the acreage required would be 1,600,000 acres.

ADF&G makes reference to mechanized harvesting equipment; the implication is that FMA's of large size will require mechanized equipment. Unfortunately, in order to be competitive, mechanized equipment is essential; the day of the chainsaw is limited. FMA's are one way to provide collateral so that small operators can finance and afford feller-bunchers, merchandisers, and self-loading trucks. There are currently 3 feller-bunchers in the Tanana Valley; I am not sure if they are working year round in the Valley. ADF&G show their ignorance of harvesting and harvesting economics here.

No FMA has been negotiated with the Mat-Su Borough. An agreement was reached between the Borough and Menasha Corporation to begin a feasibility study and develop preliminary plans; the effort was to take the better part of 1994. Menasha announced that it was no go during the first week of April 1994. ADF&G is misinformed again. It is recognized, however, at the time of the writing of the fiscal note, ADF&G were not aware of Menasha's decision.

The purpose of an FMA is **NOT** "to make a very large quantity of state timber available for logging in as short a period as possible to promote economic development..." ADF&G is again attempting to mislead the public and the Legislature. The idea behind an FMA is to ensure a certain volume of timber is available over the long term (whatever is the term of the FMA) for the FMA holder. This permits long term planning and orderly development; availability of timber provides a source of collateral. This permits the small operators, if they choose the FMA route to become more competitive. Principles of sustained yield holds; the amount harvested will be

determined by sustained yield considerations and not a generic plant or demand. ADF&G has misstated the purpose of an FMA and the intent of the legislation.

FMA's will increase the allowable harvest within the region in which they are executed; timber sales could do the same thing. The accumulated harvest level of all FMA's and sales must be within the sustained-yield level for the region. Harvest efforts must meet forest regulations. And, the Alaska Constitution mandates maximum sustained yield levels (this assumes responsible levels). Finally, the mandate of the Constitution is being addressed and ADF&G opposes meeting the mandate of the Constitution!

At this time, ADF&G interpretations and efforts under Title 16 are excessive. Furthermore, individuals spend too much time objecting and carrying out personal agendas. One individual has been campaigning actively against SB310 since its introduction. They are a major, unnecessary cost factor. I have been out in the field with them. Habitat Division is poorly run when personal agendas are allowed to take precedence over the law. They even try to tell the legislature what the policy should be and try to intimidate legislators who oppose their agendas. I can show gross examples of poor management and poor professional performance. This fiscal note is a classic example. It makes me wonder if the residents of the state should continue to support such nonsense.

More importantly, SB77 adds to Title 16 the requirement of habitat improvement. Reasonably planned timber harvests improve habitat for moose and even caribou. Habitat is improved at little or no cost to the State. SB77 is specific to ungulates. ADF&G states, "Trying to resolve resource conflicts with the FMA concessionaire is expected to be much more difficult because of the costs to the concessionaire." Does this mean that past and current costs on public land are of no concern because the funds are from public sources? Why will it be so much more difficult? Is it because ADF&G will have to do a better job?

ADF&G identifies the need for some clerical support because of the large size of FMA's. Based on the rate of $1,900 per month, they are asking for 6 moths. This is more than merely "some." Again ADF&G exaggerates the size of operations and use the mythical figure of 20,000 acres per year. This number comes from the Fiberform proposal which is dead. Why does ADF&G insist on using this red herring? Maybe the Governor should tell them it is dead since the proposal was addressed to him.

If anything, setting the ground rules for FMA's should improve the planning and field efficiencies of ADF&G. Maybe they will be forced to become more professional; this is long overdue. I can provide examples of less than professional performances in coastal, southcentral, and northern regions of the State. I can provide examples of professional ignorance. I can provide examples of professional arrogance; this fiscal note is an example. ADF&G does not manage on a sustained-yield basis—they don't know how.

The concern about costs to the FMA-holder is only half right. If there is a cooperative approach, there are few problems and everyone benefits. If ADF&G want to be less than cooperative, as has been the case in the past, then there will be problems and costs on both sides of the table. Thus, it is in the best interest of the FMA-holder to do things right. Unfortunately, there are numerous biologists within ADF&G who do not understand their role; they think it is to stop responsible harvest (I know several that as an FMA-holder I would refuse to work with because of their jaundiced attitude). To cut 4 or 5 trees one time for research purposes, I had to go to the Director of the Habitat Division and the habitat biologist sat a vehicle and watched my technician cut the trees and pack the samples out.

It appears that everything in the ADF&G fiscal note is based on an FMA harvest of more-or-less 20,000 acres per year. This is the basis for their fiscal note. This assumption is patently false and they know it. Hence the fiscal note is of no consequence.

I now address their stated assumptions.

Assumption 1. **FALSE:** There is no promise of cheap fiber. There is no evidence that FMA's will attract very large companies which will need to consume very large quantities of timber. There is no chance for facilities like Ketchikan and Sitka pulpmills to be established in the Boreal Forest of Alaska. The volume is not there. The environment and waste treatment capability are not there. This is a red herring and a scare tactic: it is fear mongering. It shows what little knowledge exists with the writer's of this fiscal note. They now suggest that 36,000 acres (Mat-Su Borough) is a very large unit (previously they talked about FMA units in excess of 486,000 acres)

Assumption 2. **MISLEADING:** The assumption that FMA's will exceed 500,000 acres is misleading. This is not likely, but possible. However, on the basis of sustained-yield, the annual harvest could not exceed the annual or periodic cuts of non-FMA timber sales. The timber will not be cut any more rapidly than sustained yield allows. The claim that an FMA will make it more difficult to get meaningful protection is unsubstantiated; again this is fear mongering.

Assumption 3. **NOT RELEVENT:** USDA Forest Service efforts in Southeast are not an indicator of the effort required for state FMA's; Southeast Alaska forests are more complex and terrain is more difficult to get around in. Per acre timber volumes are much different. Habitat variability is much greater. The two regions cannot be compared.

Assumption 4. **INCORRECT:** FMA's are audited carefully. British Columbia has just come out with a new set of standards. The new set of standards improves enforcement in British Columbia. A biologist does not have to watch the operation every day. This assumption seems to suggest that professional foresters cannot be trusted; I object to that connotation. I have problems with the judgment of habitat biologists in Alaska starting with the beetle problem on the Kenai; look at the objections to the Falls Creek timber (salvage and sanitation) sale.

Assumption 5. **FALSE:** This is based on two "inquiry proposals" and Menasha Corporation. All are dead issues right now. Again the idea of cheap timber comes up. When are the writers going to become a little more professional? Alaska stumpage prices are not cheap when one considers the market. Also, there is no evidence that the State will accept any or all proposals. It is true that there could be several agreements in place by 1998, but unlikely will they be as large as the Fiberform. In reality this is speculation by ADF&G; or do they know something the public does not?

Assumption 6. **FAULTY RATIONALE:** Oriented-strandboard plants do not buy raw materials by the board foot. OSB plants can use wood down to 3 inches. Fiberform Wood Products Inc. put forth a proposal. At the request of then Commissioner of the Department of Natural Resources, Dr. Glenn Olds, I participated in the meeting that reviewed the Fiberform and another corporation's proposals. I was shocked that the State Forester felt that the State should pursue the Fiberform Proposal without much discussion. The Fiberform

proposal was simply outrageous. It was pointed out that the State of Alaska did not even know how to address the two proposals. It was decided that the two proposals should be acknowledged. The Fiberform proposal has been called a "sweetheart deal" by the Northern Alaska Environmental Center ever since; they trot it out every chance they get. On the radio talk show of December 1993, I told Ms. Sylvia Ward; there was no deal and it was not going ahead and could not go ahead and to stop bringing up this red herring. Now I see ADF&G is using it. The reason it cannot go ahead; the existing inventory says that there is not sufficient wood available. I objected to it because they wanted first refusal right on every timber sale. I was an advisor to Dr. Olds. They no the Fiberform proposal was never acceptable from the beginning—they had two people at the same meeting. I demand that ADF&G clean up their act; this is an unacceptable venue of a civil service unit—it is tantamount to fraud.

Assumption 7. SUPPORTS LAND PRODUCTIVITY: It is impossible to simply convert board feet in a tree to cubic feet. Such conversions are nonsensical. However, it is noteworthy that Alaskan volumes (1,200 to 2,500 [3,000] cubic feet per acre) exceed those of the Dawson Creek, British Columbia area (average 1,200 feet). Alaska forest productivity appears to be higher than Dawson Creek area where there is an oriented-strandboard plant, a couple of sawmills nearby, and a chopsticks plant.

Assumption 8. REALISTC, DOES NOT SUPPORT FISCAL NOTE: This is probably valid. Using the acreage of 4,167 acres annually and a rotation of 60 years for hardwoods, a total of 250,020 acres would be needed to operate an oriented strandboard plant indefinitely. In terms of an FMA this slightly more than one-half what ADF&G suggests is the minimum size. Furthermore, all the fiber would not be coming from state lands; conceivably the size of the FMA could be considerably smaller. To go only after the highest volume stands would be in effect "high-grading" and is unacceptable professionally. Most aspen and birch sites are upland sites; hence, the need for a fisheries biologist would be minimal. Harvesting aspen and birch creates browse for moose and early successional stages of vegetation essential for many species.

Assumption 9. MISLEADING: The Fiberform issue is a dead issue; it warrants no further discussion. A cut of 23,958acres annually based on a hardwood rotation of 60 years would require 1,437,480 acres and based on a conifer rotation of 80 years would require 1,916,640 acres—neither could be supported on state lands alone in the Tanana Valley and meet other needs.

Assumption 10. MISLEADING: This is based on erroneous assumptions associated with the Fiberform fiasco. Activities within the riparian zone are defined by the Forest Practices Act Regulations. It appears that ADF&G covets more acreage than essential. They are not the land manager. Few trees in the riparian zone exceed 125 feet in height. What is the influence of activity more than 125 feet from the water's edge? Incidentally, 70 to 80 percent of the commercial timber base is in the uplands where there are few fish streams.

Assumption 11. NOT VALIDATED: There is no valid documentation for this assumption. ADF&G simply do not know what they are talking about. They demonstrate this throughout the fiscal note. In the private sector, authors of such a feeble and non-professional effort would be "canned" forthwith. Additionally, SB310 allows reasonable and appropriate costs of administering FMA's to be charged to the FMA holder. This in itself questions the validity of the fiscal note.

The Expected Annual Expenditures per Forest Management Agreement are outrageous and unfounded. They are based on shoddy work, faulty reasoning, incorrect data, incorrect assumptions unsupported opinions, and lack of homework. Preparation of the fiscal note was less than professional! If this is the performance level of ADF&G Habitat Division, one must wonder why they exist. Is this how they do their biological work? Are they incapable of doing an adequate job? Frankly, I am at a loss. Based on this scenario and others, I believe our wildlife resource is in great trouble. Certainly, it is not managed on a sustained yield basis! Should the Habitat Division even exist? I have my doubts. At minimum, ADF&G, especially the signatories, should be accountable for their actions.

Incidentally, I can document every statement I have made. During the next work week, I will try to get figures on FMA size and activities in Alberta.

Sincerely,

Edmond C. Packee, Ph.D.
Forester and Certified Professional Soil Scientist

cc: Mr. Jack Coghill, Lieutenant Governor
Mr. Carl Rosier, Commissioner, Alaska Department of Fish and Game
Mr. Harry Noah, Commissioner, Alaska Department of Natural Resources
Mr. Paul Fuhs, Commissioner, Alaska Department of Commerce and Economic Development
Mr. Bert Sharp, Senator, Alaska Legislature
Mr. Steve Frank, Senator, Alaska Legislature
Ms. Ramona Barnes, Representative, Alaska Legislature
Ms. Gail Phillips, Representative, Alaska Legislature

1977 Melanie Lane
Fairbanks, ALASKA 99709
16 April 1994

Chugach National Forest
3301 "C" Street, Suite 300
Anchorage, ALASKA 99503-3998

ATTN Mr. Warren Oja:

I am a professional forester and Certified Professional Soil Scientist. I hold a Ph.D. in forestry; my training and practice include forest management, silviculture, botany (plant ecology), and soils. I also have experience in wildlife and fisheries. I am quite familiar with the forests of the Kenai Peninsula: Annually, I bring two university level field classes there; I have a graduate student doing research on stand structure there; I have a research program on bark thickness and individual tree volume that includes stands on the Kenai. In the fall of 1993, I co-hosted a silvicultural workshop on the Kenai. Supervision and work has given me an opportunity to know the forests of the Kenai Peninsula in reasonable detail and observe the changes that have occurred there.

The economic and social importance of resources to Alaska were recognized with great vision when the framers of the State Constitution drafted Article VIII. During the early stages of statehood debate, a Territorial Senator, I believe it was Senator Bartlett, was asked by a U.S. Senator, opposed to statehood, how the state would support itself. The Alaska Senator responded, I am told, "through the development of its natural resources." Since statehood, development of the resources has been hotly debated. Except for oil and some local mining efforts, the statement of the Territorial Senator and Article VIII of Alaska Constitution have been thwarted; largely by individuals external to the State. All one has to do is look at the Tongass fiasco. It appears that no level of government lives up to its contractual agreements.

The debate allegedly revolves around the issue "forest resource development---responsible harvest versus no harvest (preserve the forest)." Really the issue is more correctly "responsible timber harvest versus irresponsible management (no management)." Both are decisions. To be sure, there are many sincere people on both sides of the debate. A segment of the anti-development group that is philosophically or economically (affluent lifestyle) opposed believe the end justifies the means. I know one affluent individual that funded a person to oppose all forest development Most demeaning are the deliberate attempts to avoid public debate, distort facts, and fabricate and spread rumors, half-truths, and untruths. Such activity has been rampant in certain areas and has caused much unnecessary concern and in some cases out-right fear. Suggesting that every acre will be clearcut or that some small operators will be forced out are examples.

Most annoying is that both the resource and people suffer from the irresponsible "no management decision." With respect to the people, lack of development benefits the affluent who can choose what they do and keeps the non-affluent who cannot choose (those who must accept low paying jobs, must accept low standards of living, those who must accept welfare) to lead a life of despair and discouragement. If this is not true why are there so many infants buried in the cemeteries of the Kenai? Resource development provides an opportunity for good paying jobs. It provides an opportunity of hope and improved standards of living.

I strongly support responsible resource management and development. Hence, I strongly support the Moose Pass Cooperative Project. I am disturbed by the loss of value, economic and intrinsic. I am upset that action was not taken earlier. I am angered by professional colleagues who in the past allowed the beetle population explosion to go unchecked without any serious efforts at intervention. Their administrative decision to "do nothing" is an insult to the profession. These so-called professional colleagues were in all sectors of public and private forest resource

management. They obviously did not read and they did not listen to the professionals most acquainted with the spruce beetle..

The non-coastal spruce hardwood forests are disturbance driven. This is well known. Biodiversity is largely dependent upon disturbance. Fire, insects, storms disturb the forest. As the forest changes so do the plants, animals (not only wildlife such as moose, marten, and bear, but also mice, warblers, insects, spiders), fungi, and bacteria. Responsible management ensures a good mix of landscape units that maintains biodiversity and also benefits Alaskans. Enclosed are several figures that illustrate this change over time. Irresponsible management that overlooks change and the reality of life and death will cause loss of economic and intrinsic benefits to Alaskans. Process (essential, non-essential, non-required) is used to delay development.

As a professional I have seen proposals put forward by planners and wildlife biologists that make my hair stand on end. The "do nothing" decision has caused serious problems throughout Alaska. I can show you stands on the Kenai and in the Mat-Su that have been converted or are being converted to silvicultural slums as the result of planners and biologists dictating how things should be done.

Over 100 meetings have been held to determine what should be done about the spruce beetle. The beetle has not really been dealt with yet—despite the current infestation being the largest in the world and continuing to expand. The beetle is nearly everywhere there are white or Lutz spruce. Infestations, with dead and dying trees, are on the [illegible] Peninsula, Kalgan Island, Kenai Peninsula, the Anchorage Bowl, the lower Susitna [illegible], the Matanuska Valley, and the Copper River Basin These areas have been infested in the last 10 years; total infested acres approach 1,000,000.

Beetles devalue the forest. Timber stumpage declines from $100-200 per thousand green to $10-15 dead. As much as 50 percent of infested stands on the Kenai may convert to grasslands. Tourists do not like dead trees. It is possible that there will a change in water dynamics due to increased flows that can result in increased stream bank erosion. There is an increase in fire risk; if not, why construct fire breaks around communities such as Cooper Landing? You should see what is happening and has happened to campgrounds.

Wildlife habitat changes over time. New forests start out as brushy fields and trees take over; often the change is from brush to hardwoods to hardwoods and spruce and finally to spruce. This succession of communities supports different species. Many species depend upon the mixed stands and brush stages. The typical cycle is rarely more than 250 years. Disturbance most commonly, at ages between 150 and 200 years, sets stands back to early stages of succession. There has been an attempt to ignore this reality. Often the greatest biodiversity is associated with mixed species stands. Attached are several diagrams.

With a good mix of young stands, especially mixed hardwood and conifer, there will be a range of stand types and ages. The brushy hardwood stands will provide browse for moose; the aspen trees provide buds for grouse. Dense conifer stands will provide preferred habitat for kinglets.

I have studied the scoping document for the Moose Pass Cooperative Project. I have incorporated my personal observations and readings on the beetle, the ecology of the boreal forest, and personal perceptions of similar problems elsewhere. I am concerned that part of the reforestation effort is inadequately addressed; the intense beetle activity is destroying 90 percent or more of the trees in many stands; the terrain on the Kenai is quite variable with different genetic populations of spruce on individual sites. My three concerns: 1) there is no mention of seed collection that ensures the success of reforestation—sufficient quantities of good quality seed from appropriate, local demes; 2) desired stocking per acre be adequate (minimally 680 stems = 8'x8' spacing to ensure adequate spruce stocking--stocking that will provide dense stands for biodiversity needs, adequate number

of stems to encourage self-pruning for quality stem production and high commercial harvest volumes, and enough stems per acre to allow for maximum future options; and 3) that the proper species and mixes of species be encouraged on the most appropriate sites. My preferred alternative is number 7. I base that on biological considerations, economic considerations (employment opportunities and costs), and Alaska Constitution and legislative mandates. A brief basis for my rationale follows.

Alternative 1 — REJECT—totally irresponsible and contrary to and mocks the State Constitution and legislation; ignores biological reality and common sense; nothing gets done! This is silvicultural slumming and ignores science and biodiversity issues; does not address ecosystem change; no reforestation effort.

Alternative 2 — REJECT—ignores economic realities of cost (it will cost), does not address the State Constitution and legislation; ignores biological reality and common sense; something to nothing gets done! This is silvicultural slumming and ignores science and biodiversity issues. Does not address ecosystem change; no reforestation effort.

Alternative 3 — REJECT—ignores economic realities of continuing losses (it will cost), does not adequately address the State Constitution and legislation; ignores biological reality and common sense; something gets done but how effective; this is bandaid forest management designed to hide the problem. This is silvicultural slumming and ignores science and biodiversity issues.

Alternative 4 — REJECT—ignores economic realities of continuing losses (it will cost), does not adequately address the State Constitution and legislation; ignores biological reality and common sense; something gets done but how effective; this is bandaid forest management designed to hide the problem. This is still silvicultural slumming and ignores science and biodiversity issues. I do like the multiple-use component that temporary roads would be used as recreation trails; presumably this does not imply exclusion of future timber harvesting.

Alternative 5 — REJECT—ignores the role of fire as an agent of change in spruce hardwood ecosystems of the North; ignores the stimulating role of fire in ecosystem processes; does not fully address the beetle problem in the back country. This is still silvicultural slumming (but to a lesser degree) and ignores science and biodiversity issues. I do like the multiple-use component that temporary roads would be used as recreation trails; presumably this does not imply exclusion of future timber harvesting.

Alternative 6 — REJECT—ignores the role of fire as an agent of change in spruce-hardwood ecosystems of the North; ignores the stimulating role of fire in ecosystem processes; does not fully address the beetle problem in the back country. Does address the Alaska Constitution mandate. It is unclear about the use of temporary roads for recreation trails. Reference to activity in the proposed Black Mountain Natural Research Area confuses me. Is this or is this not a natural area? If you salvage dead and dying trees, does the area remain natural? If the beetle attacks, does its job, and leaves, why not leave the natural area natural and then use it as a control to assess what impacts the various site treatments have on productivity, aesthetics, browse production, habitat? Is this natural area essential or are there equivalents in either Kenai Fjords National Park or the Kenai National Wildlife Refuge? This approach does not appear to take as great advantage of harvesting roads for potential recreation trails;

thus it is not as good from a multiple use perspective as Alternatives 4 and 5.

Alternative 7 PREFERRED—best addresses the mandate of the State Constitution; provides maximum employment opportunities; addresses the beetle problem most comprehensively (note, that most references on beetle control state that for control to be effective, it must be comprehensive). I am concerned about the lack of mention of the use of roads for recreational trails.

I wish to commend the effort of those involved in developing the Moose Pass Cooperative Project alternatives. I believe that the public process effort was more than adequate. The fact that scientific data was used in formulating the silvicultural approaches is highly gratifying. How refreshing. What a positive approach. I really hope that the process can be streamlined (removal of non-essential process) and then be used as the model for the rest of State where beetles or other agents are catastrophic or potential, but real, threat. The issue I am concerned with here, is that the process does not interfere with control of the beetle or the important, associated salvage and sanitation. Identification and incorporation of issues that need addressing in the scoping document shows much thought; issues can now be addressed along with implementation of the project and where necessary, adaptations can be made. Such professionalism in development of the Project has been begging for a long time. Congratulations for a fine effort.

Sincerely,

Edmond C. Packee, Ph.D.
Forester and Certified Professional Soil Scientist

cc: Mr. Jack Coghill, Lieutenant Governor
Mr. Bert Sharp, Senator, Alaska Legislature
Mr. Steve Frank, Senator, Alaska Legislature
Ms. Gail Phillips, Representative, Alaska Legislature
Ms. Jeannette James, Representative, Alaska Legislature
Mr. Harry Noah, Commissioner, Alaska Department of Natural Resources
Mr. Paul Fuhs, Commissioner, Alaska Department of Commerce and Economic Development
Mr. Thom Boutin, State Forester, Alaska Division of Forestry
Mr. James Peterson, Area Forester, Alaska Division of Forestry
Mr. Bruce VanZee, Supervisor, Chugach National Forest
Mr. Duane Harp, District Ranger, Seward District, Chugach National Forest

David M. Albert
P.O. Box 83695
Fairbanks, Alaska 99708
(907) 474-8136

11 April, 1994

Rep. Bill Williams
Chair, House Resources Committee
Juneau, Alaska

Dear Mr. Williams,

I am writing to express my opposition to the timber "give-away" bill spousored by Sen. Bert Sharp, North Pole. I have been a resident of Fairbanks for over ten years. Every year I use the Tanana Valley State Forest to hunt, fish, and collect my winter's supply of firewood. In addition, I expect to build a cabin in the near future, and I would like to get logs at a reasonable price from local forests. The best use of local forest resources is to serve the needs of local residents. Nonetheless, if you approve the timber "give-away" SB 310, it will seriously reduce local residents' access to forest resources for the sake of giant timber corporations. In addition, because of the short growing season in interior Alaska, these resources are essentially not renewable within our lifetimes. Global timber resources are declining rapidly, while demand for wood and paper products continues to increase. Therefore, these resources are only going to become more valuable in the future. Why should we lock in 20-year contracts at today's prices ? We don't need to give sweet-heart deals to the timber industry in the form of exclusive, long-term timber contracts. I believe that small-scale logging operations, and local access to forest resources at reasonable prices is a much better use of our state forests. This will do more to benefit the local economy, protect the environment, and help ensure a higher quality of life in interior Alaska, than the large-scale timber "give-away" advocated by SB 310. Thank you for your time and consideration.

Sincerely,

David Albert

David Albert

Alaska Environmental Lobby, Inc.
P.O. Box 22151 Juneau, Alaska 99802
Phone: 907-463-3366
Fax: 907-463-3312

SB 310: A Timber Mandate for State Lands

SB 310 significantly changes state forest policy by promoting long-term contracts called Forest Management Agreements, making timber harvest the priority on state lands, and diminishing public participation.

The Alaska Environmental Lobby opposes SB 310. This legislation:

***Authorizes the Commissioner of DNR to negotiate long-term contracts (Forest Management Agreements (FMA's)) with big timber companies.** SB 310 mandates DNR to annually solicit FMA's for up to 20-year timber-cutting contracts with possible contract renewals. This is a public resource giveaway which will lock up portions of state lands for years. These contracts are also likely to cost the state money. *(See AEL's position paper on long-term contracts for more information)*

***States that "The primary purpose in the establishment of state forests is the development of commercial forest land...".** Existing uses such as subsistence, hunting, fishing, tourism and outdoor recreation would become secondary to large-scale timber development.

***Allows two sales under 500,000 board feet to be sold yearly in a region, as well as "emergency sales," without the normally required two year scheduling by DNR.** These sales would be subject only to a 30-day public notice.

4/1/94

Alaska Environmental Lobby, Inc.
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Fax: 907-463-3312

Long-Term Contracts and Forest Management Agreements Would Cost Alaska Money and Lock Up Natural Resources

SB 310 mandates long-term contracts for up to 20 years, with an option to renew for another 20 years. Long-term contracts, also called Forest Management Agreements (FMA's), would make timber harvest the priority on state forested lands, elevating timber over fisheries, wildlife, subsistence, tourism, and recreation values.

Long-term timber contracts are likely to have negative impacts on Alaska's economy and natural resources. **The Alaska Environmental Lobby opposes SB 310** and the long-term contracts authorized in this legislation.

Long-Term contracts are unhealthy for Alaska's pocket book

*If new markets offer higher economic gain in future years, Alaska would be locked into "yesterday's market." Long-term contracts prevent Alaska's timber industry from adapting and competing in world markets.
*The state could lose huge amounts of money on infrastructure such as terminals, transportation facilities and logging roads. For example, the state lost more than eight million dollars in road credits, facility loans, management costs and other subsidies for a Haines long-term contract. The contract was canceled in less than seven years.

Long-term contracts lock out future knowledge

*Facts change: Often there is less timber available than originally calculated. Inventories that appear scientifically correct have been found to be in error 10 or 20 years later.
*The state may have to honor original contract levels even if it is found that a company is harvesting above sustainable yield levels or harming fish and wildlife habitat or other uses.
*Public values change over time and generations. 20-year contracts prevent future Alaskans from deciding how lands should be used.

Timber supply problems to fulfill long-term contracts may occur

*Hunting, fishing, subsistence, tourism and recreational uses may be sacrificed to meet harvest targets outlined in a legal contract.
*Because of new information, specific areas may be needed for critical habitat, subsistence, or recreational uses. But this may be ignored because of timber supply obligations.
*Forest fires decrease available timber, but contract volume would still need to be met.

OVER

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PRINCE WILLIAM SOUND CONSERVATION ALLIANCE • SITKA CONSERVATION SOCIETY • SOUTHEAST ALASKA CONSERVATION COUNCIL • TONGASS CONSERVATION SOCIETY

Long-term contracts and mills may endanger Alaskan communities economically and environmentally

*Statistics show that about 40% of Alaska's wood industry workers are out-of-state residents. Their use of municipal services is expensive and not recovered through taxes.
*Small timber operators who often supply local lumber very often cannot compete with holders of long term contracts.
*Commercial hunting, fishing and tourism industries as well as subsistence and recreational pursuits may be damaged by prioritizing timber.
*There are many serious environmental hazards associated with lumber and pulp plants including air and water pollution. Sound and smell pollution can be irritating to residents.
*Costs to the state and municipalities can be high for monitoring, waste disposal, and pollution clean-up.
*In the Interior, a large mill's air emissions would add to already serious air pollution caused by winter temperature inversions.

The fox should not be in charge of the hen house. Industry should not manage state lands.

*Forest Management Agreements (FMA's) would allow industry to manage forest areas where they are contracted to cut.
*While private industry's bottom line goal is profit, DNR's mandated goal is to manage lands for the public interest and for multiple uses. DNR must manage our public lands.

What are the alternatives to long-term contracts?

Maintain current timber sale length of three to five years.
* This length allows DNR to update contracts as social values, economic situations, and biological information change.
*With accurate field data and an assessment of all multiple uses, DNR can ascertain a reliable sustained yield harvest and make timber available for competitive bid.
***Then there can be reasonable certainty that interested purchasers will have a steady supply of timber to bid on at fair market value, without locking up resources for 20 years and without locking out other interested timber purchasers.**
*Short-term sales mean that companies must compete regularly with other operators, and may encourage them to be better "corporate neighbors." Long-term contracts insulate companies from community concerns, while short-term sales mean businesses must maintain high quality relationships with regulatory agencies and the public.

Encourage locally owned, value-added forest industries.
*Value-added timber industries produce the most worker hours and higher wages.
*Numerous small companies making diverse products create a stronger economy by spreading resources among locals committed to the community. Diverse products help buffer the community from changes in specific markets.
*In our free market society, industries often must compete openly for resources and market shares. Long-term timber contracts eliminate this competition.
3/14/94

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3/14/94

Sawmill to close; 75 to lose

By HAL BERNTON
Daily News business reporter

The Seward Forest Products Co. sawmill is planning to shut down and lay off 75 workers because it can't match the prices Asian buyers are paying for logs felled in Southcentral forests.

The Seward mill has operated for the past 14 months, producing lumber for Anchorage and other markets. It is scheduled to close within the next 10 weeks as it finishes processing the last of its stockpiled timber, Bert Wright, the mill's manager, said Wednesday.

The mill is operated by a joint venture that comprises the Chugach Alaska Corp., an Alaska Native corporation; Citigreen, a Chinese timber trading company; and Morgan & Young North, a mill company.

Wright said most of the mill's logs come from timber on the Kenai Peninsula and Prince William Sound controlled by partners in the joint venture.

But the partners have opted to sell much of that timber to Asian markets, Wright said.

"It was their (the partners') decision to send the wood to the export market because the return was greater than through the mill," Wright said.

Timber from private land can be sold to Asian mills without any U.S. processing. Alaska logs have been eagerly sought in Asia, and prices during the past year have been among the highest of the past decade.

The Seward mill partners can earn as much as 50 percent more by selling timber directly to Asia rather than making it into lumber here, said Bob Rice, a vice president of Citigreen.

Getting timber to Seward often

See Sawmill, Page 5

4/7/94 4:47 AM 5/6

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Sawmill

Continued from page 1

involves expensive barge shipments. And after those costs and logging costs are deducted, the mill sometimes doesn't make a profit on the U.S. lumber sales, Rice said.

The Seward mill was first opened in 1990 by Chugach Alaska Corp. at a cost of more than $20 million. The mill shut down in 1991 after Chugach Corp. filed in U.S. Bankruptcy Court for Chapter 11 reorganization. The mill then reopened under the joint venture's management in February 1993.

State timber officials looked to the mill as a key player in the expanding Southcentral timber industry. And state forester Tomas Boutin said Wednesday that he was "very, discouraged" to hear the the mill was closing.

"It's as fine a sawmill as we'd hope to find in Alaska," Boutin said. "These were good operators."

A local lumberyard also was disappointed with the news.

"The quality of the lumber was good, and we were real excited about the operation . . . and hoping things would work out," said Mike Morehouse, executive vice president of Spenard Builders Supply. Morehouse said Spenard bought only a small portion of its lumber from Chugach.

For mill workers, the closure pushes them into a forest products industry already crowded with unemployed workers from other mill shutdowns in Alaska and the Lower 48. "I'm through with these sawmills," said Mark Kovac, one of the workers scheduled to be laid off. "The timber industry just doesn't seem like a viable industry anymore."

But Wright said he thinks the mill might yet be able to reopen if it can obtain a long-term timber supply. Chugach Alaska hopes that timber can come from the state. And the corporation is lobbying the legislature to pass Senate Bill 310, which would help open state forestland for long-term timber sales.

In a briefing recently supplied to the legislature, Chugach explained that there is a "premium" on private logs cut for the export market, and that makes them "too expensive" to be sold to sawmills.

"Unless sawmills such as Seward Forest Products in Seward can obtain a consistent supply of state timber, they will be forced to shut down," the briefing said.

A senate vote on the bill is possible as early as today.

The bill is opposed by conservationists who say it tilts state forestry policy toward the timber industry at the expense of hunting, fishing and other public uses.

Larry Smith, a Kenai Peninsula carpenter active in forestry conservation issues, said he doesn't think the state should bail out Chugach.

"To have people who own a great deal of commercial forest land in Southcentral Alaska sell their timber high in the export market and buy timber cheap from the state doesn't seem like a good deal," Smith said.

But the mill's efforts to harvest more state land are winning support in Seward. Its city manager and mayor are scheduled to go to Juneau today to meet with state officials and seek assistance.

Large areas of the Kenai Peninsula are infested with spruce bark beetles, and perhaps some of those trees could go to the mill, said Elaine Nelson of the Seward Chamber of Commerce.

"What we're going to be looking for is long-term, affordable (timber) sources," Nelson said.

Alaska Forest Association, Inc.

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STATEMENT OF TROY REINHART
EXECUTIVE DIRECTOR
ALASKA FOREST ASSOCIATION
ON SB310

APRIL 15, 1994

Mr. Chairman and members of the Committee. It is my pleasure to testify in support of SB310 today. This is an important piece of legislation which will allow:

1. Public participation.
2. Organized job, industry and economic growth.
3. Full protection of the Forest Practices Act for all resources including important stream buffers.
4. Protection of forest health values from insect and disease epidemics.

SB310 is good public policy which deserves your support.

With this in mind, AFA feels compelled to address the ADF&G fiscal note on SB310. We were pleased that ADF&G gave this a zero note. This was a proper, prudent and professional decision.

However, the additional three pages of dialogue associated with the fiscal note are misleading, not productive to the debate nor the proper role of the agency. The document is full of buzz words intended to invoke misconceptions in the minds of the general public.

Highly charged words such as:

"...the promise of cheap, long term timber supplies..."

"...very large companies..."

"...large scale and rapidity of cutting..."

are not acceptable. No one is asking for a hand out or harvesting beyond sustainable levels. All that is needed is a reliable, stable, certain and economically feasible supply. We are very concerned about unsubstantiated accusations to the contrary.

In addition, we are concerned about the fact that the fiscal note contains unfounded assumptions. The ADF&G has no basis upon which to make assumptions on the size of agreements, the type of industry attracted or needs of interested parties. Again, we are concerned these type of comments simply raise unwarranted red flags to the public.

We urge this body to disregard the rather draconian assumptions of this fiscal note and strip them from the record. The zero fiscal note is correct as ADF&G has shown to be true even under their worst case scenario; however, their assumptions are unwarranted and overly pessimistic.

Thank you for the opportunity to testify today. AFA fully supports SB310 and respectfully requests your support.

Alaska Forest Association, Inc.

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STATEMENT OF THE ALASKA FOREST ASSOCIATION
CLARIFYING PUBLIC MISCONCEPTIONS
SURROUNDING PROVISIONS OF CSSB310

April 20, 1994

Background

There has been a tremendous amount of public misunderstanding expressed in testimony against SB310. Assertions that land planning processes and Forest Practices Act standards will not apply in FMA's are simply not true. Following is a brief response to some of the concerns raised.

1. CSSB310 Would Retain Existing State Forest Plans-Including The Tanana State Forest Plan.

All lands included in a Forest Management Agreement will undergo the scrutiny of the planning process required in Title 38 (AS 38.04.065). The first section of SB310 removes a redundancy in current law that requires a timber sale to go through the planning requirements of AS 38.04.065(b) twice. Only State forest lands designated for timber harvest through the public planning process would be included in an FMA. All FMA's must be consistent with land use plans already in effect.

2. CSSB310 Must Be Examined In The Context Of All Alaska Statutes Which Control Forest Management Activities.

Activities under an FMA will be fully governed by the Forest Practices Act as indicated on Page 5, lines 25-27 of the bill. The stream protection standards and other provisions of the Forest Practices Act remain in place. Penalties for violations (AS 41.17.131) include civil and criminal penalties as well as provisions to require the operator to bear the cost of repair.

3. Why We Can't Wait Another Year To Pass CSSB310.

While FMA's won't be implemented tomorrow with the passage of CSSB310, every day we wait is another day further from new

jobs. Passage of CSSB310 this year could mean the difference between the continued operation of the sawmill in Seward or the permanent loss of approximately 100 jobs.

Now is the time to pass CSSB310. A delay to the next session could mean this sound public policy proposal never becoming a reality.

4. <u>CSSB310 Is Needed If The State Of Alaska Is Serious About Attracting Significant Investment In A Stable Long Term Forest Products Industry</u>.

When acquiring investments for a project such as a sawmill or other forest products manufacturing facility, the promoter must prove "due diligence". This term essentially means a promoter or bank must show a reasonable chance of the investment being profitable and secure. Without a fairly certain timber supply, the "due diligence" text cannot be met.

Since the State of Alaska has been unable to achieve a consistent, stable and significant independent timber sale program, an investor would only accept some type of longer term Forest Management Agreement to meet the "due diligence" test. Without SB310, Alaska will be unable to attract any significant investment in the forest products industry not associated with private lands.

5. <u>CSSB310 Is Not An FMA. It Is The Authorization To Enter Into Forest Management Agreements</u>.

CSSB310 simply allows FMA's. The actual FMA's will be very long and purposely detailed to insure the best interests of the State will be protected. Actual FMA's will include:

a. Reforestation requirements
b. Commitments made by the purchaser and State
c. Wildlife restrictions
d. Bonding requirements
e. Deactivation requirements
f. Public access assurance
g. Wildfire protection requirement
h. Timber inventory
i. Road standards

ALASKA OUTDOOR COUNCIL

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(907) 563-4AOC
FAX: (907) 561-0800

April 12, 1994

The Honorable William K. Williams, Chairman
House Natural Resources Committee
Alaska State Legislature
State Capitol MS 3100
Juneau, AK 99801-1182

Dear Representative Williams:

The Alaska Outdoor Council, at its annual meeting April 10, 1994 voted to support passage of CSSB310 (Res), "An Act relating to the management and sale of state timber and relating to administration of forest lands."

Because of its dedication to sound scientific management of fish, wildlife and habitats and public use of public resources, the Outdoor Council followed development of this bill with great interest. The original bill raised substantive concerns regarding relations of timber use to overall forest management and use, including fish, wildlife and habitat management, public access, the broad spectrum of public uses, and the opportuntiy for public input.

Those concerns have been addressed through extensive amendments by Senator Frank and his staff. By requiring that forest management agreements must be consistent with land use and/or forest management plans, the appropriate order of planning has been restored. Throughout the bill explicit recognition of the importance of providing for sound fish and wildlife management and for forest uses besides commercial timber production have been included. Appropriate opportunities for public input on forest management agreements have been added to existing public input provisions.

The Alaska Outdoor Council believes that CSSB310 (Res) meets the standards of providing for sound, scientific management of forests and related resources, and for appropriate public uses of forests. With appropriate public and agency cooperation in devising forest management plans, habitat quantity and quality enhancement may be improved by provisions of the amended bill.

We urge you to support and pass this bill.

Sincerely,

Richard H. Bishop, Acting President

cc: Senator Steve Frank
Commissioner Carl Rosier
Commissioner Harry Noah

ALASKA SPORTFISHING ASSOCIATION
3605 ARCTIC BLVD
ANCHORAGE, AK 99503

Representative Bill Williams
Alaska State Capitol
Juneau, Alaska
Via Fax

April 12, 1994

Re: SB310

Dear Representative Williams,

The Alaska Sportfishing Association is concerned that the passage of SB310 would lead to a severe weakening of forest management by the State. Management would most likely be controlled by the timber interests whose priorities are, of course, the maximization of income, and not the preservation of the forest and its waterway's habitat. That habitat is vitally important to the anglers of our State, be they commercial, sport, subsistence, or personal use fishers.

The bill also eliminates the authority of the Department of Natural Resources to close lands to timber sale, weakens the land use planning process, and requires reforestation with trees that would be expected to grow into merchantable timber instead of native stocks. It also rewrites the criteria for "best interest determination" that precedes all timber sales. It rewrites the criteria to eliminate recreation and subsistence and substitute "continuation and expansion of businesses".

We think the bill will place a commercial forestry priority on all state owned forested lands. The forests would be managed for business purposes over traditional public uses such as hunting, fishing, recreation, and subsistence. As such, the bill is bad news for the Alaskan public and should not be enacted. Your support on this issue would be appreciated. Thanks.

Phil Cutler, President

POLY-FENCE OF ALASKA
The **SAFE** Fence.

- Home & Garden
- Farm & Ranch
- Construction Sites

James Elliot
Sue Anderson
P.O. Box 81438
Fairbanks, AK 99708
(907) 457-7569

4-21-94

To: House Resources Committee

Regarding: SB 310

Dear elected public representatives,

It apears that the public testimony get together concerning this bill have become charades! Therefore I will take additional time to put pen to paper to protest the passage of SB 310 wholeheartedly.

I know you are busy, so am I so this will be short. There is nothing good in this for Fairbanks. To fly in over a flight line of clear cut forest is not the welcome we want anyone to have for our town — tourist or resident alike.

This is not the view of a

radical environmentalist but that of a 22 year resident who is an active member of a Labor Union B has seen years of reality in the construction market.

Keep our forests whole!

Small scale select logging is much more to our benefit & to the benefit of those who are to live here 50 to 75 years from now.

please! Oppose SB 310.

I'll be watching & I do vote.

V. Sue Anderson

po box 81438
Fairbanks AK 99708

990 Cranberry Ridge

William D. Arvey
P.O. Box 81195
Fairbanks, AK 99708
April 18, 1994

Representative Bill Williams
Chairman, House Resources Committee
Room 128
State Capitol
Juneau AK 99801-1182
FAX 465-3793

Dear Representative Williams;

SB310 is scheduled to be considered in the House Resources Committee this week and I want to provide some of the thoughts that have occurred to me regarding this issue. As you can see, I am tremendously disappointed by the passage of this measure in the Senate. Following are some of the reasons why I believe the Forest Bill, SB310, is not compatible with the public interest:

1. SB310, if enacted, will result in a State-sponsored subsidy for cutting of public timber resources, the denuding of vast tracts of woodlands, and the construction of logging roads into the forests. The 20-year contracts (forest management agreements) will be negotiated now, when stumpage prices are low, assuring that the State will not receive good value for the timber throughout the life of the contracts. Since there is apparently no renegotiation provision in the bill, we have to assume that even if timber prices rise during the contract period, successful bidders will have locked in prices favorable to themselves and detrimental to the State's interests. In addition, costs to the State for planning, monitoring, and probably even constructing forest access roads will probably negate any stumpage fees paid. It is apparent now that the whole issue of cost to the State to implement this program has been swept under the rug, because only after passage of the bill in the Senate was there any mention by the agencies of potential cost. I hope that the issue of cost will be fully explored in committee proceedings.

2. No one who has experienced the present air quality of the Fairbanks area, and who has watched as that quality has deteriorated over the years would advocate the operation of a major wood processing plant in this valley.

3. As a practical matter, the effect of this bill will be to accelerate the cutting of spruce sawtimber that presently grows primarily along stream margins, and of which there are very limited amounts compared to the total amounts of forest acreage claimed for the Tanana River Valley. Sawtimber quality spruce logs constitute a very small percentage of the forest, and if timber sales are based on percentage of total forest acreage available, it is conceivable that a high proportion of the existing spruce forest will be eligible for harvest. The end result will be no change in existing infrastructure, no value added

processing, and timber will continue to be shipped to port and then to foreign markets as happens now, and which SB310 is purportedly designed to change. The only difference that I see will be a change in volume of exported raw logs. It is my opinion that no particle board plant or other major processing facility will be constructed and that highgrading for sawtimber will continue.

4. Large scale timber cutting has perhaps the greatest environmental impact of any extractive industry, including placer mining. Basically, this is because the operations are so extensive, covering large tracts of land, and so intrusive, changing the whole character of the lands and waters affected for long periods of time. Access roads created for logging simply do not go away when the timber has been harvested, and provide a starting point for serious erosion and siltation for years to come. Perhaps the most serious impact of the roads will be that they will provide ready access to adjacent, non-state owned timberlands making it that much easier to harvest timber on them as well.

On a final note, many people feel as I do that both public interest and sentiment on this issue has been trampled by the legislature in their stampede to pass this bill. It seems inconceivable that SB310 could proceed through both houses and be signed by the Governor after the huge amount of public testimony that has been presented in opposition to the bill, and the high proportion of public testimony that has run against it. Your committee is the last stand for those of us who oppose accelerated cutting of public forest in the Tanana Valley. I ask that you consider these points in your deliberations on SB310.

Sincerely,

William J. Arvey

cc: Governor Walter Hickel
Senator Steve Frank

CAPE FOX
CORPORATION

March 2, 1994

Senator Mike Miller, Chair
Senate Resources Committee
State Capitol, Room 423
Juneau, AK 99801

Dear Senator Miller:

I am writing in support of SB 310. I urge you to expedite its journey to passage.

SB 310 will streamline the process of making State forest lands available for management and timber harvest. This is especially important to companies like Cape Fox with an interest in small timber sales. Recently the United States Forest Service has severely curtailed their small timber sale offerings.

As is the case with many other small companies, Cape Fox has developed a skilled and effective working group of logging engineers, land managers and support staff, and enjoy excellent working relationships with our customers. Our timber business produces profit for our corporation which is shared with our native shareholders, and renovated in our local economy.

Timber development takes years to accomplish in the presently charged political environment. Forest management agreements and a well organized timber sales program are essential to assure that the timber based economy in our state remains strong.

Thank you for your continued support of timber.

Sincerely,

Ernesta Ballard
Chief Executive Officer

Copy to
WKW

P. O. Box 8558 • Ketchikan, Alaska 99901
Tel: (907) 225-5103 • Fax: (907) 225-3197

Alaska State Legislature

Please enter into the record my testimony to the HOUSE RESOURCES committee name

committee on SB 310 bill/subject, dated 4/20/94.

I AM WRITING MY TESTIMONY BECAUSE I HAD TO LEAVE THE TELECONFERENCE TO GET TO WORK:

I AM OPPOSED TO SB310, BECAUSE I AM CONCERNED THAT ITS COSTS WILL BE GREATER THAN ANY BENEFITS IT BRINGS TO THE STATE. I AM CONCERNED ABOUT THE COST IN TERMS OF THE BILL'S POTENTIAL EFFECT ON FISH & OTHER WILDLIFE & THE SCENIC VALUE OF THE LAND -- VALUES IMPORTANT TO COMMERCIAL FISHERMEN, SUBSISTENCE USERS, THE TOURIST INDUSTRY, & RECREATIONAL USERS OF THE FOREST. I AM ALSO CONCERNED ABOUT THE COSTS OF THE BILL IN TERMS OF EXPENSES THE STATE WILL INCUR SOLICITING, & MANAGING, FMAS AND MONITORING THE IMPACT OF LOGGING ON WILDLIFE HABITAT -- WHICH FISH & GAME'S FISCAL NOTE SUGGESTS WILL BE CONSIDERABLE. THERE WERE SEVERAL AMENDMENTS PROPOSED IN THE SENATE WHICH ADDRESSED THESE PROBLEMS -- SPECIFICALLY THOSE PROPOSED BY SENATORS LITTLE, DUNCAN, & LINCOLN, I URGE YOU TO RECONSIDER THESE AMENDMENTS.

ADDITIONALLY, I WOULD LIKE TO POINT OUT THAT THE FORESTS OF THE KENAI, SUSITNA, & TANANA VALLEYS DIFFER FROM THE COASTAL FOREST OF SOUTHEAST AK. FISH & GAME LOOKS TO LOGGING IN ALBERTA CANADA AS THE BASIS OF THEIR FISCAL NOTE -- & SO SHOULD WE IN ANTICIPATING THE TYPE OF LOGGING THAT WILL RESULT FROM THESE FMAS -- THE ONLY TYPE OF LOGGING LIKELY TO BE PROFITABLE IS LARGE-SCALE, HIGHLY MECHANIZED, HIGH-INTENSITY IMPACT CLEAR CUTTING. THUS I AM OPPOSED TO THE ANNUAL SOLICITATION OF FMAS, & SB 310.

Signed: Gail Pemberton
Testifier

SELF
Representing (Optional)

PO BOX 662 GIRDWOOD AK 99587
Address

Phone No.

Alaska State Legislature

Please enter into the record my testimony to the RESOURCES (HOUSE)
committee name

committee on SB 310, dated 4/15/94.
bill/subject

I CAME TO TESTIFY ORALLY ABOUT MY CONCERNS REGARDING SB 310, I AM ANNOYED THAT YOU DID NOT ALLOW TIME TO TAKE PUBLIC TESTIMONY & CUT OFF PUBLIC PARTICIPATION IN THE LEGISLATIVE PROCESS. I DEMAND THAT YOU RESCHEDULE TIME FOR ORAL PUBLIC TESTIMONY REGARDING SB 310.

Signed: Gabriel Bandy
Testifier

Representing (Optional)

Box 662 Gateswood
Address

783-1306
Phone No.

NORTH STAR TERMINAL & STEVEDORE COMPANY

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TELEX: 26-471 NORSTEVCO ANG
CABLE ADDRESS: NORSTEVCO ANG
FAX: (907) 272-6755

Representative Bill Williams
Chairman, House Resources Committee
State Capitol, Room 128
Juneau, AK 99801

Dear Sir;

We would like to show our support for SB310. Alaska needs to manage their lands without the burden of the Federal Government applying unreasonable restrictions upon us. We need to continue to create jobs in the Forest Industry at the same time as we develop and manage our Forests.

We urge you to support SB310 to allow Forest Management Agreements on State Lands.

Sincerely

WB

Wayne Barrowcliff
Superintendent
North Star Terminal and Stevedore

To: Rep. Bill Williams
House Resource Committee
State of Alaska

Dear Sir

I moved to Alaska 10 months ago with the hope of a long term job. My wife and I love the area and would like to continue living in Alaska.

It is time for the State of Alaska to take charge of their renewable resources to insure a healthy economy and a healthy forest for the entire state.

To have any chance of saving valuable employment in Seward Senate Bill 310 should be passed immediately.

This would only be the first step as the exporting of logs from State lands should also be banned so the timber would have to be processed domestically.

Sincerely
Arlin Bartos
Box 2945
Seward, Ak 99664

Alaska State Legislature

Please enter into the record my testimony to the House Resources
committee name

committee on SB 310 , dated April 15 1994 .
bill/subject

My name is Linda Behnken - I am a commercial fisherman and am actively involved in fisheries management at the local, state, federal & international level. From this perspective, I would like to offer comments on SB 310.

As we look around nation - clear that fisheries are in trouble. They are in trouble because of: ⊛ "high grading" - targeting commercially valuable species
⊛ ~~Scarcity~~ over-harvest: sacrificing long term to short-term
⊛ habitat destruction.

Because of these 3 errors, fisheries are closed on the E. coast & in the Pacific NW. In Alaska they are healthy, albeit threatened by errors in other areas. This Bill sets up AK State Forests - and AK Fisheries for the same disaster. The Bill encourages ⊛ high grading ⊛ over-harvest ⊛ habitat damage - again sacrificing long-term healthy for short-term profit. The lower 48 is scrambling to correct errors - while fishermen & forest workers alike face serious socio economic hardship. Let's learn from their mistakes — emphasize multiple-use, long-term health.

Signed: Linda Behnken
Testifier

Alaska Longline Fishermen's Assoc.
Representing (Optional)

403 Lincoln St Ste 237 SITKA AK
Address

747-3400
Phone No.

April 15, 1994

Representative Bill Williams, Chairman
House Resources Committee

Dear Representative Williams:

Please accept this letter in lieu of the testimony I was prepared to give at the public hearing today for SB 310. Unfortunately, many people have come to four teleconferences and, as yet, have been unable to testify.

I strongly oppose SB 310 for the following reasons:

1) SB 310 gives large scale logging priority over subsistence, fishing, tourism, hunting and recreation. Lands which have been logged become virtually useless for <u>any</u> other purpose for <u>decades</u>. I believe multiple use is the only sensible management policy for state lands.

2) SB 310 does not prohibit exporting logs in the round, a practise which removes a natural resource with minimal economic benefit to the state. Our resources are not infinite; therefore, <u>wise</u> use is important.

Thank you for your consideration.

Sincerely,

Nancy Berland
Box 952
Haines, Ak. 99827

Matthew D. Berman
P.O. Box 662
Girdwood, AK 99587

April 20, 1994

Representative Bill Williams
Chairman, Resources Committee
Alaska House of Representatives
Room 128
State Capitol
Juneau, AK 99801-1182

Dear Rep. Williams:

I took time off work in order to attend two teleconference hearings on SB 310 during the past week. Although I arrived on time and signed up immediately, I was not given the opportunity to testify either time, because of the large number of people who wished to testify and the limited time allotted to public comment on the bill.

I am an economist who has studied renewable resource management for nearly 20 years. SB 310 makes a number of significant changes to the way state forest land is managed, and I think it is very important to consider the bill carefully. It starts with the presumption that long-term forest management agreements (FMAs) are better for the timber industry than individual 3-5 year sales. This is not necessarily the case.

Timber markets are notoriously volatile. It is easier for a company to sign a long-term agreement than it is for them to live up to it. The history of the state long-term sale to the Haines operation and the U.S. Forest Service sale to the Sitka mill should signal caution about entering into similar agreements elsewhere in Alaska.

This could be remedied substantially if SB310 were amended to require that the Department of Natural Resources (DNR) make a full accounting of all benefits and costs to Alaskans, and that the Commissioner proceeds with an FMA only after determining that the benefits exceed the costs. A number of people testifying at the hearing supported including a cost-benefit analysis with the bill, and I concur with their sentiments.

Another concern I have with SB310 is the requirement in section 3b that DNR solicit FMA proposals every year forever, even if no one is interested. This sets up a bureaucratic process that would be difficult to turn off and could waste scarce budget resources.

SB 310 contains several additional provisions not directly related to FMAs that attempt to clarify the direction of management of state forest land. Some of these provisions do not serve that purpose and in fact open up a can of worms.

Section 4c(3) states that "forest land shall be administered so as to provide for the continuation and expansion of businesses, ..." This revised language institutionalizes a contradiction. It implies that one can continue all forest activities at an expanding rate -- a goal that no forest, or indeed any renewable resource, can support.

Section 5 restates the primary purpose of state forests as "development of commercial forest land under the principles of sustained yield and

multiple use ...." This language sets up confusion between the notion of a primary use and multiple use. Either commercial forestry is the primary use, or else it is one of several uses. The proposed language tries to have it both ways. This will only result in confusion and conflict among resource managers, industry representatives, and members of the public, each of whom will see the language as meaning something different.

I urge you to strike section 4c(3) and section 5 from the bill. Perhaps the text can be reformulated instead in a preamble to the bill that states legislative intent without providing confusing and contradictory directions to resource managers.

Thank you for the opportunity to comment on SB 310.

Sincerely yours,

Matthew D. Berman

Terry T. Brady, d/b/a
Alaska Husky Wood
2900 Boniface Parkway #672
Anchorage, AK 99504

Phone (907) 333-9462

TESTIMONY
TO
HOUSE OF REPRESENTATIVES NATURAL RESOURCES COMMITTEE

RE

FOREST MANAGEMENT AGREEMENTS

April 15, 1994

delivered by Telefax

The author requests this report be circulated amongst the entire Natural Resources Committee. Please indulge this. The author, Terry T. Brady, introduced the concept of FMA's to Alaska ... based on research more than 10 years ago ... in response to the need, even then, to move the public agencies, battling over budgets and turf, off "dead-center."

My name is Terry T. Brady. I am a forester in private practice. I have been involved with forestry and forest products for more than 45 years, of which 35 years has been in Alaska. I hold a Master of Science degree from the College of Forest Resources of the Univ. of Washington. I have consulted in forest products, done basic research in forest ecology, taught natural resources at the University level and have operated logging operations in Alaska. I was also an Alaskan licensed big game guide for 25 years. My work has taken me throughout Alaska, the pacific Northwest, the Intermountain West, across Canada, to Scandinavia and the Far East.

For many years I have attempted to establish a responsible forest products industry in Interior Alaska. I emphasize the word responsible, because as a professional, and an Alaskan citizen, I do not want to witness over harvesting of timber or the ruination of other forest resources. But, I do not believe destruction and profit are synonymous. Rather, profits and positive forest management can go together, for

the benefit of investors, government agencies, and the general public ... while fulfilling the legal mandate of the Alaska Constitution, which requires equal opportunity under the law (Article I): and settlement of the land, and utilization, development, conservation and maintenance of the replenishable resources, under the sustained yield principle. (Article VIII).

Some 10 year ago I introduced the concept of Forest Management Agreements to Alaska. I did so after personal review of timber licensing and forest management agreement system then being practiced in Canada. (Canada is the closes model for Alaska, concerning forest management agreements. The concept, for example is unknown in Scandinavia, where most of the forest lands are already privately owned).

The most attractive system I could find at the time was in the province of Ontario, where under the leadership of both public and private foresters, and an enlightened environmental community ... with help from the academics ... a new system of Forest Management Agreements (FMA's) had recently been developed.

The Ontario agreements created long term relationships between responsible private forest companies, who were charged with both harvesting and regenerating public lands .... and public forest and wildlife overseers ... who in effect were agents of the public. The program was a far-cry from most FMA's or timber licenses, where the private firms harvested, and the government conducted reforestation (sometimes) and only in rare instances did the two systems meet.

In Ontario the governments provides the timber, and the seedlings. The private sector does the research, planning, implementation, including roading and mills ... and finally the government, representing the people, oversees the contracts and operations.

It is WIN - WIN for the society and the forests.

Today I heard representatives of the Alaska Dept. of Fish and Game discuss a fiscal note, indicating they will need more personnel to manage the lands affected by FMA's. This is antithesis to the concept of FMA's, where in Ontario the need of publicly employed foresters and biologists, etc. was reduced.

The result in Ontario has been outstanding. Dr. Kenneth Armson, whom I first met when he was Dean of the Forestry School at the Univ. of Toronto, shepherded the new concept through the Ontario Legislative process in the late 1970's. He later became the Provincial Forester for Ontario. In 1987 Dr. Armson was a guest speaker at a Boreal Forest conference in Anchorage ... invited to discuss FMA's from the Ontario perspective.

He ended his talk by saying, "The development of our agreements came after long hard looks at other types of arrangements and we believe we have learned from their mistakes and benefited from their successes. We had to develop our own for our own conditions ... and I believe you can do that for your own."

I think Dr. Armson would be pleased with the bill that is now before you, and like to think he was partly responsible for it.

There are some trends that I am concerned about, however. The first is the idea that agencies will need more money or people because of the FMA's. This, as I said earlier, is patently against the concept.

Second, I am concerned that the bill, as I now understand it, gives the Dept. of natural Resources quite a bit of discretion as to when, and where, the FMA's should be ... or even if "they should be."

I'm not afraid of the general public ... but I am very concerned about the agencies being given such discretion. The history of forestry and wildlife management, as practiced by the Alaska Division of Forestry, and the Division of Habitat within ADF&G, are both professionally "sorry."

Those two agencies have failed. And the quicker they are taken out of the loop, as far as determining "when and where" are concerned, the better off the people of Alaska and their resources will be.

Particularly, I am pointing to the terrible destruction that is occurring within the boreal forest ecotone ... where the greatest die-off of trees in North American recorded history is taking place ... at the same time moose starve to death for lack of browse ... and the Board of Game cuts the brown bear season because the spruce bark beetle is raising havoc with bear habitat.

There is the old saying that "Rome burned while Nero Fiddled." Well, this is the situation in Alaska ... where elements of governments, supposedly trained foresters and wildlife managers, "Fiddle" while their charge ... the natural resources, burn or rot or starve.

This does not mean the agencies don't "have a place." I am just requesting that "they be put in their place" .... and be carefully instructed that neither they, nor their administrative bosses ... set the policies for natural resources. These policies were set in 1955-56 by the People of Alaska, in the forward thinking Constitution of the State of Alaska.

The following information, with graphs depicts the forest losses, both in volume and values, of the past few years, by ownerships. This information was provided by the U.S. Forest Service. The loss is scandalous.

But, these losses can be slowed, and the trend amended ... provided that the public sector and private experts, get on the same "wavelength." I thought in 1983, when I first met Dr. Armson, that FMA's modified from the Ontario experience, would work in Alaska.

Given the events of the resent past my feelings have been intensified ... and now it is not only a good thing to do ... it is probably the only thing to do. We need the forest and its associated resources, and we need the work ... and there are Alaskans, within and without government, ready, willing and able to help.

But first the Legislature must take the lead.

FOREST HEALTH CRISIS

Spruce bark beetles are but one of the destructive agents currently decimating the forests of Alaska. Root rots, other fungus diseases, wind, and fire, are all taking a toll at more than natural levels in some areas. And the problem is growing. Each of these agents is "normal" within a natural forest. However, when the agents act at a level that precludes the forest from regenerating itself, then the forest is considered in a health crisis.

> *"A land ethic, then, reflects the existence of an ecological conscience, and in turn reflects a conviction of individual responsibility for the* ***health of the land****. Health is the capacity of the land for self-renewal.* ***Conservation*** *is our effort to understand and preserve this capacity. A* ***science of land health*** *needs, first of all, a base datum of normality, a picture of how land maintains itself as an organism"* (Leopold, 1949).[1]

This is the case of the spruce forests of Alaska, where many stands are reverting to grassland, because after the spruce dies there is no viable seed, or seed bed, for a new forest. In some areas spruce forests are being replaced by less economically valuable hardwoods in such profusion that the biological diversity of specific areas is being threatened.

In some areas other tree species are subject to their own "ailments" and cannot fill voids left by dying spruce. This is especially true of pioneer species such as birch and aspen.

---

[1] Leopold, Aldo. 1949. *A Sand County Almanac, and Sketches Here and There*, Oxford Univ. Press. Leopold, a forester, was also the founder of the science of wildlife management.

*"The concept of **ecosystem health** is a comprehensive, multiscale, dynamic, hierarchical measure of system resilience, organization, and vigor. These concepts are embodied in the term 'sustainability,' which implies the system's ability to maintain its structure (organization) and function (vigor) over time in face of external stress (resilience). A **healthy system** must also be defined in light of both its context (the larger system of which it is a part) and its components (the smaller systems that make it up)* (Constanza, 1992). [2]

*Most forest ecosystems lead long, productive lives.... **Inflictions of old age, environmental stress**, or **unwelcome visitors** produce **unhealthy ecosystems**.... In recognizing that forests and other ecological ecosystems provide irreplaceable services, when these systems are threatened, **we must administer aid**"* (Waring 1980).[3]

The spread of the spruce bark beetle has been rapid and it is growing.

It took 51 years (1920 to 1970) of observation before the U.S. Forest Service documented an accumulated 608,000 acres of spruce bark beetle infestation. Then from 1971 through 1980 880,000 acres were impacted. For the period 1920 though 1989 the total impact reached 1,993,958 acres of active infestation.

The epidemic worsened in the 1980s, and has taken off in the 1990s. From 1990 through 1993 impact totaled more than 2 million acres, and experts predict that in 1994 the active area will be 1.2 million acres. Even if the bark beetle were to naturally subside, or were artificially controlled, great damage has already occurred in the Alaska spruce forest.

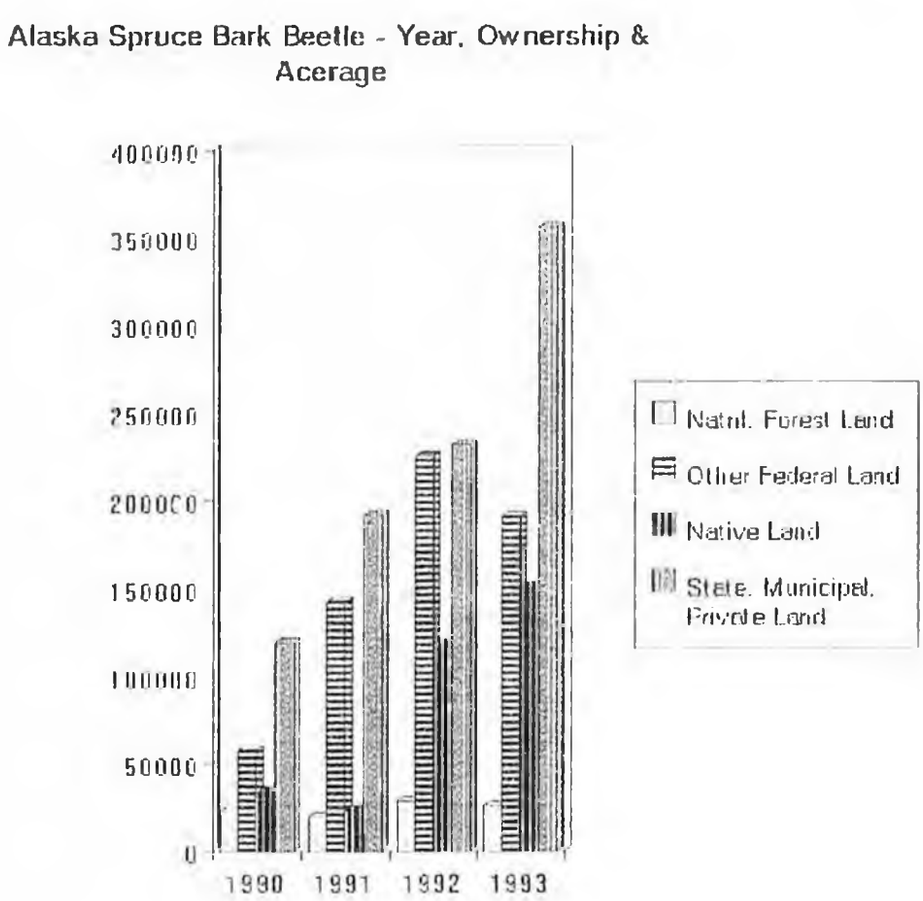
The spruce bark beetle is not the only destructive agent stressing and destroying the overmature forest. Ips beetle is attacking spruce and hemlock. Other insects are attacking old birch and cottonwoods. Fungi are active. Again, all are natural under natural conditions ... all can be epidemic when conditions are right.

---

[2] Constanza, Robert, 1992. Toward an operational definition of ecosystem health. In. *Ecosystem Health, New Goals for Environment Management*, R. Constanza, et al, editors, Island Press.

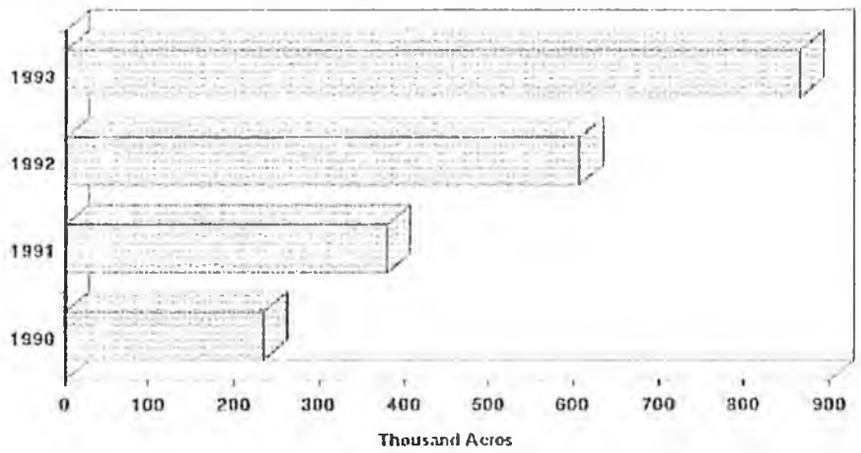
[3] Waring, Richard H., 1980. Vital signs of forest ecosystems. In. Forests: *Fresh Perspectives from Ecosystem Analysis*. Proceedings of the 40th Annual Biology Colloquium, R.H. Waring, editor. Oregon State Univ. Press.

Testimony Concerning FMA's

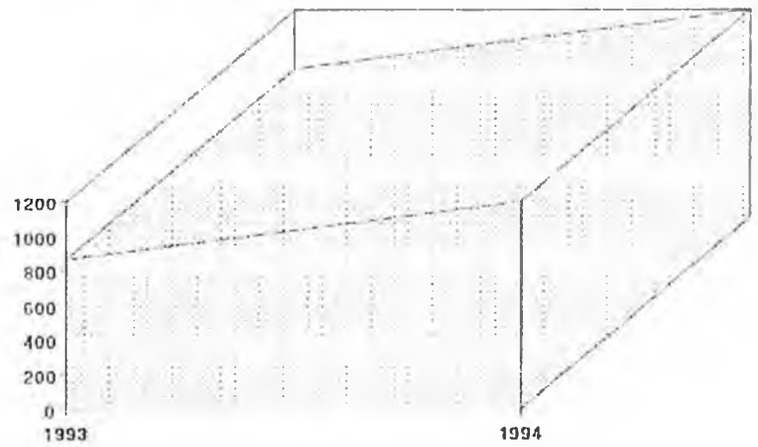


Testimony Concerning FMA's

Growth in Bark Beetle Infestation 1990 - 1993



Growth in Bark Beetle Activity 1993 -1994 (projected)



Source U.S. Forest Service

Other stem, leaf and root diseases, some caused by insects, some by fungi, others by animal predation and human activities, are all stressing the mature forests. Collectively these destructive agents, added to fires, winds, etc., have created a classic Forest Land Emergency in much of Alaska. Even if all bark beetle activity ceased in the next few years, the question of Forest Health would not be settled.

FOREST LAND EMERGENCY: An emergency, as it pertains to forest land conditions, is defined as

(1) actual or imminent loss of the market value of timber that has been damaged by fire, insect infestation, other pest, disease, or an act of nature, with the biological destructive agents acting at the epidemic level;

(2) actual or imminent loss of the market value of timber that is threatened by insect infestation, other pest, or disease;

(3) the need to create fire breaks to protect natural resources, private and public real and personal property values, human life, or livestock life, or to avert actual or imminent economic loss;

(4) a requirement to reduce fuel-loading of the forest to protect natural resources, private and public real or personal property values, human life, or livestock life, or to avert an actual or imminent economic loss;

(5) a requirement to reduce the spread of insect infestation, the spread of other pests, or other destructive agents that in the expert opinion of the director has reached or is threatening to reach epidemic levels, threatening the fulfillment of multiple use and sustained yield of the multitude of forest resources, defined as fish, forests, wildlife, grasslands and all other replenishible resources.

ECONOMIC IMPACT

Not only is the physical ecological chain within the forests disrupted when the forests have reached an unhealthy state, but so is the economy. Many people, whether they be tour guides, fishermen, recreationists, loggers or support persons, or even government agents, depend on a healthy ecosystem to maximize their return on financial and emotional investments in the forest environment.

The economic loss (opportunity cost) for one year can be demonstrated by hypothetically comparing the timber loss in 1993 to the loss that would occur to the state's economy if crude oil were allowed to leak unchecked from the Alyeska Pipeline.

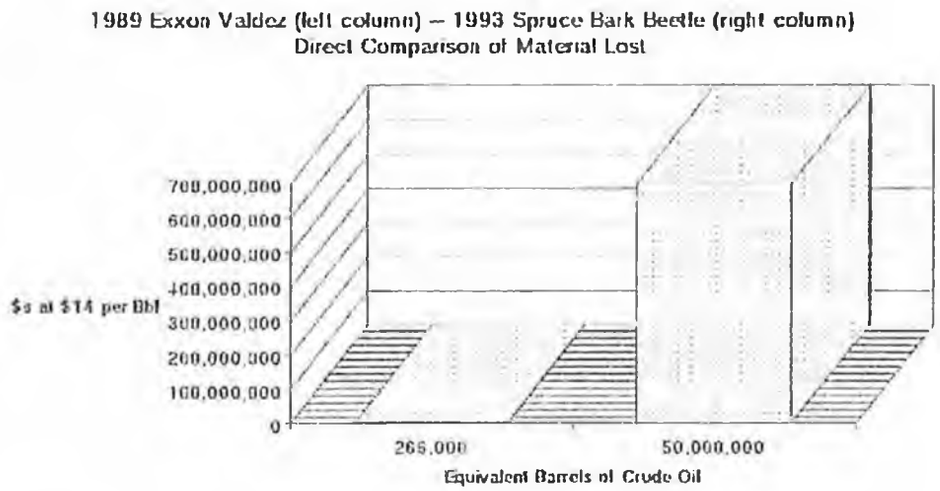
In 1993 approximately 865,000 acres of mature spruce forest was visibly infected.

Arguably 500,000 acres of timber died or was threatened in 1993. These areas contained a conservative 4,000 board feet per acre. The financial loss can be computed based on recent timber values. 500,000 acres times 4,000 board feet per acre results in a 1993 loss of 2 billion board feet of timber. At an average delivered to mill price of $350 per thousand board feet this would was a direct economic loss of $700 million dollars, not counting values that could be added in mills, if they were operating.

This was 1.5 times the value of all the salmon landed (delivered to canneries, or other processors) in Alaska during the same year.

It equaled, at $14 per barrel, the direct financial loss if a hole was punched in the pipeline, and 50 million barrels of crude oil was allowed to run unchecked onto the tundra.

While the pipeline example is hypothetical, the 1993 timber mortality was real, and can be directly compared to the Exxon Valdez accident in 1989 where about 11.2 million gallons of crude oil (approximately 266 thousand barrels, or $3.7 million in value at $14 per barrel) leaked into Prince William Sound, the North Pacific Ocean and adjacent beaches. Industry, taxpayers and consumers were effectively "taxed" several billion dollars (and the bills are still coming in) to combat, under Emergency conditions, and to mitigate a large and destructive environmental disaster. While the accident created an environmental crisis, it t was not much of an economic issue until mitigation measures were undertaken.



The current Forest Health (Forest Land) Emergency destroys and alters the land. In the case of forest mortality the issue is real, not hypothetical, and it effects millions of acres of land ... including wildlife habitats and other forest amenities.

However, to date the commitment to meet this ecological crisis is low level at best. Barely $1 million has been spent to combat this Emergency, and most of that has been spent on public meetings, situation monitoring, campground mitigation, and funding "business as usual" while overlooking emergency conditions.

Neither the State of Alaska, nor the federal government, have undertaken any meaningful "on-ground" mitigation measures. Planning, yes! Action, no! How much would be spent if 50 million barrels were to leak? Would that be considered an emergency?

Infrastructure (ship vs, landscape), or wildlife losses, direct or over time, are not considered in the above chart. Attempts have been made to determine such losses for the Exxon Valdez accident. None has been made concerning the

environmental amendments/degradation caused by a dying and changing forest ecosystem.

And, in these times of declining oil revenues, as the state administration and the legislature seek means to strengthen both the public and private sectors of the state's economy, it seems that more attention must be paid to the wasting timber resources ... obviously for ecological reasons ... but also logically for financial reasons.

CONCLUSION

FMA's are a tool. They allow the private sector to partake of the resources of public land ... in a full partnership with the controlling public land agencies. A good FMA is not a confrontational document. It is not from the "police state" mentality.

It is a professional document, where learned foresters, biologists, engineers, surveyors, recreation specialists, etc., can produce resources that can be converted to wealth by specialists working in value-added factories ... creating opportunities for jobs and recreation among the citizens.

For Alaska FMA's can break the cycle of deterioration that is now plaguing our State, to what should be the "shame" of Alaska.

I commend this Legislature for facing this issue. I understand the sincerity of some of those who feel the concept is a "give-away." But sincerity does not substitute for knowledge or right.

FMA's are right, and I recommend this Legislature pass this bill, in a form that will truly allow the private sector (and many of us are Alaskans) to work with our "Owner State" as true partners.

Sincerely,

Terry T. Brady, M.S. (forester)

To: Rep. Bill Williams
Company: House of Representatives, Natural Resources Committee.
Phone:
Fax: 465-3793

From: Terry T. Brady
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Phone: (907) 333-9462
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Date: 04/16/94
Pages including this cover page: 15

Comments: State Forester Tomas Boutin has expressed concern over the "definition" of the "principle of sustained yield" of "replenishable resources." I offer this paper, based on philosophical, historical, professional and legal definitions. Sustained yield of the replenishable resources is the fundamental obligation of the "Owner State" as established by the Constitution of Alaska (Article VIII, Section 4.). It is not a ambiguous term, and has been well-defined by the Alaska Courts. Note the word "renewable" resources is not used in the Constitution. The word is "replenishable" which requires a higher standard of care than "renewable." The "private sector professionals understand "sustained yield." If we can cooperate with state employees, under a Forest Management Agreement system, maybe some of the confusion will be alleviated. Please Circulate among committee members.

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What is Sustained Yield as it Pertains to Replenishable Natural Resources; and Forest Resources and Forest Protection (Forest Health) in Particular?

by

Terry T. Brady, M.S. (forester)
December 27, 1993

Revised April 7, 1994

Introduction:

The forests of Alaska, both coastal and boreal, are under great stress, as evidenced by massive insect epidemic and other pathogenic forces. From the Tongass National Forest of Southeastern Alaska, northward to the valley of the Yukon River, both scientists and lay persons have noted the deterioration.

Where 25 years ago stood green spruce forests many areas are now brown, or are being converted to grasslands or pioneer hardwood species.

This is occurring at time when humankind makes more use of the forests than at any time in history. Citizens expect forests to be healthy, and productive, not only for wood products, but as habitat for fish and wildlife species, and for recreation opportunities ... all of which suffer when forests are not healthy.

This is one of a continuing series of papers prepared by this forester in an attempt to bring this current disaster into focus. This paper examines the principle of sustained yield, both from its legal and philosophical backgrounds. It relates "definitions" of sustained yield, and

shows the continuity between definitions, which are always based on use (at some multiple use maximization), periodicity, and maintenance.

Finally this paper ties sustained yield into the two major areas of Alaska Law that are concerned with forests. These are Title 38 (Alaska Lands) and Title 41 (Alaska Resources), both derived under authority of the Constitution of the State of Alaska.

This paper makes the point that utilizing and maintaining Alaskan Forests and their associated resources, are not matters of discretion ... but are primary ministerial duties ... the dereliction of which is a crime.

There is no conscious sustained yield program in current effect for Alaska's forests, despite the Constitutional mandate that renewable resources must be managed under the sustained yield principle.

Sustained Yield:

A conservationist's view:

"To waste, to destroy our natural resources, to skin and exhaust the land instead of using it to increase its usefulness, will result in undermining, in the days of our children, the very prosperity which we ought by right to hand down to them amplified and developed."[1]

A "new ecologist's" view:

"If you do nothing, you'll get something you didn't expect."[2]

The social scientist's view:

"To fulfill our obligations to our descendants and to stabilize our communities, each generation should sustain its resources at a high level and hand them along undiminished. The sustained yield of timber is an aspect of man's most fundamental need: to sustain life itself."[3]

Modern developer's view:

"Sustained development includes two key components.

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[1] Theodore Roosevelt, former president of the United States.

[2] Wallace Kaufmann, in *How Nature Really Works*, American Forests March/April 1993

[3] William & Jean Duerr, *The role of faith in forest resource management*, Social Sciences in Forestry, a book of readings, 1975.

Sustained Yield

1- The concept of needs, in particular the essential needs of the world's poor, and

2- The idea of limitations that are imposed by technology and society on the ability of the environment to meet those needs.

Sustainable development is best understood as a process in which the use of resources, the direction of investments, the orientation of technological development, and institutional change all enhance the potential to meet human needs both today and tomorrow."[4]

The Alaska Beginning (Historical Perspective):

"Forests

The forests are the major resource of the surface of Alaska soil. This will be true after statehood, even though much of the better timber will remain reserved in national forests. The suggested Article on Lands and Resources includes this section:

> Section 4: (Forest Lands) Sales, grants, deeds or leases of forest lands of the State, where such lands are to be developed and utilized primarily for their forest resources, shall contain provisions binding on the purchaser, grantee, or lessee to adhere to the principles of sustained yield management of the forest areas so sold, granted, deeded or leased.

Sustained yield management has become well established, both as a principle of sound forest practice and as a legal concept. Legitimate timber operations are today conducted on this basis, even when the compulsion of law may be absent. The phrase is broad enough to cover stripping operations where the timber has become so badly rotted and fallen that there is no other way than stripping to recover the available timber and to start a sound sustained yield program through replanting."[5]

Author's Note: Section 4 of Article VIII (Natural Resources) became the area where sustained yield appeared in the completed Constitution of the State of Alaska. The adopted Section was re-written from the consultant's proposal.

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[4] From, *Sustainable Development, a Guide to Our Common Future*, The Report on the World Commission on Environment and Development, 1988.

[5] From, CONSTITUTIONAL STUDIES, Prepared on behalf of the Alaska Statehood Committee for the Alaska Constitutional Convention, Convened November 8, 1955, by Public Administration Service, Volume I of 3.

Sustained Yield

An Academician's View:

"No other state constitution (writing on the Constitution of the State of Alaska) has a separate article devoted exclusively to natural resources. The presence of this article in Alaska's constitution signifies the importance of minerals, fish, and wildlife in the history of Alaska's development, and the expectation that they would continue to be significant to the future of the state. It was evident from bills pending in Congress at the time of the constitutional convention (1955) that Alaska would acquire a sizable grant of federal land when it became a state. Also, the new state would assume responsibility for the management of fish and wildlife. In their "Report to the People," the constitutional convention delegates said: 'The future wealth of the State of Alaska will depend largely on how it administers the immense and varied resources to which it will fall heir.' Thus, they considered it imperative to give Consitutional recognition to fundamental principles that should guide the management of the state's patrimony.

While the convention delegates sought to protect basic principles of resource management in the constitution, they also sought to avoid provisions that would be unsuitably restrictive for future generations. They were content to let future legislatures, and the courts if necessary, give contemporary meaning to general terms like public interest, maximum benefit of the people, common use, and superior public purpose. However, their aim was to fix these philosophical concepts so firmly in the law and consciousness of Alaskans that they could not be subverted by stealth, ineptitude or inattention.

Apart from the symbolism and exhortation, what does the article really accomplish? It establishes, directly and indirectly, the following principles.

- "The natural resources of Alaska should be developed.
- "The natural resources of Alaska are to be managed as a public trust.
- "The public should have the broadest possible access to and use of the state's natural resources.
- "Management of the renewable resources must be on the basis of sustained yield.
- "Management of state resources will recognize multiple uses whenever possible.
- "The methods of acquiring mineral and water rights traditionally used in Alaska and other western states shall be preserved by the new state government to the extent allowed by the Congress.
- "No private property rights may be created in any fishery." [6]

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[6] Gordon Harrison, *A Citizen's Guide to the Constitution of the State of Alaska*, ISER Univ. of Alaska Report Series 59.

Sustained Yield

A Legal Opinion:

Note: The enclosed was written primarily to describe the principle of sustained yield as it pertains to Alaska's wildlife and fisheries. The author noted there has been no legislative history of defining sustained yield as pertains to these renewable natural resources, thus his paper relies on the Constitution of the State of Alaska and the legislative history and court findings concerning sustained yield as per forests. "Fish, forests, wildlife, grasslands, and all other replensishible resources belonging to the state" is the way the Constitution addresses the various subjects.

The author notes (Page 4 of the paper) by quoting From Vol. 7, p. 98, of the Alaska Constitutional Convention Proceedings, "Sustained yield is recognized as a principle applicable to the administration of plant and animal life subject to the immediate authority of the state."

He notes, "The Alaska Legislature has never statutorily defined 'sustained yield' as applied to wildlife or fisheries" so the author defers (page 10) to the statutes affecting forests, particularly the Alaska Forest Resources and Practices Act (AS 41.17.950) and the Alaska Public Lands Act (AS 38.04.910). He notes (page 11) "The Alaska Forest Practices Act, and AS 38.04.910 might arguably be construed in pari materia with Alaska's wildlife and fisheries statutes."[7]

Author's Comments: The paper noted above gives the opinion that fish and wildlife, for purposes of sustained yield, are to be treated as to the legislation and court cases involving sustained yield of timber. If this is so, then it is also so that timber should be given the same deference in practice (and expenditure) as fish and wildlife.

The author states (page 15), "It is not only the right, but the duty, of the State to preserve for the benefit of the general public, the fish in its waters (read timber) from destruction or undue reduction in numbers, whether caused by improvidence or greed of any interests."

This can be interpreted to mean that the State must undertake such activities as necessary to protect the forest resources from destruction or undue reduction. In the case of forests, when faced with Forestland Emergency[8] conditions, this is best done through the authorities given in Title 41.15 Forest Protection.

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[7] *The Sustained Yield Principle of Article VIII, Section 4*, by Gregory F. Cook, Esq., May 4, 1991 (Office of the Attorney General of Alaska)

[8] **Forest Land Emergency:**

An emergency, as it pertains to forest land conditions, is defined as

(1) actual or imminent loss of the market value of timber that has been damaged by fire, insect infestation, other pest, disease, or an act of nature, with the biological destructive agents acting at the epidemic level;

Sustained Yield

A Politician's View:

"**Maximum use** is the reigning policy for resource development on state land. The 'sustained yield principle' in Section 4, Article VIII of the Alaska Constitution is subject to the 'maximum use' policy of Section 1. The Constitution directs us to provide citizens the opportunity to utilize and develop our resources. This utilization is to be provided up to the maximum level that the resource can sustain. ... Our maximum use policy emphasizes the 'yield' portion in 'sustained yield principles.' "[9]

The professional forestry view:

"The yield that a forest can produce continuously at a given intensity of management. Note: Sustained-yield management therefore implies continuos production so planned as to achieve at the earliest possible time a balance between increment and cutting."[10]

"To Fernow, the basic deficiency in handling forest resources was the failure to distinguish between interest and capital. Sustained yield, after all, was based on the notion of harvesting annual or periodic growth increments -- the interest. Overcutting occurred when the resource base (the capital) was depleted to a point where the desired growth could not be maintained. Cutting into forest capital reserves would in the long run lead to exhaustion."[11]

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(2) actual or imminent loss of the market value of timber that is threatened by insect infestation, other pest, or disease;

(3) the need to create fire breaks to protect natural resources, private and public real and personal property values, human life, or livestock life, or to avert actual or imminent economic loss;

(4) a requirement to reduce fuel-loading of the forest to protect natural resources, private and public real or personal property values, human life, or livestock life, or to avert an actual or imminent economic loss;

(5) a requirement to reduce the spread of insect infestation, the spread of other pests, or other destructive agents that in the expert opinion of the director has reached or is threatening to reach epidemic levels, threatening the fulfillment of multiple use and sustained yield of the multitude of forest resources, defined as fish, forests, wildlife, grasslands and all other replenishible resources.

[9] Alaska's Lieutenant Governor John B. Coghill, November 1993. Coghill was a delegate to the Alaska Constitutional Convention that adopted the Natural Resource Article, quoted below, in 1955.

[10] *Terminology of Forest Science, Technology, Practice and Products*, Society of American Foresters, 1971.

[11] Quote from *The U.S. Forest Service, A History*, by Harold K. Steen, Univ. of Washington Press, 1976, concerning statements in the USDA Annual Report 1886, by Bernhard Fernow, Chief of the Division of Forestry. Fernow, a German, was the first professional forester in the United States and in Canada.

Legal Framework and Definitions:

The Alaska Situation:

A- from THE CONSTITUTION OF THE STATE OF ALASKA

Article VIII - Natural Resources

Section 1 - Statement of Policy.

It is the policy[12] of the State to encourage the settlement of its land and the development of its resources by making them available for maximum use consistent with the public interest.

Section 2 - General Authority.

The legislature shall provide for the utilization, development, and conservation of all natural resources belonging to the State, including land and waters, for the maximum benefit of the people.

Notes to Opinion

This section, stating that Alaska's natural resources shall be used and developed in ways that will benefit Alaska's people, is not inconsistent with the federal privileges and immunities clause. Hicklin v. [Orbeck, 565 P.2d 159 (Alaska), rev'd on other grounds, 437 U.S. 518 98 S. Ct. 2482, 57 L. Ed. 2d 397 (1977)]

The natural resources of Alaska "belong" to Alaska and to Alaskans in a way that, in the federal system, Alaska's society and economy in general do not. [Hicklin v. Orbeck, 565 P.

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[12] Not following policy is negligence. Negligence removes the perpetrator from immunity.

1. Negligent offense. One which ensues from a defective discharge of a duty, which defect could have been avoided by the exercise of that care which is usual, under similar circumstances, with prudent persons of the same class. [State v. Weiner, 41 N.J. 21, 194, A.2d 467, 480. Black's Law Dictionary, Sixth Edition]

2. The basic policy of the law should be that when there is negligence the rule is liability, immunity is the exception. [State v. Abbot, Sup.Ct. Op. No. 801 (Files Nos. 1463, 1467) 418 P.2d 712 (1972)]

3. ... whereas decisions that are merely operational in nature, thereby implementing policy decisions, will not be considered discretionary, and therefore will not be shielded from liability. [Japan Air Lines v. State (File No. 5027), 628 P.2d 934 (1981)]

4. Failure to exercise proper care does not rise to the level of governmental policy decisions to which the discretionary function immunity from suit applies. [Stanley v. Stanley, Sup.Ct. Op. No. 865 (File Nos. 1598, 1601), 506 P.2d 1284 (1973)]

5. The elements of a cause of action for negligence are: (1) a duty requiring an actor to conform to a certain standard of conduct, for the protection of others against unreasonable risks; (2) a failure on his part to conform to the standard required; (3) a reasonable close causal connection between the conduct and the resulting injury (proximate cause); (4) actual loss or damages resulting to the interests of another. [State v. Abbott, Sup.Ct., Op. No. 801 (Files Nos. 1463, 1467) 498 P.2d 712 (1972)]

2d 159 (Alaska) rev'd on other grounds, 437 U.S. 518, 98 S. Ct., 2482, 57 L. Ed. 2d 397 (1977)|

The terms "conserving" and "developing" both embody concepts of utilization. "Conserving" implies controlled utilization of a resource to prevent its exploitation, destruction or neglect. "Developing" connotes management of a resource to make it available for use. |Kenai Peninsula Fishermen's Co-op. v. State, 628 P.2d 897, (1981)|

Section 4 - Sustained Yield.

Fish, forests, wildlife, grasslands and all other replenishable resources belonging to the State shall be utilized, developed and maintained on the sustained yield principle, subject to preferences among beneficial uses.

(all emphases added)

Note: In common usage the term "renewable" is used for resources such as timber, grass, wildlife, etc. that are renewable, as opposed to "non-renewable" resources, such as minerals, or fossil fuels which require eons to form. The term used in the Constitution is "replenishable." Replenishable and Renewable are not necessarily concurrent terms. Webster's defines the terms as:

renewable 1: *capable of being renewed. 2: capable of being replaced by natural ecological cycles or sound management practices.*

replenish 1 a: *to fill with persons or animals* b: *to supply fully* c: *to fill with inspiration or power* 2 a: *to build or fill up again* b. *to make good.* The adjective is **replenishable.**

The American Heritage Dictionary, 2nd College Edition, states:

renewable: *To make new, or as of new again. To restore.*

replenish: *To fill, or make complete again; add a new stock or supply; replenish the larder.*

This indicates that the Constitution of the State of Alaska contemplates and requires more than holding renewable resource levels to some status quo by simple "replacement." It implies a duty to "fill," to "fully supply," and to "build." This require proactive management.

B- ALASKA STATUTES

AS 38.04.005. Policy. (a) In order to provide for maximum use of state land consistent with the public interest, it is the policy of the State of Alaska to plan and manage state-owned land to establish a balanced combination of land available for both public and private purposes. .....

AS 38.04.910. Definitions. In this chapter, unless the context otherwise requires.

(5) "**multiple use**" means the management of state land and its various resource values so that it is used in combination that will best meet the present and future needs of the people of Alaska, making the most judicious use of the land for some or all of these resources or related services over areas large enough to provide sufficient latitude for periodic adjustments in use to conform to changing needs and conditions; it includes

(A) the use of some land for less than all of the resources; and

(B) a combination of balanced and diverse resource uses that takes into account the short-term and long-term needs of present and future generations for renewable and nonrenewable resources, including, but not

Sustained Yield

limited to recreation, range, timber, minerals, watershed, wildlife and fish, and natural scenic, scientific, and historic values;
(11) **"sustained yield"** means the achievement and maintenance in perpetuity of a high level of annual or regular periodic output of the various renewable resources of the state land consistent with multiple use; (all emphasis added)

Notes to Decisions

Sustained Yield Principle. -- The "sustained yield principle" as used in Alaska Const., art. VIII, Section 4., accords with the definition set forth in paragraph (11) of this section, and the added language is in the "sustained yield" definition as AS 41.17.950 that it "does not require that timber be harvested in a non declining yield basis over a rotation period" should be read as permitting timber cutting at a level that cannot be sustained over a forest rotation period only in unusual circumstances. Southeast Alaska Conservation Council, Inc. v. State, 665 P.2d 544 (Alaska 1983).

Author's Note: Non declining yield over a rotation period, except under unusual circumstances, was made law by action of the Court, even though non declining yield over a rotation period was specifically exempted by the Legislature. Non declining yield over a period is an attempt to regulate harvest under some "even-flow" regime. It has been found to be nearly, if not totally, an unworkable effort, when both biological capacity and economies are taken into consideration ... particularly when forest manager's start with a mature or declining forest resource. This was partially recognized by the Alaska Court when it noted "only in unusual circumstances," but then did not define such circumstances. Neither did it define "usual circumstances" which has also never been defined in science. Many scientists and practitioners would argue that all circumstances relating to biological and economic conditions are unusual, in which case non declining yield is not an issue ... and manager's should merely attempt to maintain "high yields" while varying growth and output according to conditions.

AS 41.17.950. Definitions. In this chapter, unless the context otherwise requires.
(8) **"multiple use"** means
(A) the management of all the various resources of forest land so that they are used in the combinations that will best meet the needs of the citizens of the state, making the most judicious use of the land for some or all of these resources or related values, benefits and services over areas large enough to provide sufficient latitude for periodic adjustments in use to conform to changing needs and conditions.
(B) that some land will be used for less than all of the resources; and
(C) harmonious and coordinated management of the various resources, each with the other, without significant impairment of the productivity of the land and water, with consideration being given to the relative values of the various resources, and not necessarily the combination of uses that will give the greatest dollar return or the greatest unit output.
(17) **"sustained yield"** means the achievement and maintenance in perpetuity of a high level annual or regular periodic output of the various renewable resources of forest land and water without significant impairment of the productivity of the land and water, but does not require that timber be harvested in a non-declining yield basis over a rotation period.

Chapter 15. Forest Protection

Sec. 41.15.010. Intent. It is the intent of AS 41.15.010 -- 41.15.170 to provide protection, commensurate with the value of the resources at risk, for the natural resources and watersheds on land that is owned privately, by the state, or by a municipality.

Sustained Yield

Sec. 41.15.020. Regulations. The commissioner shall, by regulation, make provision for the protection of forested land in the state from fire and other destructive agents.

Sec. 41.15.030. Contracts for forest protection. (a) The commissioner may enter into necessary protection contracts. ....

Sec. 41.15.040. Right of entry to control and suppress fires. Upon approval by the commissioner or an authorized agent, employees of the division of lands, or any other agency authorized to prevent, control or suppress fires or destructive agents, and others assisting in the control or suppression of fires upon request of an officer or employee of the United States or the state may at any time enter upon any land, whether publicly or privately owned, for the purpose of preventing, suppressing or controlling forest fires and destructive agents.

(all emphasis added)

The federal view:

The first legislative hint of the concept of sustained yield forestry in the U.S. was contained in the 1897 Organic Act (16 U.S.C. 473, et seq.) where in paragraph 475 it is stated, *"improve and protect forests within the boundaries, for the purpose of securing favorable conditions of water flows, and to furnish a continuous supply of timber for use and necessities of the citizens of the United States."* (the term sustained yield was not used.)

The term 'sustained yield" was first used in 1934 in a restrictive act concerned with some, but not all, American Indian Trust Lands. The act stated, *"to make rules and regulations for the operation and management of Indian forestry units on the principle of sustained yield management."* (25 U.S.C. 466)

In 1937, in the Oregon and California (O&C) Land Act (43 U.S.C. paragraph 1181(a)), in determining how the lands classified as timberland were to be managed it was stated, *"For the permanent forest production and the timber thereon shall be sold, cut and removed in conformity with the principal (sic) of sustained yield for the purpose of providing a permanent source of timber supply, protecting watersheds, regulating stream flow, and contributing to stability of local communities and industries, and providing recreational facilities."* The 1937 O&C Act did not define sustained yield, but it did define the goals of sustained yield.

In 1944 Congress again addressed the goal when authorizing Cooperative Sustained Yield Units, in the Sustained-Yield Forest Management Act (16 U.S.C., 583) by stating, *"In order to promote the stability of forest industries, or employment, of communities, and of taxable forest wealth, through continuous supplies of timber; in order to provide for a continuous and ample supply of forest products; and in order to secure the benefits of forests in maintenance of water supply, prevention of soil erosion, amelioration of climate, and preservation of wildlife."*

In 1947, Congress authorized the Secretary of the Interior to sell public domain timber. The law did not mention the principle of sustained yield, but simply stated that no sales was to be "detrimental to the public interest." (30 U.S.C. 601)

In 1960, Congress, for the first time, defined Sustained Yield.
This was the Multiple Use -- Sustained Yield Act, (16 U.S.C. 529-531).

By this act the *"Secretary of Agriculture is authorized and directed to develop and administer the renewable surface resources of the national forests for multiple use and sustained yield of the several products and services obtained therefrom. In the administration of the national forests due consideration shall be given to the relative values of the various resources in particular areas. The establishment and maintenance of areas of wilderness are consistent with the purposes and provisions of the act.*

"Multiple use' means the management of all the various renewable surface resources of the national forests so that they are utilized in the combination that will best meet the needs of the American people; making

the most judicious use of the land for some or all of these resources or related services over areas large enough to provide sufficient latitude for periodic adjustments in use to conform to changing needs and conditions; that some land will be used for less than all of the resources, each with the other, without impairment of the productivity of the land, with consideration being given to the relative value of the various resources, and not necessarily the combination of uses that will give the greatest dollar return or the greatest unit output."

"Sustained yield' of the several products and services means the achievement of maintenance in perpetuity of a high-level annual or regular periodic output of the various renewable resources of the national forests without impairment of the productivity of the land."

The 1974 Forest and Renewable Resources Planning Act (88 Stat. 476; 16 U.S.C. 1601-1610)) directed the Secretary of Agriculture to assess all lands and to prepare a program for the management of the national forests. In 1976 the 1974 act was amended by the National Forest Management Act of 1976 (90 Stat. 2949) which broadened and better defined the planning and management functions.

The amended act states:

Sec. 2, Findings. -- The Congress finds that --

"(1) the management of the Nation's renewable resources is highly complex and the uses, demand for, and supply of the various resources are subject to change over time;

"(2) the public interest is served by the Forest Service, Department of Agriculture, in cooperation with other agencies, assessing the Nation's renewable resources, and developing and preparing a national renewable resource program, which is periodically reviewed and updated;

"(3) to serve the national interest, the renewable resource program must be based on comprehensive assessment of present and anticipated uses, demand for, and supply of renewable resources from the Nation's public and private forests and rangelands, through analysis of environmental and economic impacts, coordination of multiple use and sustained yield opportunities, as provided in the Multiple-Use Sustained Yield Act of 1960 (74 Stat. 215; 16 U.S.C. 528-531), and public participation in the development of the program;

Sec. 4. Section 3 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as redesignated by Section 2 of this Act, is amended by adding at the end thereof new subsections (d) and (e) as follows:

"(d) (1) It is the policy of the Congress that all forested lands in the National Forest System shall be maintained in appropriate forest cover with species of trees, degree of stocking, rate of growth, and conditions of stand designed to secure the maximum benefits of multiple use sustained yield management in accordance with land management plans. ....

Sec. 6. Section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as redesignated by section 2 of this Act, is amended by adding at the end thereof subsections (e) through (m) as follows:

"(e) in developing, maintaining, and revising plans for units of the National Forest System pursuant to this section, the Secretary shall assure such plans --

"(1) provide for multiple use and sustained yield of the products and services obtained therefrom in accordance with the Multiple-Use Sustained Yield Act of 1960, and in particular, include coordination of outdoor recreation,

> range, timber, watershed, wildlife and fish and wilderness;
>
> and
>
> "(2) determine forest management systems, harvesting levels, and procedures in the light of all the uses set forth in subsection (e)(1), the definition of the terms 'multiple use' and 'sustained yield' as provided in the Multiple-Use Sustained Yield Act of 1960, and the availability of lands and their suitability for resource management.

During 1976 the Congress also enacted the Federal Land Use Policy and Management Act (FLPMA), (43 U.S.C. 1700 et seq.) FLPMA recites the definition of Sustained Yield from the 1960 Multiple Use Sustained Yield Act. While the 1960 act was directed at the U.S. Forest Service, all the lands covered by FLPMA, except those lands dedicated to another specific use by another law, are to be managed for multiple use and sustained yield.

Another State's View:

"Management of the forest to provide harvesting on a continuous basis without major prolonged curtailment or cessation of harvest." State of Washington statutory definition of Sustained Yield.

Author's Note: The principle of sustained yield is difficult to define in the abstract. But when combined, as it must and should be, with the principle of multiple use, it is easier to define in the general sense. While the principle has been reduced to legal definitions it is very difficult to practice, as the professions (forestry, wildlife management, fisheries biology, etc.) responsible for such management are both arts and sciences, and not always exacting, and in progressive growth. This means that practicing these professions requires continuous effort in research and applications, based on goals and strategies. The goals (policies) have been set by the public, in law, but the strategies must be exercised by the professions.

Difficulty in such practice does not excuse responsible parties for "breaking laws," particularly by "overlooking laws" when doing so reduces the sustained yield, or otherwise threatens a resource. It is always possible to quantify physical volumes, and when volumes are going down, as demand is rising, there is added imperative to seek the next higher level of yield.

This is particularly so when the laws, such as Alaska Title 41.15 et seq. and 41.17 et seq. are written general as to "what to do" but specific as to "requirements to do." Recall the intent of AS 41.15 is to protect "to the value of the resource at risk."[13]

Nowhere do these, or other laws (except in dedicated wilderness areas, meeting strict legal guidelines) allow wanton-waste. This is as it should be. Nature's bounties (and Nature's

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[13] **AS 41.15.010. Intent.** It is the intent of AS 41.15.010 – 41.15.170 to provide protection, commensurate with the value of the resources at risk, for the natural resources and watersheds on land that is owned privately, by the state, or by a municipality. **AS 41.17.010 (3)** The state has a fundamental obligation to ensure that management of forest resources guarantees perpetual supplies of renewable resources ...

famines) come in many guises. It is sometimes difficult to tell when we have plenty, or when we are running short. It is even harder at times to determine our "needs" from our "wants."

Yet, in all the intellectual, visceral, legal and practitioner definitions of sustained yield we find the elements of "use," "periodicity" and "maintenance."

This means then that if there is no intention to use (to some maximum or high-end potential), or there are no repeating time frames, or no intention to maintain (or enhance), then there can be no sustainable yield, whether the yield be physical or monetary.

And if there is no sustained yield, then laws are being broken, and in the case of Alaska's forests, the perpetrator is the State, which under Alaska Statutes Title 38 and Title 41 has primary responsibilities to manage and/or protect all forested land in the state. (AS 38.05.500 - 505 even carries this responsibility as to federally claimed public lands within Alaska.)

And, "When it (government) fails to act, or when it implements rights incompetently or incompletely, government becomes a lawbreaker."[11]

In one way or another, sustained yield is the law of the United States, and particularly of Alaska. This means there must be use, periodicity and maintenance. To reach these goals in Alaska requires a balanced use of Alaska Statutes (Title 38 and Title 41) and the arts and sciences of forestry and related disciplines.

Not balancing these laws, or selectively utilizing a law for less than its intended purpose (such as utilizing AS 41.15 et seq. only for forest "fire"(s), while not concerning managers with "and other destructive agents") skews both the effectiveness of the laws and their intended purposes. And following Schuck this constitutes illegal events, particularly when damages can be shown as a result of not following legal mandates.

And this has been the case in Alaska for the entire period of Statehood (since 1959). The results of this incomplete (or incompetent) application of law is now evident throughout the state ... in dying forests, underutilized forests, and unmanaged forests. Economic, social and biological values are being wasted and lost.

Alaska has been blessed with potentially rich forests, that if competently managed can sustain high yields of forest products, water, oxygenated air, fish and wildlife, recreation opportunities, etc.

Alaska was also blessed with Pioneers (which includes the original inhabitants), with foresight, who intended that those to follow them should enjoy the benefits of the forests and other natural resources, without suffering the indignities of over harvesting, or wanton-waste through non-management.

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[11] Schuck, P.H., 1982, *Suing Government, Citizens Remedies for Official Wrongs*, Yale University Press.

It is up to this, and each succeeding generation, to assure that the principles envisioned by the Pioneers (sustained yield and multiple use) continue. And it is particularly important that the elected, appointed and hired agents of the government, who are required to manage the resources in trust for the people, recognize this, and act accordingly.

April 20, 1994

House Resources Committee
Alaska House of Representatives
Juneau, Alaska

Mr. Chairman and Members of the Committee,

this is the third time I have come to the legislative Information Office to testify against SB 310, but I have never gotten the opportunity to speak. Now I am submitting my testimony in writing (I am sorry it is hand written).

Some Alaskans complain that too much of our land is protected in its natural state.

In my years of living in Alaska, I have never heard a single Alaskan complain that we have too many fish, or too many deer and moose. On the contrary, our political system is consumed by people competing for rights to these limited fish and wildlife resources. Our population and tourism are growing. This means even fewer fish and animals for each Alaskan. Alaskan

depend on fish and wildlife. Fish and wildlife depend on habitat.

SB 310 makes commercial logging the primary purpose for state forests. Why? Why is commercial logging more important than fish and game?

So called "Forest Management Agreements" are twenty-year timber cutting contracts which will lead to massive export of our wood resources, while fish and wildlife resources plummet.

SB 310 is not good for our economy. On the contrary, SB 310 will mean higher cost of living and greater dependence on welfare as Alaskans lose commercial fishing, sport fishing, subsistence and tourism.

Please oppose SB 310. Thank you

Pamela Brodie

Pamela Brodie
241 E. 5th Ave. #205
Anchorage AK 99501

Lacey Berns
April 15, 1994
Box 26
Kodiak, AK 99615
486-5091

Testimony
SB 310

My name is Lacey Berns. I am involved in commercial fishing. My family has been dependent on commercial fishing for 20 years.

I am opposed to SB 310. Forest Management Agreements are unhealthy and unbusinesslike alternatives for timber-cutting. They seem to be maneuvers by the timber industry to control state lands for their own benefit.

With the current budget scenario it is unconscionable to pass legislation which could potentially cost the State of Alaska millions of dollars in terms of spending dollars necessary to create infrastructure which supports logging.

State land is more valuable to all of us when it supports and prioritizes fisheries, wildlife, subsistence, tourism, and recreation values.

Public lands should not be made available for rampant clearcutting with NO regard to the other valuable resources located within its boundaries. Clearcutting is an archaic practice.

The State should move toward supporting smaller, selective-cutting practices such as the "Environmental Timber" operation located in Chignik, here on Kodiak, which has more public support and impacts the land & community in a positive way —

P. O. Box 230951
Anchorage, AK 99523

April 8, 1994

Representative Bill Williams
Chair, House Resources Committee
Alaska State Legislature
State Capitol (MS3100)
Juneau, AK 99801

Dear Representative Williams,

I am writing to express my opposition to S.B. 310. The Alaska Forest Practices Act (1990) appropriately emphasizes conservation and balanced use of state forest land, rather than maximizing revenue-producing uses. Long-term, large-scale timber contracts, as proposed in S.B. 310, threaten that balance.

It has not been convincingly demonstrated that large-scale timber harvesting will benefit the local economy. Experiments with Forest Management Areas in other parts of the state have without exception proved unprofitable. In fact, long-term contracts appear to benefit only the large timber corporations, while losing money for the state government.

Having lived in Fairbanks for 10 years, I know that many Interior residents use the Tanana Valley State Forest for hunting, fishing, trapping and other forms of recreation. These important parts of the Alaskan lifestyle will be threatened by large-scale logging. The tourist industry, guides, and businesses that supply equipment for outdoor recreation all stand to lose if our forests are not managed for balanced use. Local harvest of timber for firewood and house logs could also be adversely affected.

The Committee Substitute bill has addressed some of the concerns about public participation in the planning process, but the other fundamental problems remain. In particular, allowing commercial timber development to become the primary purpose of our state forests is completely unacceptable.

Sincerely,

Susan C. Bishop

FAX NUMBER 94-161

ALASKA HELICOPTERS, INC.

P.O. BOX 190283
ANCHORAGE, AK
99519-0283
FAX # (907)248-0342

FAX FORM

TO: Representative Bill Williams
Chairman House Resources

ADDRESS: State Capitol, Rm 128
Juneau, AK. 99801

TELECOPY PHONE NUMBER: 465-3793

FROM: Kyle Kirkhoff, Director

NUMBER OF PAGES 1 (including this cover page)

DATE SENT: 4/19/94

If you do not receive ALL of this Telecopy, please call (907)243-3404

SPECIAL INSTRUCTIONS: Mr. Williams

Strongly urge your support of SB310

Properly managing our State lands can create jobs as well as protecting our lands.

Sincerely, Kyle Kirkhoff

Public Testimony regarding
SB 310

After having twice taken 2 hours (@ $25/hr) off from work to wait unsuccessfully to testify at the Cordova LIO in regards to SB 310, I decided that the only way to be heard was to submit my feelings in writing.

To be brief, I think that SB 310 is a very bad piece of legislation. If the intention truly is to support small scale logging operations in Interior Alaska, then why not address this directly, rather than gut the Forest Practices Act on state land statewide? Since Senator Frank has admitted his lack of knowledge of logging operations, he should be aware that a 60,000,000 board foot harvest requires anything but a small operator.

As a citizen of Alaska, I am an owner of those same state forests, and feel that it should be managed for all uses, and not favor (subsidize) any one.

As a former commercial fisherman, I still have hard feelings from paying a resource use tax (the raw fish tax) that more than covered the costs of administration and enforcement of our fisheries, just to watch other resource users not paying their fair share. If this is the way the state does business, than it is no wonder we are broke. Should you not include a raw log tax to cover Fish and Game management to prevent habitat degradation, as well as to pay for the damage of heavily laden log trucks using highways that were never designed to handle that kind of load?

And, since when is a sale under 500,000 board feet small? In the Cordova area, Eyak Corporation logging yielded an average of 5000 b.f. per acre. This equates to 100 acres. If you look closely in Prince William Sound, you will find clearcuts dating from the 1950's, 100 acres in size, that were damaging to both fish and wildlife habitat. If you say that technology has much improved since then, you would be surprised to learn that "CAT" logging in identical fashion is still practiced today. And this, in the highly productive coastal temperate rainforest.

The idea of being locked into a long-term contract is also unwise, due to the volatility of the timber market and the almost daily changes in technology. When, in a few years, most of the private forests in Alaska have been cut and regeneration has not yet replaced the resource, a demand for wood products could drive the price sky-high.

In addition, in our area, there are many land selections that are under dispute, and would be covered by this bill if they were to fall under state ownership. This includes some selections immediately adjacent to Cordova, as well as along the coast between Cordova and Yakutat. These places have high recreational usage, as well as supporting hunting, guiding, and sports, subsistence and commercial fishing. It would be a shame to see current jobs in these industries destroyed by unwise resource management, as allowed in SB310.

I urge you to **NOT SUPPORT THIS BILL,**

Thank you for your time,

Stephen Bodnar
po box 2262
Cordova, Alaska 99574
(907) 424 5427

to: HouseResources Comittee, SenateResources, House Finance,
Rep. Harley Ohlberg, Sen Georgianna Lincoln

Alaska State Legislature

Please enter into the record my testimony to the House Resources
committee name

committee on SB 310 , dated 4/15/94 .
bill/subject

I am very upset that we are not being allowed to testify.

I must respectfully request that you reschedule this hearing + allow the public to be heard — the public is very upset about these provisions.

We took time out from work to be heard — please allow us that !!

Signed: Cheryl Boehnert
Testifier

Representing (Optional)

519 W. 8th Ave, #201, Ancl. 99501
Address

274-3621
Phone No.

Alaska State Legislature

Please enter into the record my testimony to the House Resources Committee
committee name

committee on SB310 , dated April 15, 1994 .
bill/subject

I URGE THE HOUSE RESOURCES COMMITTEE TO ALLOW THE ALASKAN PUBLIC TO OFFER ORAL TESTIMONY ON SB310. IT IS ABSOLUTELY NECESSARY FOR ADEQUATE PUBLIC PROCESS THAT THE RESIDENTS WHO HAVE COME TO BE HEARD ARE GIVEN THEIR RIGHT TO SUBMIT TO THE COMMITTEE THEIR VIEWS ON THIS BILL.

AIMEE R. BOULANGER

Signed: Aimee R. Boulanger
Testifier

SELF
Representing (Optional)

HC 83 BOX 2334, EAGLE RIVER, 99577
Address

(907) 696-8136
Phone No.

9/86 Legislative Information Office

Peter Bowers
Margaret Willett
P.O. Box 80532
Fairbanks, Alaska 99708
455-6528

Public Opinion Message
To: All members of the House of Represents
Date: April 18, 1994

We are strongly opposed to SB 310, the Logging Bill now being considered in the House Natural Resources Committee. It is a bad piece of legislation:

• It takes control of our valuable forest resources away from the people, and instead gives control to large corporations. At a time when Alaska is fighting harder than ever for control of it's own destiny, let's not give away yet another control over our land, our resources, and our natural heritage. The proposed Forestry Management Agreements are much too long term, and do not allow for continual scrutiny by the people who will be directly affected by them.

• The national timber corporations have no vested interest in Alaska, and there is no guarantee that any jobs they create will be for Alaskans. There are thousands of unemployed loggers and millworkers in the Pacific Northwest: these will be the workers who will benefit from this bill, not Alaskans. Let us continue to develop our own in-state timber industry at a scale that is commensurate with the limited, slow-growing timber resources we have here.

• At a time when other lands issues are unresolved, it is not prudent to enter into long-term agreements that will further tie up our lands. The acreage figures we have seen for harvest able timber in this area do not add up to the acreage that would be offered in the proposed Forestry Management Agreements. We do not have adequate inventory of either timber or the other affected resources to make this decision.

• The large scale clear cutting of the Tanana Valley is not what most of us settled in the area for. We have enjoyed this area for the past 20 years and do not want to see it destroyed. Under the present plan, upwards of 8 million acres would be clear-cut. IT TAKES 100 TO 120 YEARS TO GROW A TREE IN THIS AREA! This is only marginally a "renewable" resource. Are our two children expected to live in this wasteland?

• Why is logging considered a priority over other forest uses?

• Senator Steve Frank is WRONG, WRONG, WRONG to imply that Interior Alaskans are for this bill. He has no valid basis for that claim, and he knows it. The vast majority are against it. The hours of testimony that have taken place, the letters of opposition, and the sentiments of the people in the street are unified with one message: DO NOT PASS THIS BILL !

Alaska State Legislature

Please enter into the record my testimony to the House Resources
committee name

committee on SB 310, dated 4/15/1994.
bill/subject

Dear Mr. Chairman.

I would greatly appreciate the opportunity to talk to the committee about SB 310. Please give all of those people who are listening to the hearing and want to testify the opportunity to testify by scheduling another teleconference hearing as soon as possible.

Thank you very much.

Signed: Matthew D Grenier
Testifier

Representing (Optional)

P.O. Box 682 Girdwood 99587
Address

743-1806
Phone No.

April 22, 1994

The Honorable William K. Williams
Chair, House Resources Committee
Room 124 State Capital
Juneau, Ak 99801

Re: SB 310-Sale of State Timber

Dear Representative Williams:

I attended the LIO conference meeting Wednesday morning April 20th on the subject bill intending to testify on behalf of the Greater Fairbanks Chamber of Commerce by reading into the record Resolution 94-0307 (copy enclosed) in support of Senate Bill 310 and to add a few personal comments while there. As you know there was a large group present and the chance of my testifying seemed not likely so I left with the intention of submitting my personal remarks via this letter along with a copy of the resolution.

As a member of the 1st and 2nd Legislature I became aware of the potential of The Tanana Valley to produce in excess of 100 million board feet of wood products annually on a sustained yield basis. I have felt for many years that a managed harvest of this resource in the Tanana Valley could provide and excellent opportunity for individuals who, as logging contractors for an organization holding a management Forest Management Agreement such as is being proposed by SB 360 could, result in a real economic benefit, and especially so, for the Tanana Valley where almost unlimited access to the resource is available during the winter months.

After listening to the testimony I was surprised at the intense concern by the opposition and, in some cases, their not too complimentary remarks regarding the process. However, one must consider the source and their apparent lack of understanding of how the legislative and administrative process works. It seems that many expect to find answers to their concerns in the bill under consideration, the facts are that their concerns will eventually be dealt with in the form of administrative rules and regulations. and not in the legislative bill which only deals with amendments to existing law and provides guidelines. However, a large percentage of the concerned ones not only do not understand the process but there is also a lack of confidence and a perception, on the their part that once laws are passed and administrative rules and regulations are in place that the gates are open and nothing will happen to prevent violations of the law under bureaucratic control.

In my judgment SB360 Sec.3 adequately provides the guidelines under which the Department must promulgate administrative rules and regulations that limit the power of Commissioner. Please place the copy of the Greater Fairbanks Chamber resolution and this letter in the record of testimony received by the Committee in support of SB360.

Sincerely.

Frank X. Chapados
P.O. Box 74825
Fairbanks, Alaska

Greater Fairbanks Chamber of Commerce

709 Second Avenue (907) 452-1105
Fairbanks, Alaska 99701 FAX: (907) 456-6968

RESOLUTION 94-0307

A RESOLUTION BY THE GREATER FAIRBANKS CHAMBER OF COMMERCE IN SUPPORT OF SENATE BILL 310

WHEREAS, resource development has been, and will continue to be, the cornerstone of Alaska's economy, and

WHEREAS, the forest industry provides a new opportunity for the economic growth of Interior Alaska, and

WHEREAS, the State of Alaska owns 60-70% of the Interior's accessible commercial forest, and

WHEREAS, in order to attract a forest products company to the Interior, it is a prerequisite that the company have assurance that it will have a long-term supply of timber to justify its investment in plant and equipment, and

WHEREAS, SB310 establishes the authority of for the State of Alaska to enter into long-term forest management agreements, which will encourage forest industry development in the Interior.

NOW, THEREFORE, BE IT RESOLVED that the Greater Fairbanks Chamber of Commerce supports SB310 and respectfully requests the Alaska State Legislature and the Governor to enact said bill into law.

Dated this 7th Day of March, 1994.

By _____
Margo Goodhew
President/CEO

By _____
Keith D. Burke
Chairman of the Board

P.O. Box 82960
Fairbanks, AK 99708

April 15, 1994

Representative Bill Williams, Chair
Alaska State Legislature
State Capitol (MS 3100)
House Resource Committee
Juneau, AK 99801-1182

RE: SB 310

Dear Representative Williams,

I am writing in response to the House Resource Committee teleconference on SB 310 that was conducted this morning, April 15, 1994. I attended the teleconference meeting at the Fairbanks LIO office. I live in Fairbanks as well as travel and work extensively in the rural interior communities.

First, I would like to express that I am adamantly opposed to SB 310. I believe it is piece of legislation that was written by few to benefit few. In Alaska, the issue of local hire has not ever been substantially addressed. It is difficult to believe that any employment which would result from timber harvesting would result in long term employment for more than a few Alaskan, whether they are urban or rural based. As in the case of the pipeline, people living in Washington and Oregon who have recently lost logging related employment would very easily relocate and pursue the limited employment attached to this bill.

Far beyond the issue of employment is the LARGER picture of Alaska in the future. It's hard not to feel a devastating sense of hopelessness when looking at the actions of this legislature. Holistically you have a bill that allows a developer first priority for forestry, coupled with bills that want to develop more roads, open more mining operations and cut resource management while not giving any consideration to addressing hunting and fishing issues as well as the problem with local hire mentioned above. All of these issues are connected. Where will wild game retreat to with substantially less forest, more roads resulting in more hunters, and less available clean water due to erosion and mining? Alaska, not only as one of the states, but across the world is one of the few places left undesecrated and manipulated by developer's desire. I urge you not to become one or help the "Extractors" in Alaska.

Secondly, I am thoroughly disappointed with the process of this morning's "public" teleconference. In your position as public servant, in addition to your colleagues, I am aware you often have difficulty obtaining public response to a large number of bills. In the case of this morning's "public" teleconference, it was deemed a committee meeting where public testimony should have taken place. I would guess, at a majority of the teleconference sites, the room was full of individuals waiting to participate. This was the situation in Fairbanks. Instead, all but 15 minutes of the 2 hour meeting was devoted to Senator Frank positioning himself and state agencies endorsement of SB 310. I think the Resource Committee as well as the rest of the legislative committees need to re-evaluate the meaning of "public" input and make constituent testimony your first priority at any meeting. I sincerely hope you do not loose perspective in this respect.

Once again, I strongly object to SB 310 and encourage you to consider the larger and long range impact of the bills you are deliberating. In addition, I look forward to a Wednesday April 20th teleconference that truly invites public testimony.

Sincerely,

Malinda Chase

Malinda Chase

cc: Senator Frank
House Resource Committee Members

Alaska State Legislature

Please enter into the record my testimony to the House resource Committee
committee name

committee on SB 310 , dated 4/15/94
bill/subject

I am adamantly opposed to SB 310. When this bill was in the Senate, there was overwhelming opposition against it, but the Senate rammed it down our throats anyway. I am confident that the House will have more wisdom and listen to its constituency.

There are a number of reasons to oppose this bill, but the primary reason that I hear to support it is for the creation of jobs. But what about the jobs that would be destroyed if this bill were to pass? I am in the visitor industry and I will remind you that this is the second largest private industry in the state. both in terms of money generated, close to one billion dollars, and in the number of people employed. And contrary to popular belief, over 90% of this money remains in the state!! Why is the visitor industry so strong and growing 10% annually? It grows because of Alaska's beauty, wildlife and large tracts of undeveloped land. Our land is worth money left alone.

(continued)

Signed: Jan B. Chaffee
Testifier

Representing (Optional)

426 Haines Ave, Fbks, 99701
Address

Alaska State Legislature

Please enter into the record my testimony to the House Resource
committee name

committee on SB 310 . dated 4/15/94
bill/subject

(continuation)

Alaska is one of the few remaining places, not only in the United States, but in the entire world, where large tracts of undeveloped land exist, and people are willing to pay money to experience this country. If we start allowing large, long term timber contracts, then Alaska will no longer be able to compete as aggressively for the vistor dollars, and jobs and money will be lost to Alaskans.

On a more emotional level, I grew up in the Pacific Northwest. I have lived in Alaska for more than 11 years, and one of the primary reasons that I left Washington was because of the massive logging on public lands. They have logged themselves out and are coming here now. I believe most people who live in Alaska, regardless of their political affiliation, do so because it is unique. Why do we want to change it to look like the rest of the west? Alaskans are noted for saying "we don't care how they do it outside." Well lets stick to this motto and learn from the mistakes of the other states. I have faith that this legislature will be a leader, helping Alaska maintain its status as the crown jewel of the U.S. Do not pass SB 310. Thank you.

Signed: Jen B.
Testifier

Representing (Optional)

426 Haines Ave. Fbnks, 99701
Address

Alaska State Legislature

Please enter into the record my testimony to the House Resources
committee name

committee on S.B. 310 , dated March 30, 1994
bill/subject

(My name is Oakley Cochrad, and I reside at 2240 Railroad Drive)

Picture this: You are skiing through Tanana Valley State Forest on a beautiful spring day. Birch are beginning to ease out and stretch up from under winter's snow-load. As you head towards the spot where you and your family often picnic in late August, you pass the bog where you shot your first moose.

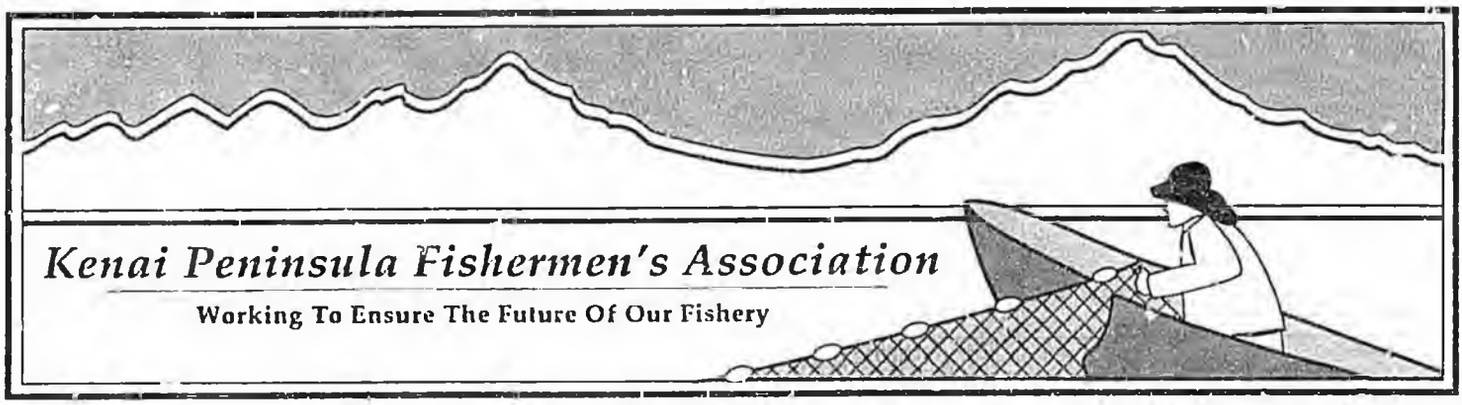
Tomorrow; the scene changes. The slash of clear-cut creates a chaos of branches. But you are dreaming of summer picnics, virtually unaware of the growing patch work of deforestation because you—and the public—were left out of much of the process of deciding where and when and what and how much gets cut. The legislature has made significant revisions to SB 310 regarding public input—and I applaud these efforts! But they are NOT enough; the commissioner still retains, in the final analysis, absolute control over Tanana Valley State Forest.

I support sustainable logging, just as I support hunting to put food on the table. But SB 310—even with the new revisions—denies democracy by belittling the public process. And I support democracy—don't you?

Signed: [signature]
Testifier-

Representing (Optional)

P.O. Box 85071, Fbks, Ak 99708
Address



Kenai Peninsula Fishermen's Association

Working To Ensure The Future Of Our Fishery

34824 Kalifornsky Beach Road • Suite E • Soldotna • Alaska • 99669 • (907) 262-2492

April 19, 1994

Representative Bill Williams
State Capitol, Rm. #128
Juneau, Alaska 99801

Dear Representative Williams:

The Kenai Peninsula Fishermen's Association represents Cook Inlet commercial fishermen. We are opposed to the confirmation of Mr. Dick Bower's appointment to the Alaska Board of Fisheries. Mr. Bower's professed bias against commercial fishing and his lack of experience in fisheries issues lead us to conclude that he cannot serve the State effectively in the capacity of Board of Fisheries member.

During the House Resources Committee Hearing on Governor Hickel's appointments on Monday, April 11, Representative Nicholia asked Mr. Bower to rank the priorities of the various fishery user groups. The committee's transcript of this dialog is enclosed. Mr. Bower responded by ranking spawning escapement his first priority, subsistence as his second priority, and after those, his number one allocation would be for non-commercial uses. Mr. Bower apparently deduced that the Constitution, the mandate of the Board of Fisheries, and the Mixed Stock Fishery Policy dictate that commercial fishing is the lowest priority use for Alaska's fishery resource. He even elaborated that commercial fishing priority was lower than providing fish resources to the other people of the United States who come here as tourists.

KPFA has consistently agreed with and worked toward ensuring escapement and subsistence priorities. However, neither the Constitution, the mandate of the Board of Fisheries, nor the Mixed Stock Fishery Policy specify the priority of recreational, personal, and commercial uses of the State's fish resources. The Legislature has on the other hand passed allocation criterion for the Board to apply when deciding allocation issues. We believe that Mr. Bower's position represents a serious conflict to serving on the Board in an unbiased fashion. Mr. Bower's preconceived attitude that commercial fishing is *always* the last priority completely contradicts the allocation criterion. We question how a person who has professed an extreme bias can separate himself from that bias so that he is credible when he says that he doesn't come to the Board with an preordained agenda.

While Mr. Bower's resume is impressive, it appears that he lacks any prior experience in working on fisheries issues in any capacity. In our involvement with various agencies and organizations that deal with complex resource issues here on the Kenai Peninsula, such as Cook Inlet Aquaculture Association, Regional Planning Team, Kenai/Soldotna Fish & Game Advisory Committees, and the Kenai River Special Management Area Advisory Board we have never encountered Mr. Bower prior to his appointment. We wonder how he has acquired or if he has a demonstrated knowledge of fisheries management and the complexity of the associated issues. Mr. Bower's experience appears to be limited to a one year stint as a member of the Kenai River Sportfishing, Inc., whose primary goal has been the elimination of the Cook Inlet commercial fishery.

One of the criterion for appointment to the Board is, "The Governor shall appoint each member on the basis of interest in public affairs, good judgment, knowledge, and ability in the field of action of the Board." We hope Senate Resources Committee members will question Mr. Bower further in these areas.

Alaskans are privileged to have a regulatory process with which they can so vigorously participate such as the Board of Fisheries. Very few boards operate in the same manner and have regulatory powers. As such, it is especially important to keep the process as pure and free of political manipulation as possible. KPFA has a long record of supporting the Board process and of supporting the appointments of qualified candidates, including sport, subsistence, and commercial individuals to serve on the Board. We believe there are people more qualified, willing, and available to serve this process and that it would be in the State's best interest for the legislature to decline Mr. Bower's confirmation.

Thank you for your consideration. If you have any questions or comments please call our office, 262-2492.

Sincerely,

Ken Coleman

Ken Coleman
President

PORTION OF 4/11/94 HOUSE RESOURCES COMMITTEE MEETING

REPRESENTATIVE IRENE NICHOLIA:

"In regard to the mixed stock fishery, please give me information regarding how you see the fisheries management priorities. For example, please rank the importance of commercial fishing, subsistence, sustained yield and explain your answers in light of your actions on the Board of Fisheries in regard to the mixed stock fishery."

MR. DICK BOWER:

"I know that you said sustained yield. I would like to respond in a little different way. Sustained yield means that we are looking at a resource and we are saying that this much of the resource we will view as a yield meaning that is usable then I am assuming. I would prefer to start out and if you want my priorities, I will say that my number one priority is to see that a sufficient number of fish reach the spawning grounds and in turn spawn and produce the fish that we are going to need. Now maybe that can be viewed as sustained yield but to me it puts a little different emphasis on it because we are saying we have got to determine and know that those fish are reaching the spawning grounds and are effectively spawning and producing the fry, the smolt, etc. The second priority is on subsistence and I think this is established for us by regulation, by law, and by historical use. From that point on, we then are involved in allocating issues. I think if you look at the constitution and if you look at the mandate of the Board and indeed at the mixed stock fishery, I think then we would see that those allocation issues are the ones that we are really caught up in and are controversial. I would say the number one allocation to go to the broadest number of public use as possible and in the underlaying existing circumstances I would say those are probably noncommercial uses. Based on that approach to it I would say that commercial allocation then becomes if you will the lowest priority although as it was that leaves a heavy benefit to the state. I think that commercial allocation needs to be tempered upon meeting number one, the spawning requirements, number two, the subsistence requirements and number three, the noncommercial fishery that may be utilized by the largest number of residents of the state of Alaska as well as those to whom we do have the responsibility which would be the other people of the United States who may come here to participate in our fisheries resource.

Wed 20th

Alaska State Legislature

Please enter into the record my testimony to the H Resources
committee name

committee on CSSB310 , dated ~~3/30 (Bill Date)~~ 4/15/94.
bill/subject

There are scores of people with grave concerns about this bill. I join them in requesting an opportunity to testify.

I strongly oppose the bill in its current form. It makes a mockery of "multiple use" and "sustained yield" and provides no requirements that the State not give away the timber with no public control.

Signed: Steph B Colt
Testifier

Self
Representing (Optional)

1408 P ST #B
Address

278-5107
Phone No.

TESTIMONY FROM CORDOVA DISTRICT FISHERMEN UNITED
DORNE HAWXHURST, EXECUTIVE DIRECTOR
APRIL 20, 1994

I am writing to express strong opposition to CS SB310 on behalf of the nearly 1,000 Area E permit holders represented by Cordova District Fishermen United. CS SB310 is an example of exceedingly irresponsible resource management. The legislation, in effect, locks up long-term access to timber resources for short-term gain at the expense of all other uses and users of Alaska's renewable resources. For example:

Section 2 Exempts sales under 500,000 board feet from the current public review process which requires that a sale be on the Timber Sale Schedule for 2 years. This is yet another example of legislation intended to thwart meaningful public input.

Section 3 Authorizes Forest Management Agreements (FMA). This gives the Commissioner authority to circumvent the public process and unilaterally determine that timber harvesting is the best use of the state's forest resources. Other uses will be sacrificed to short-term profits for operators. In addition:

- No legislature has adequately funded reforestation or implementation of the Forest Practices Act.
- DNR decides where and what size FMA's will be.
- Public comment occurs only after FMA bids are received.
- There is no provision that the state not lose money. FMA's clearly can create a state subsidized industry not supported by the public.
- Contrary to the claim of many sponsors, FMA's CANNOT guarantee local industry. There is no longer a primary processing law in Alaska. The holder of an FMA is free to sell timber to the highest bidder.

Section 4 Section 4 (c)(3) requires that state and municipal forest lands be administered for the expansion of harvest activities. This can only be done at the expense of other non-extractive uses. At the very least, without definitions of "business, activities; and life styles that are dependent upon or derived from forest resources" this amendment will create endless litigation and is ripe for abuse.

Section 5 Like Section 4, Section 5 creates a *de facto* preference for harvest activities; the new language of this section clearly tries to establish a preference for "development of commercial forest land," while merely "perpetuating personal, commercial, and other beneficial uses."

Section 6 This section allows the Commissioner to restrict the public uses of land and resources in order to carry out the resource giveaway proposed in preceding sections. Further, "forest growth at a high level of productivity" and "the interests of private landowners" are mandated to be taken into account. However, these interests may at times be inconsistent with other public uses.

In conclusion, CDFU requests that you not support this attack on the public process and uses other than timber harvests. If you have any questions, please do not hesitate to contact me anytime. I would appreciate it if a copy of our comments could be distributed to the rest of the House Resources Committee members.

Alaska Boreal Forest Council
P.O. Box 61237
Fairbanks, Alaska 99706-1237
FAX: 907-474-8343

April 22, 1994

From: Janice Dawe, public process subcommittee
To: Members of the House Resources Committee:
Re: SB 310

The following is the testimony I would have given had there been time during the 3:30-6:30 p.m. House Resource work session on Wed., April 20:

"Mr. Chairman and members of the House Resources Committee: Seven of us have come from Interior Alaska today to lobby about our deep concerns having to do with SB 310: two came from Nenana, two from Tanana Chiefs Conference, and three from Fairbanks. No matter what our individual concerns, or those of the organizations we represent, we seven agree we want to sit at the table, with all other stakeholders in this issue, and work toward consensus. A consensus-building process followed throughout this summer and fall could result in banner legislation that helps promote the type and scale of forest products industry that Alaskans would actively support.

In individual discussions with members of the House Resources Committee today, we found you sincerely open-minded. Many of you feel as strongly, if not more so, about individual issues pertaining to SB 310 than we do! These include log raw export *vs* in-state processing, monopoly control of state resources, the hard numbers behind cost-benefit analyses, true accounting of state subsidies, apprenticeship programs, roading, etc. This is heartening, and again, argues convincingly for taking the interim to hammer out resolution of the remaining, troubling issues emodied in the current working draft of SB 310.

Tanana Chiefs Conference has made the case for consensus-building the best of any group or entity. It is the way of their organization, the way of issue-resolution that the native community has perfected over centuries of practice. TCC has not yet reached consensus about SB 310, but is working towards it, we understand.

Consensus-building is hard, time-consuming, demanding work. However, it is the one approach that all of us with concerns about SB 310 say we can "get behind" and work actively towards, together. Consensus-building unites us at the local, regional and statewide levels. It's the one approach that unites native and non-native Alaskans in this issue. And I wonder if sometimes it's not better to go a little slower now, in order to proceed faster later, without this issue continuing to polarize us, without it turning into a matter of litigation against the state. Wouldn't this be the most politically responsible route, even if not the most expedient one, or the one that reflects "political realities"?

The Alaska Boreal Forest Council sent me as a representative of our group to Juneau to lobby from the Golden Heart of Alaska. I came to speak from my heart about the heart of this legislation: FMAs and changing the enabling legislation for the state forests. I go home, taking heart from individual discussions with members of the committee, which have shown that you also are deeply concerned about this legislation. The debate in Fairbanks is lively, intense, and it won't go away. We gather in Community Forest Forums to discuss the issue. We have learned much from the foresters, silviculturalists, and forest ecologists who have visited us, even in the last two-plus months, since SB 310 was put forward. In that time, Drs. Chad Oliver and Jerry Franklin, from the University of Washington, and Grey Jones from the Western Canada Wilderness Committee in Edmonton, Alberta, have all come to town and discussed our boreal forest issues with us. All agree that a "bottoms-up" approach is essential, with the citizenry and state agencies working in partnership to achieve the forest management practices that reflect the objectives of the citizenry, within the biological and economical constraints of sustainable forestry, as determined by the agencies. Each of those visiting scientists has told us, without prompting, that we must unite our hearts and minds, work with both, to achieve issue resolution and sustainable forestry. This is also one of the messages that Herb Hammond, a forester from British Columbia, will be bringing when he visits the state next week, beginning with a public Community Forest Forum lecture in Fairbanks on Friday night, April 29. His schedule takes him to Juneau for a couple of hour airport the following Monday, May 1. We hope the legislature can meet with him and take advantage of his wealth of experience and wisdom. Indeed, we can all us take heart from what these experts have said, that our goals are achievable with good will and persistence, data and the flexibility to change whenever we swerve off-track. Let's take the "heat" this bill, SB 310 has generated, and turn it into light. Please hold SB 310 in committee over the interim and, if you will, put us all to work to help turn SB 310 into the model of resource development legislation that will lead Alaska into a stable 21st and 22nd century. Thank you."

Janice Dawes

Ph.: 479-8343
FAX: 474-8343

April 21, 1994

From: Alaska Boreal Forest Council, Fairbanks

To: Rep. Williams, Juneau, Fax 465-3793

Fax Cover:

Re: SB 310

Enclosed please see today's wire service newspaper article featuring the comments of a logger in Southeast Alaska. Dan Fanning operates a small sawmill in Hoonah that produces 500,000 board feet annually. Rather than bemoaning the closing of Alaska Pulp Corporation he sees this an opportunity for small sustainable logging. He says that he's had trouble getting enough timber for years because he had to compete with the huge Japanese multinational owners.

This small businessman has a real feel for the dynamics of small scale logging vs the corporate scale that the Alaska Boreal Forest Council has been bringing to your attention. We feel this is extremely important information.

Thank you for working on the SB 310 issue with us.

Sincerely,

Jan Dawe
479-8343
474-8343 FAX

Sawmill owner rejoices at end to 50-year monopoly

By DAVID WHITNEY
McClatchy News Service

WASHINGTON—Dan Fanning operates a small sawmill in Hoonah that cuts about 500,000 board-feet of timber annually from the Tongass National Forest into lumber and finely-grained wood for musical instruments.

Fanning is not an environmentalist.

"I am pro industry because everyone has to work," he said in a telephone interview. "If they don't have jobs, then they are on welfare and that don't benefit America."

But, last week, when the U.S. Forest Service canceled Alaska Pulp Corp.'s long-term contract, costing the Japanese-owned company 2.1 billion board-feet of cheap Tongass timber remaining under the contract and threatening more than 700 jobs, Fanning joined environmentalists in celebration.

Fanning has had trouble getting enough wood for his sawmill because the forest service has told him the timber supply in his part of the huge forest has been dedicated to Alaska Pulp.

According to Fanning, the contract cancellation will usher in an era of enlightenment for the timber industry and he may be one of the beneficiaries.

"Starting off, it will be economic disaster," said Fanning, expressing deep concern for workers who may lose their jobs with Alaska Pulp.

"But after people relocate and find other jobs, I think there will be new independent loggers and the wood products business," he said. "It won't be on the same scale. But it will support the economy for the people who live here."

For Fanning, it may mean a steadier timber supply that would allow him to double the size of his operation and hire a few employes.

While many see the forest service decision as a disastrous blow to the economy of Southeast Alaska, other small mill operators join Fanning in his optimism.

They say that the long-term contracts held by Alaska Pulp and Louisiana Pacific Corp.'s Ketchikan division, which is unaffected by last week's decision, have monopolized the timber industry for so long that smaller businesses with the potential for employing nearly as many people have been stifled.

Written in the 1950s to attract year-round business to the region, the 50-year contracts have created a virtual monopoly for the two companies. Huge volumes of timber, approaching 350 million board-feet a year, are dedicated to the companies.

With Alaska Pulp's contract now terminated, small mill operators say, less timber will probably be cut from the forest overall and total employment may fall.

But they also say that they expect small mills to sprout and prosper, fostering a more diverse wood products industry that could cushion the Southeast from doomsday predictions and sustain the region's economy indefinitely.

Bob Loescher, vice president for natural resources at Native-owned Sealaska Corp., said Native-owned enterprises are ready and willing to do business with the forest service.

"We have the capital to invest and we'll be able to employ many in the small logging operations," he said.

The forest service canceled Alaska Pulp's contract because the company closed its Sitka, Alaska pulp mill, laying off about 400 workers, on Sept. 30.

The company is thinking about replacing the pulp mill with a more efficient and less polluting fiberboard plant, but the forest service said it can't continue providing timber under the long-term contract without a firm commitment to build the new plant.

If the company wants more timber, the forest service said, it will have to compete with other bidders under the timber-sales program the agency uses in every other national forest.

Alaska Pulp had 17 years left on its contract. During that period, the forest service would have been obligated to provide it with 2.1 billion board-feet of timber at rates that independent purchasers say are running about half of what they pay—when they can get the trees.

"I don't mind paying a fair price," said Jerry Jones, a small operator on Prince of Wales Island in the heart of Louisiana Pacific's cutting area.

"But when they give it away to the contract holders and they won't sell it to me, it really hurts," Jones said.

Without a steady supply of cheap timber, Alaska Pulp is weighing what to do with its Wrangell sawmill that employs about 240. Hanging in the balance of that decision is the fate of about 500 loggers who cut Alaska Pulp's trees.

Alaska's all-Republican congressional delegation blasted the forest service action last week as an economy-killer for Southeast Alaska and a betrayal of President Clinton's commitment to jobs.

Sen. Ted Stevens said in an interview Monday that while small logging operations may prosper in the void left by Alaska Pulp's contract cancellation, they won't make up for the potential job losses.

"Ultimately, there will be no cutting in the Tongass," he said.

But Ronald E. Jones, a natural resources professor at Sheldon Jackson College in Sitka, said he expects the forest service decision to be a boon to Southeast Alaska.

"Small business creates more jobs than big business and small business has been run out of the forest," Jones said.

"The long-term contract created all the reasons for market failure," Jones said. "It created a monopoly and eliminated competition. What I see is a more robust and diverse forest economy—and that's the best thing that could happen."

Matt Berman, associate economics professor at the University of Alaska in Anchorage, said the contract cancellation doesn't necessarily mean ruin for Alaska Pulp, either.

"If APC can put together a fiberboard plant that doesn't use as much timber, it probably will be more profitable than a lot of small mills," he said. "I don't think it needs the long-term contract. APC could actually emerge much stronger."

From Berman's perspective, the consequence of Alaska Pulp's loss of its long-term contract will be neither boom nor bust for the Southeast economy.

"The truth is in between," he said. "There will be more opportunity for independent loggers but Alaska Pulp still could end up being the major player, but with less logging overall."

Alaska State Legislature

Please enter into the record my testimony to the House Resources
committee name

committee on SB-310 , dated 4/15/94
bill/subject

The questions and controversy concerning SB-310 require my opposition. The costs, the impacts are too great to leave to some future contract negotiations between State bureaucracy (DNR) and Timber corporations.

The costs pointed out by Fish & Game should be considered.

Don't sell our forests off cheap in the hopes of jobs in industry. If the resource has value, we won't need to make sweet heart deals to attract buyers.

Signed: D. E. Arl / David DeLong
Testifier

Representing (Optional)

P.O. Box 83531 Fbks. AK 99708
Address

Public Opinion Message

Title	First Name	Middle Name	Last Name	Suffix
	Barbara	M	Demoski	

Mailing Address: 126 2nd Ave # 8 — Zip:

Home Address: Fbks AK 99701 — Zip: 99701

Telephone: 474-5925 — Affiliation: — City:

House Members

Barnes*		Hoffman#		Olberg#	
Brice+		Hudson		Parnell*	
Brown*		James+		Phillips	
Bundo*		Kott*		Porter*	
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Bill #

Support Oppose Amend

Not Related

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Subject

50 Word Maximum Message

1 I	2 oppose	3 SB	4 310	5 THIS
6 is	7 A	8 very	9 poor	10 BILL
11	12	13	14	15
16	17	18	19	20
21	22	23	24	25
26	27	28	29	30
31	32	33	34	35
36	37	38	39	40
41	42	43	44	45
46	47	48	49	50

phone: 452-4448
fax: 456-3346

Alaska State Legislature

Please enter into the record my testimony to the House Resources
committee name

committee on SB310, dated 4/15/94.
bill/subject

I oppose FMA's and the intent of SB 310. I am a river tour operator and property owner on the Kantishna River. Extensive timber operations will devastate tourism and negatively impact all other uses of TVSF.

The timber industry is a poor choice for the long-term. Where extensive timber operations exist (e.g., NE Minnesota), the economic base is not diverse and incomes are low. Tourism and other uses succeed only in the areas where extensive cutting does not.

I would suggest that a more complete assessment of the benefits and liabilities of an expanded timber industry be undertaken before SB 310 and its intent are promoted further.

Signed: Daryl A. Dittert

Testifier

Raven River Tours

Representing (Optional)

Box 38, Chuglak AK 99567

Address

688-3795

Phone No.

March 21, 1994

Mr. Don Moore
Matanuska-Susitna Borough
350 E. Dahlia Ave.
Palmer, AK 99645

Dear Don;

This correspondence is to inform you that Menasha Corporation has decided to terminate our involvement with the Multiple Use Management Agreement, Proposal #94-44.

The reason for this termination is market driven. Over the last year, I have devoted a considerable amount of energy to analyzing the market place for hardwood chips. This analysis has consisted of reviewing the hardwood chip supply and market situation, both domestic and foreign. It is our conclusion that the current and foreseeable future market cannot support chip operations in the Mat-Su valley. It is just too costly to produce chips here in competition with other, lower cost, supply sources throughout the world.

We will be in touch with you regarding the performance bond. It is our intention to cancel this bond. Fifty percent of its value will remain with the Borough.

I would like to thank you and your staff for the assistance you have provided.

Sincerely,

Ron Eckfield
Alaska Operations Manager

cc: William Lansing, Vice President, Menasha Corporation

2801 Mailer Way
PO Box 3249N
Wasilla AK 99654-9704
907-373-0676
907-373-0677 (Fax)

Alaska State Legislature

Please enter into the record my testimony to the HOUSE RESOURCES committee name

committee on S.B. 310 bill/subject . dated April 20, '94

I was opposed to S.B. 310 a month ago and I am still opposed today. [FIRST] FMA's are not desirable. They tie up too much of our land for too long to private interests. 20 year contracts transfer control to Big timber — the state will lose control once the dotted line is signed — their lawyers have more money. [2nd] FMA's makes timber harvesting the primary use of State Forest Lands and puts other forest values such as recreation, habitat, subsistence fishing & hunting and tourism in a secondary position when making best use assessment of an area. [3rd] Public input is too restrictive and comes only after bids are made and after the contracts are let. This is UNACCEPTABLE. [4th] The exemption for small lease sales should be dropped. They constitute 67% of sales for next 5 years - what's the point of the Forest Practices Act if not applied here? [Last] Tourism is our 2nd or 3rd most viable economy in the State. People do not come to Ak. to see logging trucks & cut forests. It is short-sighted to concentrate on extractive industries that disrupt our landscape and scenery at the expense of a long term stable tourism economy an economy with a proven record. I am a summer guide & use the forest as is for visitors & movies coming into the State. I also harvest forest products for a small commercial market. Thank you for listening.

Signed: Ricardo V. Ernst
Testifier

Representing (Optional) Box 13172 (Upper Susitna Valley)

Address TRAPPER CREEK, AK. 99683

Phone No. (907) 733-2721 WK 733-2241

9/86 Legislative Information Office

FAX 465-3793 page 1 of 1

TO: REPRESENTATIVE WILLIAMS, CHAIR
HOUSE RESOURCES COMMITTEE

RE: SB310

DATE: 4/13/94

No one I know is in favor of this bill, and yet, on it goes, pushed through by greedy politicians who are not listening to their constituents!

I can't believe this! It is ludicrous! Don't pillage Alaska! Stop this bill now!

Alaskans live, work and dream here because they love Alaska. Remember, you were elected to represent ALASKANS! Not the insatiable timber industry asking your help you rape our land!!

DON'T PASS SB310!

Ann Foster
2840 Telequana, #4
Anchorage, AK 99517

April 21, 1994

KFP
Koncor Forest Products Company
3501 Denali, Suite 202
Anchorage, Alaska 99503
(907) 562-3335 FAX (907) 562-0599

Representative Bill Williams
Chairman, House Resources Committee
State Capitol, Room 128
Juneau, Alaska 99801

Dear Representative Williams:

I am writing in support of the passage of SB310, which would allow the State of Alaska to enter into Forest Management Agreements for certain State lands with private forest managers. I believe SB310 would accomplish many goals for the State while professionally managing the forests most in need of help.

SB310 would allow the State of Alaska to maximize the revenues back to the State from the forests by allowing forest managers to develop long-term plans and businesses. These long-term plans would certainly include the investment of large amounts of capital, both in terms of infrastructure (such as roads and ports) and processing facilities (such as sawmills). A long term contract to manage State lands will provide a stable environment for investments and job creation, which will provide the State with additional benefits from an increased tax base and employment.

In terms of forest health, it is important to note that all the State lands covered by SB310 would be subject to the Forest Practices Act, which includes mandatory no-cut buffers along all salmon streams and very strict guidelines for the protection of the forest ecosystem. Additionally, the State will be making private forest managers more responsible for the condition of the lands after timber harvest by giving them a long-term stake in the State forests. If a company knows it is responsible for a forest for the next 20 to 50 years, it is in the company's best interest to have a healthy and vigorous forest growing, as well as a healthy forest ecosystem. It is just good business.

For these and many other reasons, I ask for your support of SB310. Similar types of arrangements are working in many other parts of the world (New Zealand for example) and have led to increased revenues, increased investment, increased employment and better forest health.

Sincerely,

Allan Foutch
Vice President, Operations

cc: John Sturgeon, President
AFA Office

KFP
Koncor Forest Products Company

April 21, 1994

Representative Bill Williams
Chairman, House Resources Committee
State Capitol, Room 128
Juneau, AK 99801

Dear Representative Williams:

I am writing in support of SB310. Forest Management Agreements should be part of a total resource management package for the proper development of Alaska's resources.

Alaska has much to offer. It has already donated approximately 140 million acres to Wilderness Areas, National Wildlife Refuges, National Parks, National Monuments and Preserves, and State Parks. That is almost 40% of Alaska's land and still doesn't include the millions and millions of acres controlled by other federal agencies which are becoming more and more reluctant to allow any form of management other than wilderness management on "their" lands.

Less than 1/2 percent of Alaska has been altered by man. SB310 could be one tool in a resource development package which would provide jobs for Alaskans and have very little effect on the remaining 99.5 % of Alaska. Alaska's forests are a renewable resource and Alaska's Forest Practices Act ensures that their management protects other resources.

Sincerely,

Rick Jandreau
Rick Jandreau
Forest Manager

cc: Alaska Forest Association

ATIKON

Forest Products, Inc.

April 20, 1994

Representative Bill Williams
Chairman, House Resources Committee
state Capital, Room 128
Juneau, AK 99801

Dear Bill:

I strongly urge you to do what you can to push the passing of SB 310. My company, Atikon Forest Products, will probably never be involved in the development of State timberlands in the Interior and SouthCentral Alaska, but that shouldn't take the opportunity away from any company or individual who might choose to be invoived. SB 310 is just good logical public policy which will create jobs and at the same time promote forest health through proper planning.

Those who oppose the plan would have the public believe that if the bill is passed today, the trees start falling tomorrow. Nothing could be further from the truth. The purpose of the Agreement is to provide for proper planning to thoroughly analyse and develop a managemant plan that will allow for all interests and uses of the forest History has proven that assertive State policies can serve the public's needs better than having environmental special interest groups continually influencing "knee-jerk" policy reactions.

The present Forest Practices Act, when administered properly, already serves to protect the environmental concerns that the vocal minority are able to effectively express. Remember, Bill, that the silent majority on this issue couldn't attend the hearings or respond, as I am taking the time to do, because we are busy making a living and paying taxes. We count on sensible legislators like yourself to make sure that our concerns are taken into account even when our voices are drowned out by the shouting of those with more self-serving liberal views.

Sincerely,

Don Gentry
General Manager
Atikon Forest Products

Trans Pacific Trade Center, Suite 407 3000 Pacific Highway East Tacoma, Washington 98424 (206) 922-2630 Fax (206) 922-7641
3501 Denali, Suite 202 Anchorage, Alaska 99503 (907) 562-3335 Fax (907) 562-0599

Alaska State Legislature

Please enter into the record my testimony to the House Resources
committee name

committee on 310 , dated 4-15-91
bill/subject

I am 100% for the Bill

Signed: _____
Testifier WAYNE GENTZ

Young People of Alaska need Jobs
Representing (Optional)

1171 Eremac Rd Fbks AK 99709
Address

Look peopel If you dont Do anything for the maprity you'l end up with extremists on your hands Im not threteny But Iv seen the fear In peopels eyes many Love the Land and alaska is sacred To many outsrde of Alaska who cone To visit pleuse Gire us a chance. Like I seacd Liston To the people and dont Let out a pandoras sacrid peopel please Box. EARth Warriors Keep Out!

#SB310
From
Cindy Gene
UofA
Fairbanks, Alc
474-6666
x3725

Resource committee

Alaska State Legislature

Please enter into the record my testimony to the _____
committee name

committee on 310 Permit, dated 4/27/94
bill/subject

Hi please eliminate this bill
you think you know what is
going on you must see with eyes
but see with Greed! Please
Consider to think like a
Mountain not Like Do the
Size of an Ant
and Take the Time
TO Do this Right!!

Signed: _____
Cindy Gove
Testifier

_____
Representing (Optional)

_____
Address

April 20, 1994
House Resources Committee from Steve Gibson, Homer
Re: SB 310

Could not be present to testify due to longshoring job loading log ships.

The effect of this bill would be to diminish DNR's responsiveness to the many other interests that use the woods, directly and indirectly. It would replace public comment and approval with negotiation between state foresters and industry presidents, often revolving doors where this years state forester is next years forest products executive. Left out from these negotiations will be significant concerns of recreational users, guides and outfitters, commercial and sport fishermen, hunters, the tourist industry, and many others.

I have been a small scale sawmiller and logger for the past 18 years on the Kenai Peninsula; as such I provide a value-added product from the resource. Because it is a value added process, we have no problem paying more for the resource than those who would chip the trees. I feel this analogy holds true for larger users as well. We find it possible to work within present constraints of timber sale procedures, including listing of sale in the 5 Year Plan, Forest Land Use Plans, Forest Practices Act Enforcement, interagency review of timber sales, and, finally, a competitively bid timber sale. The proposed legislation instead treats smaller operators as a sub-class. In fact they would be more like an endangered species under a state allowance to negotiate sales under 500 MBF.

In concept, this proposed law would designate timber harvest as the preeminent use of forested state land. This determination is nearsighted and, often inaccurate. Frequently there are other values of the forests that are measurable, tangible, and of demonstrably higher value -- in dollars -- then stumpage revenues.

In addition the intention of the law to focus on timber harvest and regeneration would not be realized. The harvest would, easily. But it is not in the financial interests of a twenty year franchise holder to be responsive to regeneration when rotation periods are five to seven times that period.

The timber lands on the Kenai Peninsula are predominantly privately owned, and the timber is for sale. There is no shortage of timber for sale here to buyers that wish to be assured of a source. An inside, negotiated deal with the state's relatively small timber holdings on the peninsula is inappropriate to the public process and not necessary for legitimate, unsubsidized industry.

Alaska State Legislature

Please enter into the record my testimony to the HOUSE RESOURCES
committee name

committee on SB 310, dated 4/15/94.
bill/subject

I demand my right to give public testimony. I want you to re-schedule an opportunity for all of us, who took valuable time off of work today, to get our views to your committee ORALLY. Public opinion SHOULD be important to the Committee.

Signed: Gloria G. Gill
Testifier

Self
Representing (Optional)

PO BOX 190749 ANCH 99519-0749
Address

248-9908
Phone No.

Alaska State Legislature

Please enter into the record my testimony to the House Resources
committee name

committee on SB 310 (FMA's forestry), dated 4/15/94.
bill/subject

SB 310 is an extreme bill that encourages Long term timber contracts on State forested lands.

There is a phenomenal amount of public opposition to this bill, particularly the long-term contract provisions.

This is the FIRST time SB 310 has been heard in the House, and curtainly, 2 hours is not sufficient for the Representatives to discuss the bill, question Sen. Frank, and hear agency-testimony. The public across Alaska wants to be heard by House Resources Committee. Please reschedule a time for all of us to be heard.

Signed: Tabitha Gregory
Testifier

Representing (Optional)

19530 Pibiloff Loop Eagle River Ak 99577
Address

(696-1215
Phone No.

Alaska State Legislature

Please enter into the record my testimony to the HOUSE RESOURCES committee name

committee on SSSB 31 bill/subject, dated 4/15/94.

AGREE WITH SEN. FRANK AS WE ARE FRUSTRATED, EVEN EXASPERATED AND YOU NEED THE CONFIDENCE OF THE PUBLIC TO SUCCEED

WE CONTINUE TO OPPOSE THIS BILL

- CONCENTRATES TOO MUCH POWER IN GOVERNMENT BUREAUCRACY
- TRADES JOBS, DOES NOT CREATE ADDITIONAL JOBS
- WILL NOT GENERATE MONEY; CHALLENGE THE SENATOR TO SHOW US WHERE TIMBER SALES HAVE NETTED FUNDS TO THE GENERAL FUND.
- WILL SUBSIDIZE JOBS, WELFARE FOR LOGGERS. AT LEAST WELFARE TO WOMEN AND CHILDREN HELPS FAMILIES AND MOST OF YOU WANT TO CUT THAT SMALL SUPPORT
- PITS LIFESTYLES AGAINST USERS. DON'T NEED MORE PROBLEMS WITH SUBSISTENCE, COMMERCIAL FISHING
- WE ASK FOR OPPORTUNITY TO TESTIFY
- WE ASK THAT BILL BE REFERRED TO HOUSE FINANCE

Signed: MARY GEIGER

Testifier

ALASKA CHAPTER/SIERRA CLUB

Representing (Optional)

PO BOX 202245 ANC 99520

Address

258 1896

Phone No.

April 21, 1994

Representative Bill Williams
Chairman House Resources Committee
State Capital, Room 128
Juneau, AK 99801

Dear Representative Williams:

After so many proposals to create more parks, which we cannot afford, and take productive timberland out of the economy, it is refreshing to see someone supporting logislation that enhances multiple use of our forests.

I have been employed in the forest products for over thirty years and fully support SB310.

This bill will help sustain jobs and diversify our economy which we need now.

Since the Federal government cannot maintain any sort of timber sales program, this is our opportunity to do what they are incapable of doing. They can manage and pay for the parks while we create jobs and bring income to Alaska.

This bill will help our economy and still protect all of the other forest resources above the minimums required by the Forest Practices Act.

Again I appreciate your help with SB310 and support your efforts to get passage.

Sincerely ,

William S. Haag
POB 1159
Kodiak, AK
99615i

April 20, 1994

Written Testimony to
House Resources Committee
Representative William Williams, Chair
by Dale and Sandra Haggstrom
2349 Stevens Avenue
Fairbanks, AK 99709
Phone 455-6242

Dear Representatives Williams, Hudson, Bunde, Green, James, Mulder, Finkelstein, Carney and Davies:

I urge you to oppose SB 310 and support alternatives that will diversify our economy without diminishing existing businesses and lifestyles. Community forestry programs have been successful in other areas and should be considered here. They provide more local jobs, have less impact on the forest, complement existing businesses and forest uses, and do not need long-term consignment of large tracts of forest to private companies to be successful.

In contrast, SB 310 would require the state to seek these long-term contracts, known as Forest Management Agreements (FMAs), to encourage industrial investment in the state. This approach has been largely unsuccessful in other areas. It has generally resulted in large-scale, mechanized clearcut logging and over-capitalized large, heavily automated Oriented-Strand-Board (OSB) or pulp plants, with disastrous results for the forest and local communities. We should heed the lessons learned from Canada's experience with FMAs and not embark down the same path to ecological and financial ruin.

Forest Management Agreements are the wrong vehicle for managing the public's forests, because they favor logging over all other uses. The public has repeatedly said they want multiple use. FMAs are intended to promote efficient extraction of timber, not multiple use. The only ones likely to benefit from this privatization of the public's forests are the large Outside corporations like Louisiana-Pacific and Mitsubishi who are likely to get the contracts. Canada's experience with industrial logging has shown that few local jobs are created, the provincial government receives relatively little for the timber provided, and taxpayers are burdened with multi-million dollar loans to assist the industry.

In Fairbanks, supporters of SB 310 hope to use FMAs to get industry to invest in an OSB plant. Until recently, industry advocates argued that an OSB plant could only be profitable if large volumes of timber were guaranteed. This is consistent with experiences in Canada where large FMAs are the norm. Now, local advocates have changed their story, claiming to want a small plant needing only about 4,000 acres of trees per year, well within the annual allowable cut (16,000 acres) estimated by the Division of Forestry for state lands available for timber harvest in the Tanana basin. Where is the evidence that a small plant can be profitable or that industry will settle for a small plant? The size of the plants in Canada and past industry proposals for interior Alaska argue otherwise.

In 1992, Louisiana-Pacific and Fibreform asked for volumes of timber that equated to more than 20,000 acres per year at tree densities typical on all but our best interior sites (see attachment). This annual cut would have totaled over 400,000 acres (about 625 mi^2) over the span of a 20 year contract! Although small relative to the Canadian

experience, these were huge proposals compared to the resources available in the Tanana basin. They exceeded the estimated annual allowable cut from our state lands in the Tanana basin and would only be possible if the FMA were extended to private lands in the valley to augment the timber yield from state lands.

Timber suitable for use in an OSB plant does not exist in one continuous block, rather it is scattered throughout the valley. Thus, the FMA needed in these examples would have to be much larger than 625 mi^2 to encompass the desired volume of timber. The maze of roads necessary to access these scatter resources on the scale needed to feed an OSB plant would forever change the character of the valley. Industrial logging of this magnitude would clearcut so much of the valley in such a short time that it unquestionably would have huge impacts on the forest, its wildlife, and other uses of the forest by people. In testimony on SB 310, local residents have indicated their overwhelmingly opposition to large-scale logging and the changes it would bring to their valley.

In other areas, FMAs have been used to give one company sole rights to large expanses of forest in order to provide the huge volumes of wood necessary to make an OSB plant profitable. This has left little for local, small logging operations, either putting them out of business or reducing their profit margins by forcing them to compete among themselves for the small amount of forest not obligated to the FMAs.

Large machines (feller-bunchers) are used to efficiently cut the large volumes of trees needed for an OSB plant. In Canada, the weight and vibrations of the machinery frequently damaged the soil, interfering with reforestation efforts. Year-round operation is necessary to feed the OSB plant and pay for the expensive logging machinery, resulting in logging at times of the year when thawed soils are especially vulnerable.

The OSB plants, like the logging machines, are high-tech. Extensive use of robotics and computers means few people are needed. Experience elsewhere has shown that local residents usually cannot obtain the few highly skilled jobs that are available. Instead, outside help is brought in by the company for these jobs.

Local residents want assurance that these abuses will not be repeated here. The only way I can see to prevent them is to, at the very least, amend SB 310 to limit the amount of land that can be put in FMAs and to put stringent restrictions on how the FMAs can be written. The best way is to simply kill the bill, as it is not needed. The state already has the authority it needs to develop a community-based forest industry that will increase forest utilization and diversify the economy without risking the well-being of either the forest or our communities. We do not need to risk repeating past mistakes by making FMAs legal on state lands.

Sincerely,

Dale A. Haggstrom

Dale A. Haggstrom

Sandra L. Haggstrom

Sandra L. Haggstrom

Attachment

cc: Senator Steve Frank

Annual and 20 year timber volumes needed to meet the 1992 proposals from Louisiana-Pacific and Fibreform converted to other volume measures and acres.

Company	Cords	c.f.[a]	b.f.[a]	Acres[b]	Species
Annual cut needed:					
Louisiana-Pacific	294,000[c]	24,990,000	99,960,000	9,996-20,825	Populus spp.
Fibreform	338,235	28,750,000	115,000,000[d]	11,500-23,958	mixed species
Cut needed over 20 years:					
Louisiana-Pacific	5,880,000	499,800,000	1,999,200,000	199,920-416,500	Populus spp.
Fibreform	6,764,700	575,000,000	2,300,000,000	230,000-479,160	mixed species

[a] 1 cord = 85 cubic feet (c.f.); 1 cubic feet = 4 board feet (b.f).
(Source: August 3, 1992 ADNR/DOF memo from Dave Wallingford, Chief, Resource Management, to Bob Dick, State Forester)

[b] Conversion to acres based on 1,200-2,500 c.f. per acre.
(Sources: (1) July 27, 1992 letter from Cal Ker, Forester, American North Inc., to Dave Wallingford, Regional Forester, ADNR/DOF, Anchorage, estimates 1,200 c.f. of aspen and cottonwood per acre in the Tanana valley.; (2) Steve Clautice pers. comm. indicates the typical firewood sale in older age hardwoods contains 2,500 c.f./acre. Mr. Clautice also indicated that the extremes range from 700 c.f./acre on very young sites to 3,800 c.f./acre among older stands on the best sites.)

[c] Original figure provided in source document.
(Source: July 27, 1992 letter from Cal Ker, Forester, American North Inc., to Dave Wallingford, Regional Forester, ADNR/DOF, Anchorage)

[d] Original figure provided in source document.
(Source: August 3, 1992 ADNR/DOF memo from Dave Wallingford, Chief, Resource Management, to Bob Dick, State Forester)

Prepared by D. Haggstrom
April 19, 1994

April 20, 1994

Dale Haggstrom
2349 Stevens Ave.
Fairbanks, AK 99709
Ph. 455-6242

Intended oral testimony that I was not allowed time to give. Also, see accompanying written testimony. DH

Chairman Williams, other members of the Resources Committee:

Thanks for the opportunity to comment on SB310.

I think SB 310 is unnecessary legislation that opens the door to industry abuses similar to those documented in Canada and other areas where Forest Management Agreements have been used to encourage industrial development. Thus I am opposed to the proposed legislation. However, if you collectively deem that it must be passed into law, I urge you to at least amend it to provide the public with assurances that resulting Forest Management Agreements will have minimal impact on the forest and wildlife, and will actually benefit both the state and the region where ~~there~~ they are applied. I offer the following suggestions for amending the bill:

The state should be required to fairly and reasonably address public concerns in the provisions of the final agreement for a FMA and, aside from these changes, the final agreement should resemble the tentative agreement the public was allowed to review.

The state must not be allowed to contract out our public timber at less than fair market value just to attract and make feasible a forest industry.

There must be stringent and properly funded monitoring provisions to prevent industry abuse of its contractual agreements.

There should be provisions for vacating or amending the contracts if the harvest levels prove unsustainable. In other words, continuation of a contract should be contingent on the ability of the forest to sustain the harvest level.

The company awarded a contract should be required to post a bond of adequate size to ensure reforestation and reclamation of logged sites if the company defaults on its contract.

(cont. next page)

The Commissioner should be required to reject a tentative contract if:

(1) through some reasonable public process, it is shown that the residents of the area in or adjacent to the proposed FMA do not want the proposed management action; or

(2) an analysis of the economic, social and ecological impacts of the proposed management determines that the negative impacts will outweigh the benefits to the region; or

(3) a cost/benefit analysis determines that the ~~the~~ proposed management will not be in the best interest of the state.

Thankyou

Dale Haugstrom

Judy Hargis
8930 Pioneer Drive
Anchorage, AK 99504

April 14, 1994

Representative Bill Williams
House of Representatives
State Capitol
Juneau, AK 99801-1182

Dear Representative Williams:

I oppose SB 310. The public has repeatedly voiced opposition to large-scale timber harvesting in the Susitna Valley. In 1987 when the administration proposed a large scale negotiated timber sale, the public overwhelmingly and soundly rejected the sale. The Susitna Forestry Guidelines Project, adopted in December 1991, also rejected large timber sales.

Sincerely,

Judy Hargis

Alaska State Legislature

Please enter into the record my testimony to the House Resources committee name

committee on SB 310 bill/subject . dated April 15, 1994.

I strongly oppose SB 310. The public in Southcentral Alaska has repeatedly and consistently rejected the concept of Forest Management Agreements (FMAs) for the Susitna Valley.

SB 310 is nothing more than an attempt to force FMAs on the public and ~~the~~ pacify us with a provision that we can have public comment after the fact.

I wanted to testify but there was not time on 4/15/94. I request another hearing in this committee in order to testify.

Signed: Judy L Hargis Judy L Hargis
Testifier

Property owner in Susitna Valley
Representing (Optional)

8920 Pioneer Drive, Anchorage, AK 99504
Address

(907) 338-6696
Phone No.

WALTER HARGIS
8970 PIONEER DR.
ANCHORAGE, AK 99504

April 14, 1994

Representative Bill Williams
House of Representatives
State Capitol
Juneau, AK. 99801-1182

Dear Representative Williams:

I oppose SB 310 strongly! The public in South Central Ak. soundly opposed a large negotiated timber sale for the Su Valley six years ago. That proposal was similar to what is in this bill. The people opposed various forms of the concept again in the Legislature from 1987 through 1990. We still oppose the concept as presented in SB 310. PLEASE LISTEN!! Thank you.

Sincerely,
Walter Hargis

Alaska State Legislature

Please enter into the record my testimony to the HOUSE RESOURCES COM
committee name

committee on SB 310, dated 4/15/94.
bill/subject

The public needs to be heard before you proceed. There are over 20 people here in Anchorage waiting to be heard on this today.

Public process is important. Please reschedule another hearing so all people can be heard.

Signed: Kevin Harun
Testifier

Representing (Optional)

510 M St
Address

277-2444
Phone No.

9/86 Legislative Information Office

South-Central Timber Development, Inc.

4 March 1994

Senator Steve Frank
Alaska State Legislature
Room 518, State Capitol
Juneau, Alaska 99501-1182

Dear Steve:

Reading in this morning's Anchorage Daily News about the numerous attacks on your Forest Stewardship Bill, I want to say a belated word in favor of the idea, and to express sincere thanks for your introducing the subject during this legislature.

I personally have great difficulty in acquiescing to state ownership of over 100 million acres of Alaska land; to me, private ownership by individuals is preferable, both as to surface and subsurface elements. Short of secession and revolution, however, we are likely stuck with this strategic and vast proprietorship of the State of Alaska.

Even though our state government is not avowedly socialistic, it is tinged and tinctured with that philosophy. Nevertheless, as to what the state owns, hardly any state bureaucrat says to himself: "I must make such and such an enterprise succeed and produce significant profit." The average bureaucrat, dealing with private parties using or trying to use state resources, generally contrives to harass and deter or oppose any such private party in a major or minor way. This set of facts, which I conceive to be the way Alaska actually exists, is not conducive to remunerative and beneficial economic development.

The forest stewardship idea will partially overcome these substantial defects in our present arrangements. This morning's paper quoted State Forester Boutin as complaining that your Bill precludes an adequate public "process." On the contrary. Alaska has suffered from too much participation, in a quasi pure democracy regime, wherein the minions of anti-development always articulate their animosities, and the mass of citizens, who would ultimately derive benefit from development, are never heard from at all. The spirit of 1776 and the American Constitution of 1787 set forth the ideal of <u>representative</u> government, not a strain of pure democracy like an ancient Greek city-state.

We have a great timber resource in Alaska. In time, the timber within our borders could produce as much profit, and more

255 EAST FIREWEED LANE • ANCHORAGE, ALASKA 99503 • TELEPHONE: (907) 279-1493
SUITE 104 FAX: (907) 279-4785

employment, than the petroleum industry. A careful look at Finland will show the correctness of this assertion, and, of course, trees are a renewable resource, the yield of which can be doubled with competent and politically unfettered management. We should be diligent and steadfast in the goal of removing the Tongass and Chugach National Forests from distant federal control. By what prudent warrant does the national government on the Potomac administer the greatest timber resources of Alaska?

These thoughts involve the long view, but step-by-step the Alaska Legislature can work towards the goal. In the meanwhile, your Forest Stewardship Bill is the best immediate policy change in the overall timber picture.

The best of luck, and again, my thanks.

Sincerely yours,

Joe

Joseph R. Henri
President

JRH/df

South-Central Timber Development, Inc.

19 April 1994

Via Fax No. 465-3793

Representative Bill Williams
Chairman, House Resources Committee
State Capitol, Room 128
Juneau, Alaska 99801

Dear Representative Williams:

Enclosed is a letter I wrote in early March to Senator Steve Frank urging passage of SB310, Forest Management Agreements. I am not sure what amendments or limiting provisions may have been added to the idea, but as a general rule we will never have a significant wood products industry based on state lands until the producers can obtain dependable, long-term contracts for a large sustainable yield of state timber.

I hope you and your Committee can see your way clear to support Forest Management Agreements.

Thanks and kind regards.

Sincerely yours,

Joseph R. Henri/df

Joseph R. Henri
President

JRH/df
Enclosure
cc: Mr. Troy Reinhart w/enclosures
Alaska Forest Association
Fax No. 225-5928

255 EAST FIREWEED LANE • ANCHORAGE, ALASKA 99503 • TELEPHONE: (907) 279-1493
SUITE 104 FAX: (907) 279-4785

Alaska State Legislature

Please enter into the record my testimony to the HOUSE RESOURCES 310
committee name

committee on HOUSE BILL 210, dated 4/15/94.
bill/subject

LETS NOT CREATE A LOGGING INDUSTRY WHERE ONE DOSN'T EXIST. ITS MUCH EASIER TO MAKE JOBS THAN IT IS TA TAKE THEM AWAY. LOGGING IS A SINGLE USE OF THE LAND. LETS NOT TURN THE LAST FRONTER INTO THE LOST FRONTER PLESE STOP HAVING THESE TELECONFERENCES SLATED FOR PUBLIC COMMENT WHEN YOU DONT ALLOW TIME FOR THAT COMMENT.

THANK U

TERRY HERMACH

Signed: _____
Testifier

PRINCE WILLIAM SOUND CONSERVATION ALLI
Representing (Optional)

BOX 2493 VALDEZ AK 99686
Address

835 5477
Phone No.

Lynn Canal Conservation, Inc.
Post Office Box 964
Haines, Alaska 99827

March 2, 1994

Senator Steve Frank
Room 417
State Capitol
Juneau, AK 99801-1182

Dear Senator Frank:

I just sat through the first teleconference hearing on Senate Bill 310 this afternoon, but was unable to testify due to a lack of time alloted for testimony. Please include these comments as part of the record of opposition to this bill. I cannot, nor can I continue to ask other members of the community in Haines, to attend further teleconferences on this bill.

Lynn Canal Conservation, Inc. opposes this bill. Our economy and lifestyles in Haines are dependent on subsistence hunting and fishing, tourism, outdoor recreation, and small-scale logging, with tourism playing an increasingly important role. While we support a small-scale local timber industry with maximum value-added processing, we cannot support a bill that, regardless of your stated intent, places large-scale industrial clearcutting ahead of all other uses. It is difficult enough to get the Division of Forestry to adequately protect all forest resources and uses; your bill would make it impossible.

The Chilkat Bald Eagle Preserve is [illegible] of the backbone of our economy, and is surrounded by state forest. Making [illegible]vest the primary land use on state lands threatens the biological resources of [illegible] Valley and the rapidly growing tourist industry. Simply stated, tourists do not come to Alaska to see clearcuts.

Forest Management Agreements for 20-year timber harvest contracts would transfer many of the problems of Tongass National Forest management onto state lands. Long term timber contracts do not have the flexibility to adapt to new information. For example, fisheries biologists have only just become aware (since 1991) that most of the king salmon in the Chilkat River system spawn in the Kelsall River, where much logging continues to occur. A twenty year contract would make it extremely difficult to adopt changes in forest management to better protect our fisheries resources from clearcutting impacts. In addition, long term contracts would negate much of the public input that helped craft the Haines State Forest Management Plan.

Your bill deletes the two-year public notice requirement and the legal requirement for site-specific forest land use plans. We oppose this for obvious reasons.

Your bill eliminates public participation in decisions to clearcut tracts with less than 500,000 board feet, and places no limit on the cutting of adjacent "small tracts." Many, if not most, of the timber cuts on the Haines State Forest fall into this category, thus your bill removes local input into the timber planning process.

To summarize, Senate Bill 310 appears to be intended to make big bucks fast for a few large timber corporations, and leave most Haines area residents with little or nothing. We need to begin thinking in terms of long term, sustainable economic development for our community, not in terms of maximum resource extraction for quick profits.

Sincerely,

Eric Holle

Eric Holle, President
Lynn Canal Conservation

cc. Fred Zharoff, Jerry Mackie, Mike Miller

Lynn Canal Conservation, Inc.

Post Office Box 964
Haines, Alaska 99827

April 15, 1994

Representative Bill Williams, Chairman
House Resources Committee

Dear Representative Williams:

Lynn Canal Conservation has just attended our fourth teleconference on Senate Bill 310 and has not yet been able to testify. Please accept this transmittal as our testimony against this bill. Also included is my original letter of opposition to Senator Frank, which outlines most of our concerns. Please distribute copies of both letters to the other committee members as our testimony.

The legislature should not pass forestry laws that do not include a complete ban on round log exports or the export of "cants" which are minimally processed logs. Most northwest timber states have either passed such laws or are heading in that direction.

Similarly, no new timber bills should be passed until the timber inventory for state forests becomes available. LCC has been waiting almost a decade for this inventory, but promises of its imminent release have all proven hollow. Without a timber inventory, concepts like sustained yield, allowable sale quantities, and reasonable rotation periods are meaningless. DNR is merely shooting in the dark without this information, and establishing Forest Management Agreements would be extremely irresponsible.

The last time a FMA was established in the Haines State Forest, seven small local operators went out of business, and the state lost over eight million dollars in road credits, facility loans, management costs and other subsidies. We should learn from that bitter lesson, instead of repeating those mistakes with SB310. Any and all contracts, long term or otherwise, should be subjected to a rigorous cost/benefit analysis so that the state does not squander any more funds on subsidies to irresponsible timber operators.

The fiscal concerns raised by the Dept. of Fish and Game are probably quite conservative; we expect that actual costs to the Dept. from FMAs would be much greater than the approximately $100,000 estimated. In addition, it is our observation that DNR has never paid attention to the valid concerns regarding habitat impacts to fisheries from large-scale clearcutting. For example, ADF&G has repeatedly raised concerns regarding impacts to local king salmon spawning habitat from logging bridges in the Kelsall River drainage with little or no response from DNR. FMA"s would clearly place additional burdens on ADF&G personnel with no guarantee that habitat concerns would be adequately addressed.

Finally, the cancellation of APC's contract in Sitka indicates the inability of long term contracts to adapt to changing market conditions, which creates an unstable economic

base in Alaska. Let's not institute long term contracts on state lands in Alaska when they have proven so disastrous on the National Forests.

Sincerely,

Eric Holle, President
Lynn Canal Conservation, Inc.

Testimony prepared by:

Glynn Hoener
2885 Beverly Lane
Fairbanks, AK 99709

Submitted for the Record:

20 April 1994
House Resource Committee

Good Morning, I appreciate this opportunity to speak this morning. For the record, I was called last night and asked to specifically mention two others who couldn't be here today due to their jobs as teachers for the public school system, Louise Silet and Monica Garza. They both strongly oppose this bill.

My husband and I own a small construction company and have made our living building residential houses in Fairbanks for almost 20 years. Even though we rely on wood and wood products, we strongly oppose this bill, because this bill has not been designed to benefit the local economies or the local people. We find the following important provisions missing from the current bill; ~~strongly urge be adopted that would~~:

1. A process that would allow the public to decide how to best use a specific area, whether it be timber harvesting or another public use or whether to leave as habitat. But, consider all uses equally and determine the use through a public process.
2. A Require thorough inventories of the forests, labeling areas of useable timber, old growth forest and non-useal le timber areas. Further, assess the effect of logging on existing economies and other valued uses in the proximity of areas of potential timber harvesting.
3. A Require flexible contracts that are reviewed on an individual basis as opposed to long-term contracts which would commit the state to

situations beyond sustainable harvests. We would do well to evaluate the situation in Northern Alberta Canada and learn all we can from what has happened there to help us avoid government subsidies and quick depletion of harvestable timber. I'd like to quote the Fairbanks Daily News Miner, Sunday, April 17, 1994;

"Alaska should never find itself in the position faced by Alberta, Canada. It committed to huge forest management agreements years ago without proper inventories. Now it turns out there isn't enough wood on the land they assigned to the agreements, so the province is looking to its park land to meet its commitments."

4. Completely review all costs to the state, such as the building and maintaining of roads, reforestation, oversight by the Department of Fish and Game, DNR, DEC, and no doubt more.

Finally, we are asking you to evaluate timber harvesting prudently, considering all aspects involved, including the public use of the lands, the local economies, wildlife habitat, all costs vs. benefits. We must ask seriously whether we need a state subsidized, large scale timber harvesting operation with low priced overseas markets and an influx of unemployed people from out-of-state looking for work or, whether we might do better with community established logging operations that work with the local businesses to bring quality products to the community for the benefit of all. Thank you for your time

Glynn Hoerner

Alaska State Legislature

Please enter into the record my testimony to the RESOURCES
committee name

committee on SB 310 , dated APR 15, 1994
bill/subject

THIS ENORMOUS BILL, IT SEEMS, IS INTENDED TO HELP THE ECONOMY OF ALASKA. HOWEVER, AFTER READING ABOUT THE TIMBER INDUSTRY IN NORTHERN ALBERTA ESPECIALLY, I'M NOT CONVINCED THE ECONOMICS HAVE PROVED TO BE SUSTAINABLE, RATHER, IT SEEMS THE ECONOMIC SITUATION THERE HAS BECOME HIGHLY SUBSIDIZED. THE FOREST INDUSTRY HAS NOT EVER BEEN ABLE TO SUCCESSFULLY SUSTAIN ITSELF ON LONG-TERM CONTRACTS. IT SEEMS THE ONLY ECONOMIC BENEFITS OF THESE CONTRACTS ARE TO THE CORPORATIONS WHO BUY THE TIMBER AT VERY REDUCED PRICES. IF SB 310 IS GOING TO WORK, I THINK WE NEED ASSURANCES THAT THE FMA'S ARE NOT GOING TO END UP AT SOME TIME COSTING THE STATE. IN ADDITION TO THE PROVISIONS ALREADY SUGGESTED, I BELIEVE WE NEED THE FOLLOWING:

* 1. ASSURANCE THAT THE FORESTS WON'T BE SOLD AT A LOSS
* 2 ASSURANCE THAT HARVEST LEVELS WILL BE ADJUSTED SHOULD THE HARVEST RATES PROVE TOO HIGH DUE TO SLOW REFORESTATION, DAMAGE TO HABITAT & ECOSYSTEMS, FIRE, DISEASE, OR ANY NUMBER OF UNFORSEEN CIRCUMSTANCES.
* 3. ASSURANCE, IF POSSIBLE, THAT THESE TIMBER JOBS WILL GO TO ALASKANS FIRST.
* 4. ASSURANCE THAT ADFG IS FUNDED ADEQUATELY AND CONTRACTS APPROPRIATELY MONITORED.

I URGE REVIEW OF THIS BILL BY THE FINANCE COMMITTEE.
I URGE CAREFUL CONSIDERATION OF THIS BILL AT ALL LEVELS.
LET'S REQUIRE THAT THE TIMBER INDUSTRY WORK FOR US & NOT GIVE IN TO WHAT APPEARS TO BE CORPORATE DEMANDS.

Signed: Glynn Haener
Testifier

Representing (Optional)

1885 BEVERLY LANE / 99709
Address

STATE OF ALASKA

WALTER J. HICKEL, GOVERNOR

DEPARTMENT OF FISH AND GAME

333 RASPBERRY ROAD
ANCHORAGE, ALASKA 99518-1599
PHONE (907) 344-0541

BOARDS SUPPORT SECTION

Anchorage Advisory
Committee
Box 454
Girdwood, AK 99587

March 4, 1994

Members of the Alaska State Senate
State Capitol
Juneau, Alaska

Re: SB 310

Dear Senators:

The Anchorage Fish and Game Advisory Committee opposes SB 310 for the following reasons.

Section 1 aggressively fosters forest management agreements by which the State would turn over to private parties much of the management of forest lands. We think that is unwise for fish and wildlife habitat and unwise for fish and game use. Such agreements will also increase, rather than decrease, state costs, because the agreements simply introduce another party into management decisions, and that costs money that isn't required in the present system.

Section 4 of the bill eliminates the existing authority of the Commissioner of Natural Resources to classify lands (greater than 640 acres) as closed to timber sale, and provides that only

K16LH

the Legislature may institute such closures. This change of existing law weakens the value of the land use planning process. It essentially thrusts the Legislature into arenas it creates agencies to address.

Section 6 of the bill would require reforestation with trees that would be expected to grow into merchantable timber. This favors nonindigenous trees over native stocks -- and in many instances will affect negatively indigenous fish and wildlife.

Section 7 of the bill rewrites the criteria for "best interest determinations" the Department must make prior to any timber sale. It rewrites the criteria to eliminate recreation and subsistence and substitute "continuation and expansion of businesses." That amendment, besides being poor resource management, is counterproductive to State efforts to retrieve subsistence management.

Section 8 of the bill has been inaccurately represented by the Office of Legislative Counsel as mere housekeeping to eliminate a purported requirement that the Director of the Division of Forestry notify himself of a state sale. That is not correct. Section 8 amends existing law regarding reviews of plans of operations by an operator. Existing law is that an operator on any forest land, regardless of whether it is owned by the State, the University, a municipality, the Mental Health Trust, or some private corporation, must submit a plan of operation so that the Division can review the plan for compliance with the Forest Practices Act and the regulations under it. Section 8 would require such review only of those operations on municipal and private lands. The result is, first, that review would not exist for University and Mental Health lands, and second, would not exist for state lands. Why the Legislature would seek to stop reviews for compliance with its own statutes is baffling to say the least. The job of the Legislature should be not only to enact statutes but also assure they are implemented in a manner that complies.

Section 11 of the bill rewrites the purposes of designated state forests to makes them more commercially oriented and weakens the existing balance between commercial activities and other beneficial uses such as recreation, subsistence and commercial fish production, and tourism.

Section 12 of the bill requires the Department of Natural Resources to allow the fullest possible access to and use of natural resources including timber, fish, game and minerals. The Commissioner may restrict public use only when necessary to carry out the purposes of the Forest Practices Act. In other words, the bill eliminates the Department's authority to restrict access when the means of access would be found under Title 38 to injure fish and game habitat. Nor is it wise to require the Department to allow fullest possible access when the means of access (e.g. ATV

access) leads to harvest pressures on resident fish populations (such as rainbow trout, graying, burbot, lake trout) that can't take such pressures. Such matters are best left to the discretion of the agencies.

Section 15 rewrites sustained yield to push it more toward considerations of timber only, rather than all forest resources.

In sum, SB 310 places a commercial forestry priority on all state forested land. Much of the actual land management would be handed over to private interests under forest management agreements authorized by the bill. Multiple use would be abandoned on state forest land and would only be retained in token form in designated state forests. Public planning processes would be weakened. Mental Health and University lands would be exempted from reviews of operations. Forested lands would be managed for business purposes over traditional public uses, such as hunting, fishing, recreation and subsistence.

We suggest this legislation proceed no further.

Sincerely yours,

for Larry Holmes /by DJP

Laurence (Larry) Holmes
Chairman
Anchorage Fish and Game
Advisory Committee

cc: All Alaska State Senators and Representatives
Harry Noah, Commissioner, DNR
Carl Rosier, Commissioner, ADF&G
All Fish and Game Advisory Committees in Fairbanks/Tanana Valley and Susitna Valley areas.
UFA/UCIDA
Tanana Chiefs

NoMetatal
Karin Holser
Grantwriter, Researcher
HC 33 Box 3177K
Wasilla, AK 99654
907-376-6231

Date: 19 April 1994

To: All Representatives on the House Resources Committee

From: Karin Holser

Re: SB 310

I would like to go on record as being opposed to this bill. Have we learned nothing from the U.S. Forest Services forest management? Managing forests just for the benefits of resource extraction is not the solution. No business would ever dream of using up it's capital - they would invest it and live off the interest. When will we recognize that all the earth's resources are the capital which needs to be invested wisely so we can live off them for a long time in the future. That doesn't mean locking them up. but it also doesn't mean exploiting them and living off the capital. We need to come up management plans that invest our capital into programs that provide long term - seven generation worth of interest - a great example of this is the Alaska Center for Appropriate Technology Bio-Based Fiber Composites program. This program uses all parts of the tree, shrubs, grasses, waste paper, anything that Bio-Based Fiber is hammer milled and compressed into composite building board like Oriented Strand Board. This type of industry could live off our forests forever. It's a combination of taking a little new and lots of used resources to make something new and useful, which can then be reprocessed again and again. I encourage you to start to break all the old paradigms and become a part of the answer to all resource issues.

Alaska State Legislature

Please enter into the record my testimony to the House Resources committee name

committee on SB310 bill/subject . dated 4-20-94

Thank you Mr. Chairman. My name is Eleanor Huffines and I'm a teacher and guide from Palmer wanting to voice my concerns about SB310. SB310 will not solve the economic problems of the state. Once an FMA contract is issued, timber harvesting becomes the controlling land use. Other forest values (management of fish and wildlife habitat, recreation, tourism and other forest dependent businesses) all become secondary to timber development. Getting the cut out for the mill has priority but without value added to timber in Alaska. Unprocessed timber exported from Alaska means that Alaskan jobs are lost. Please do not pass this bill out of committee.

Signed: Eleanor
Testifier

Representing (Optional)

Mile 1 Farm Loop Road Palmer AK 99645
Address

Phone No.

9/89 Legislative Information Office

APR-20-94 WED 09:27
P.01

Testimony prepared for the teleconference scheduledfor April 15, 1994 by the House Resources Committee - Bill Williams, Chairman on CS for SB 310 - a bill to change the purpose of Alaska State Forests and to authorize large-scale, long-term timber harvest contract under Forest Management Agreements.

My name is Celia M. Hunter. I am a 47-year resident of Alaska residing at 1819 Muskox Trail, Fairbanks, AK 99709. My phone number is 479-2754.

I am opposed to CS SB 310 as now written. The two major provisions to which I object remain unchanged. No. 1 - the re-defining of the purpose for which our State Forests were created to emphasize commercial timber harvest above all other uses is not compatible with Alaska's multiple-use philosophy as expressed in our constitution.

No. 2 - the creation of Forest Management Agreements without any provision for a comprehensive inventory of all the boreal forest values which would be affected by such contracts, and without a detailed cost/benefit analysis comparing such contractual arrangements with other potential ways of utilizing these Alaskan forests will result in placing Alaska once again in a colonial relationship with Outside multi-national interests.

Alaskans deserve the opportunity to create a high quality, community-based, locally owned and staffed diversity of forest-based industries which would maintain the integrity of our boreal forests while providing jobs, subsistence resource uses, recreational opportunities, and wildlife and fisheries values.

The experience of the Canadian province of Alberta with Forest Management Agreements should give Alaskans food for thought. In Alberta, as much as 60% of their boreal forests are under contract to two huge Japanese firms - Daishowa and Mitsubishi. These giant corporation pay a minimal fee -

something like $30 per sq. km. to hold these enormous acreages and the timber thereon out of reach of small entrepreuners. These huge corporations have a guaranteed timber source, while small entrepreuners must bid annually for lower quality sites. While these huge companies always promise to make sure the small operations will have a timber supply, in actual practice they hang onto their monopoly.

Alberta pays up to $800,000 per job to these corporations in the form of direct, taxpayer funded subsidies and loans or loan guarantees. Alberta's FMAs bring far lower returns to the province than more competitive sales in neighboring B.C. - Alberta receives about $2 per cu. meter compared to $8 to 11 in B.C.

Jobs are touted as a major benefit of FMAs, but huge timber harvesting and milling operations provide far fewer jobs than small, labor-intensive businesses. Large scale harvesting is technology-intensive; labor costs are minimized wherever possible. The pulp mills are computerized so intensively that in one huge mill, only five operators do all the work.

Before we condemn Alaska's boreal forest to massive clear-cutting and the export of our timber resources in a form with the lowest possible return to Alaska residents and taxpayers, we need to demand that no contracts may be explored or executed until a cost/benefit study comparing all potential uses of these forests has been done. We need to keep in mind that the exploitation of Alaska's natural resources should benefit ordinary Alaskans first and foremost.

We don't need to be a colony of Japan, as we were once a colony of the Pacific Northwest salmon industry. Alaskan jobs and profits should go to Alaskans - not out-of-work Pacific Northwest loggers, and huge Japanese mega-corporations.

Celia M. Hunter

Fairbanks North Star Borough
809 Pioneer Road P.O. Box 71267 Fairbanks, Alaska 99707-1267 907/459-1000

April 6, 1994

Alaska State Legislature
Juneau, Alaska 99801-1182

Dear Legislator:

The Fairbanks North Star Borough Trails Advisory Commission urges you to protect the integrity of the existing trails and access to the trails included in the land subject to Senate Bill 310 and its substitute.

Sincerely,

Allan Johnson

Allan Johnson, Chairman
FNSB Trails Advisory Commission

Western Canada Wilderness Committee
10121-Whyte Avenue #4
Edmonton, Alberta T6E 1Z5
Ph: (403) 433-5323 FAX (403) 433-5327

April 13, 1994

to all Reps.

To: Rep. John Davies
State Capitol
Juneau, Ak.

From: Gray Jones, M.Sc.
Executive Director
Western Canada Wilderness Committee
Edmonton, Canada
Forestry Consultant to the Grand Council of Treaty 8

Regarding SB 310 and forestry development issues in the Tanana Valley and Alaska

Dear Mr. Davies,

I've spent a few days in Alaska and talked extensively with the Alaska Boreal Forest Council, University of Alaska researchers, forestry officials, ADF&G personnel, individuals in the community and media about forestry development issues, the history of FMAs in Canada, and how they pertain to the Alaskan situation. The following is a series of observations and comments that may be helpful in addressing these issues:

1. Both Alberta and Alaska are jurisdictions that were almost totally dependent on the boom and bust cycles related to the oil and gas industry. With depression in the oil and gas industry, both jurisdictions have scrambled to diversify their economies to make up for serious downfalls. In Alberta, all of the FMAs were given out in an extraordinary four year period with improper timber inventories, planning, overcapitalization and subsidies by the province, without enough input from indigenous and people in the communities and, in some cases, working to the detriment of existing economies. An example is the SunPine Louisiana Pacific FMA where clearcut logging directly threatens thirty successful tourist and ecotourist operations in this area. The history of FMAs in Canada leaves alot to be desired. Communities and provinces have abrogated the responsibility for their forest to large multinationals for 20-year periods.

2. I believe Alaska to be at the crossroads. Alaska has a thriving tourist economy. It is the number three industry in the state. According to the Popcorn Report, one of the premiere trend analyses in the world, "wildering", or experiencing wilderness, will be the leading growth industry involving people from industrialized countries in the next ten years. Jurisdictions and places that have high quality and intact wilderness environments will be in a perfect position for developing tourist-

based economies in the future. Alaska has large tracts of intact boreal wilderness, including the grandeur of glaciers, wildlife, clean rivers and esoteric components like the aurora borealis and interesting indigenous cultures, which would be of extreme interest to tourists. The Tanana Valley is an intact and healthy biological system, an eco-mussee, or living museum, with roots in the gold-mining and transportation histories of Alaska. The Tanana Valley is also potentially the first FMA in Alaskan history. If this FMA is established, it will set a precedent for all other FMAs and forestry developments: it must be done right to live up to the multiple use philosophy of the Alaska State Constitution.

As a biologist and forester, I've concerns with SB 310 because I feel it to be carte blanche for any potential developer. It is loose, nonspecific, and does not protect the environment, social or economic needs of Alaskans. The spirit of the document is weak, the wording is fuzzy, and it gives too much power to the Commissioner of DNR and Attorney General of Alaska, bypassing public needs and input. From a forestry standpoint, the timber in the valley is marginal to moderate in terms of volume and quality, transportation is difficult and expensive, and any value-added-on facility (for example, an OSB plant) would have to utilize a high percentage of the timber resource to be marginally successful, thus destroying biological, tourist and other values, as well as the future unknown tourist potential. Of great concern is the controversy over timber inventories in the area. In discussion with forestry officials and people at the university, there seems to be incomplete inventories. Before you sell something, you have to know what it is! Proper and complete timber inventories should be the baseline that occurs before the signing of any FMAs. A cost-benefit social and economic analysis for the regional base is imperative. I think it is very important to look also at the history of forestry developments in Alaska. How many have failed or are failing? Which ones are successful and why? Could the signing of a Tanana Valley FMA agreement be a swinging albatross to the people of Alaska?

Perhaps as an alternative to FMAs, there should be exploration into Community Forestry which exists in many jurisdictions including Oregon, British Columbia and Quebec. Community Forestry employs the latest microtechnology in logging and milling. It does not require huge capital investments. Market niches are explored and developed around the world: Transporting raw logs to the Orient and chipping forests is not part of the spirit of Community Forestry. High-quality, decentralized, small-scale, value-added-on models of economic development, as written about in the Schumaker book Small is Beautiful is, I believe, a positive wave of the future that should be explored.

It is very late at night. I am tired, so I'll sign off for now. I am available any time to give you reference material or talk with you about these issues at the above FAX and phone numbers.

Yours for the environment,

Gray Jones

Alaska State Legislature

Please enter into the record my testimony to the House Resources
committee name

committee on SB 310 , dated 4-15-94
bill/subject

Please take no further action on this bill until the time costs to the state to implement and administrate it have been fully investigated. All purported benifits must be carefully weighed against the time track record of big time logging companies in Alaska, Canada, ~~and~~ the Pacific Northwest and elsewhere.

See the attached announcement "Let's Level About Logging" Anchorage Daily News 4-10-94, which gives a perspective many of us in the Interior share.

Sincerely,

BARBARA K KALEN

Signed: Barbara K Kalen
Testifier

Representing (Optional)

Box 72285, Fairbanks 99707
Address

My name is Carol Kleckner and I am the owner of a bed and breakfast in Fairbanks. The way that SB 310 has been presented is a great concern to myself and many other small business owners that depend on tourism for their livelihood. A possible result of the widespread cutting of the Tanana Valley forest catering to the interest of the large logging companies may be some new jobs for Fairbanks residents but could put many of us out of business. Fairbanks to begin with is not the largest draw of the state. We don't have the majestic mountains surrounding the town nor a huge fisheries industry, nor the roaring ocean with a back drop of snow covered peaks. What Fairbanks does have is a close knit community of people truly living the last frontier lifestyle. A town surrounded by rivers cutting through virgin timber forests of birch and spruce that have to live and grow through one of the harshest climates in Alaska. A town where the tourist can get a real feel of the rugged life many in Alaska do live. It is unlike the metropolis of Anchorage that is just another big city to some, but the Fairbanks area offers hiking, skiing, snow machining, trapping, and hunting accessible to many via it's rivers and forests. With SB 310 and its FMA's the primary use changes from use of the "small" logger, trapper, hunter, or hiker to a primary use for large scale commercial development. The current multiple use function benefits many, the result of the passage of SB 310 will benefit few and hurt many. There are many tourists that take flight seeing tours of the area. I have heard people marvel at the expanse of land and the beauty from above. Being a pilot myself, I appreciate the forests and rivers for the beauty they offer surrounding Fairbanks and would hate for the hillsides and valleys to look like some of the areas of Washington state. If the legislature thinks that SB 310 will promote jobs, please remember the small business owners that could be out of work because of it. Flight-seeing tours, river runs, hiking, trapping, maybe even the small logger if the commercial companies will have the power to tie up all of the land. These forests have taken decades to grow, lets not wipe them out with one swipe of the pen. Please kill SB 310.

CAROL KLECKNER
BIRCH HAVEN INN
333 FAIRHILL RD
FAIRBANKS AK 99712
457-2451

The sponsors of this ad are United Cook Inlet Drift Association, Kodiak Audubon, Trout Unlimited, The Alaska Center for the Environment, Area K Seiners, The Homer Charter Boat Association, The North Pacific Fisheries Association, the Alaska Rainforest Campaign, Kachemak Bay Conservation Society, Cook Inlet Seiner's Association, Kodiak Conservation Network, the Southeast Alaska Conservation Council, and the Alaska Sportfishing Association.

LET'S LEVEL ABOUT LOGGING

For the last eight weeks, the Alaska Forest Association (a pro-logging lobby group) has been running a series of slick, full-color ads in this space. This week, the rest of us who depend on the forest present the truth -- in black and white.

AFA SAYS: "Almost 80% of Alaska's old growth is totally protected."
THE TRUTH IS: that most of the "forest" on the coast is actually mountains, glaciers, muskeg swamp, and stunted timber. For example, only about 4 percent of Southeast's Tongass National Forest harbors the big trees needed for fish and wildlife habitat. Only 21% of this original critical old growth is protected by law from logging in wilderness or roadless areas.

AFA SAYS: "Wildlife can kick up their paws and relax... Critters that are struggling elsewhere, flourish here..."
THE TRUTH IS: even Forest Service biologists admit that logging will cause massive losses of deer in Southeast Alaska. Logging has already contributed to closures of deer and bear hunting. A recent Forest Service study concluded that in the Tongass forest, some wildlife populations probably won't remain viable unless we reduce current logging plans. Clearcuts harm lots of "critters."

AFA SAYS: Only the timber industry depends on renewable resources to provide year-round, longterm jobs.
THE TRUTH IS: that commercial fishing employs more Alaskans than any other renewable resource-based industry. And fish are endangered by poor logging practices, which degrade water quality and fish habitat.

AFA SAYS: Logging roads are "built and paid for by the timber industry."
THE TRUTH IS: most logging roads are an expensive gift from taxpayers to the timber industry. On public lands, logging roads are either built for the loggers by the government or are built by the loggers in exchange for discounts on timber. Either way, we pay -- not them. Roads also increase competition for game, displacing local folks. Poachers love them, though.

AFA SAYS: "We're managing salmon and forests better and better."
THE TRUTH IS: despite a 1990 state law that finally banned logging within 66 feet of fish streams on private land, loggers routinely demand special permission to cut inside the buffers. Over 70% of these requests have been approved, sometimes even over the objections of state fish experts. Even if left intact, these thin buffers are far short of 100-300 foot buffers scientists consider a minimum to protect salmon and trout.

AFA SAYS: "Clearcutting is often the best [timber] harvesting method."
THE TRUTH IS: clearcutting is the cheapest way to cut trees, not the best. Clearcutting is ugly, can cause landslides, devastates wildlife habitat and can harm fish streams. When the soil washes away, some trees won't even grow back.

Alaska State Legislature

Please enter into the record my testimony to the House Resources
committee name

committee on SB 310, dated April 20, 1994
bill/subject

I am opposed to SB 310. Please table this bill until you have done your research into the facts and have listened to the concerns of the public and have worked out a consensus among the different interests in our state forests.

One of the most ominous things in this bill is Sec. 5. The state forests belong to everyone. Even if you were considering economics only, there are other important economic interests besides timber. [redacted] AS 41.17.200 is good as it stands.

Another ominous thing is provision for long term and large scale contracts. That gives effective control over our forests probably to a corporation whose only real interest is revenue. If unacceptable damage is done by one of these contracts there is no provision for any challenge or appeal or way to stop the damage. There is not enough limitation on the power of the DNR commissioner.

Please learn from the mistakes made in Alberta and Southeastern - don't repeat them.

Signed: Carol Klopf (Carol Klopf)
Testifier

self
Representing (Optional)

1191 Eastwood Lane, Fairbanks 99712
Address

Alaska State Legislature

Please enter into the record my testimony to the House Resources
committee name

committee on SB 310 , dated 4/15/04
bill/subject

I need to research this bill more. I am concerned about us being able to control things once they begin. I don't want us to rush into this and make big mistakes. this could seriously damage our jobs in the tourism and subsistence economies. the Villages depend upon these economies. further erosion of these economies will put more people into the cities and stretch social services. Lets be careful.

Signed: Dave Lee
Testifier

Yukon Riverfronts
Representing (Optional)

214 2nd Ave, Fbx 99701 (907)
Address

ALASKA WOMEN IN MINING
P.O. Box 34044, Juneau, Alaska 99803

April 20, 1994

Representative Bill Williams
Chairman, House Resources Committee
State Capitol, Room 128
Juneau, AK 99801

Dear Representative Williams,

RE: SB310

We would urge you to support SB310. We feel it is important for the legislature of this State to support bills such as this which will create jobs and in doing so help the overall economy and will also protect forest health. In light of the recent job losses in the timber industry in this state, the importance of the passing of this bill is even greater.

Some may voice opposition due to supposed "environmental concerns." It is important to note that the Forest Management Agreements will still have the protection of the Forest Practices Act, including stream buffers.

Natural resource industries can exist in an environmentally safe manner. Certainly as Chairman of such an important committee in these economically trying times, we would expect your support of this bill. Should you require, we would also be happy to testify. The industries of Alaska are learning that we must closely monitor the support of bills such as these, because they are of such vital concern.

Your support would be greatly appreciated and expected.

Thank you.

Sincerely,

Tammy Larson

Tammy Larson
President
(phone 463-4636)

cc: Alaska Forest Association

Alaska Veterinary Clinic, Inc.
300 EAST FIREWEED LANE
ANCHORAGE, ALASKA 99503

Representative Williams
House of Representatives
State Capital (MS 3100)
Juneau, AK 99801-1182

Dear Representative Williams,

I am writing this note in opposition to SB 310. This bad legislation could have terrible negative impacts on all Alaskans who hunt, fish and otherwise use state lands and would benefit only a few timber operators.

I encourage you to vote against SB 310 when the opportunity arises. Thank you for your consideration of this matter.

Sincerely,

David W. Law, D.V.M.

Alaska State Legislature

Please enter into the record my testimony to the resource committee
committee name

committee on SB 310 , dated 4/20/94
bill/subject

I love the 1990/91

I oppose SB310. I was the Earth Day coordinator for Fairbanks. It was my first experience of involvement with FOREST GIVEAWAY environment concerns. I feel the tourism industry is the strongest potential to establish economic stability. As observed in my 9 years of residency, as a business owner that Alaska depends on the entrepreneurial spirit of its residents to creatively survive economically here. Ripping away our most precious commodity in sale of our forest to the monopoly of outside special interest groups is ripping the heart out of why I'm so in love with this State. Please do not create enormous tracks of dead land! The response of people in the Lower 48 is almost predictable - This Bill & the people (Politicians) passing it will go down in history as the Earth Day travesty! (April 22nd) - After all the commentary today - I echo the common voice - more study, more considerations of the bigger picture - Our land belongs to US! Please oppose SB310 P.S. I counted 4/2 opposed and only 8 (with vested interests) for this bill today. — DON'T sell out!

Signed: TARIKA LEA
Testifier

Tamera Deff

Representing (Optional)

POBX 84212 Fairbanks AK 99708
Address

Alaska State Legislature

Please enter into the record my testimony to the HOUSE RESOURCES COMM.
committee name

committee on SB 310, dated 4/20/94
bill/subject

I oppose SB 310 in both it's original and revised forms. This bill is a desperate attempt to bring a large industry ready made to the interior. Without even the most basic background information such forest inventory data or accurate state cost projections. This bill is being rammed down the throats of interior residents. Poorly planned timber developments in the Pacific Northwest should be clear examples of where the Tanana Valley is heading if SB 310 is passed. We must maintain the multiple use concept. Alaska has a chance to avoid the mistakes of the lower 48. Let's scrap this bill and start over to develop the interior timber industry in a way that benefits all residents.

Signed: John Jorgensen
Testifier

Representing (Optional)

1874 Bucks Rd. FBX 99709
Address

Alaska State Legislature

Please enter into the record my testimony to the House Resources
committee name

committee on SB310 , dated April 20, 1994
bill/subject

I have to question who benefits from SB310 legislation. Certainly not my friends, my neighbors, our children, indeed, the majority of Alaskans. This legislation is to benefit the short term gain of a few businessmen. And this bill is certainly promoting a situation of short term, overharvest, exploitation rather than a well planned, sustained yield which takes into account not only large scale logging interests but other forest uses as well.

This is a democracy. Legislators are supposed to listen and act upon the will of the majority, not represent and promote the wishes of a small self interest group. In Alaska we live in a particularly fragile environment. Please don't pass this legislation! Look to the will of the majority and develope a well thought out, research based bill which benefit all Alaskans and will leave forests which future generations of Alaskans can be proud of.

Signed: Paula L. Lotzenhiser
Testifier

Representing (Optional)

2571 Livingston Loop (PO Box 80792) Fbks Ak 99708
Address

Attn. Senate Committee,

As a voting citizen, I want to express my discontent with SB 310. Managing the valley's forests for timber harvest is a poor decision. The forest management agreement to exempt small, 200 acre cuts from the five year timber scale schedule goes against the wishes of the public and myself. We need to keep money in this valley and direct our economic pursuits towards sustainable, local endeavors. Timber harvesting in this manner is not it. Listen to your voting public. Do not pass SB 310.

Larry Lynn

Larry Lynn
P.O. Box 878687
Wasilla, AK 99687

Attn. Senate Committee:

SB 310 directly ignores the wishes of the people of this valley. I am opposed to large scale timber harvest, yet the Forest Management Agreements in the bill exempt small scale harvests from the five year timber sale schedule. These "small scale" harvests will cover about 200 acres of forested land. That is not small scale. The forested lands of this valley can offer incredible opportunities for economic growth, but not if they are clear-cut. Tourism is a multi-million dollar business here. Tourists are not interested in looking at clear-cuts. I am young and hope that when I grow up I will still be able to explore this valley and enjoy its natural benefits such as fishing, hunting, and vacationing. When I can vote, I will vote for those representatives who act as advocates for the people who put them in office.

Thank you for your time.
Sincerely,
Megan Sarah Lynn

Megan Sarah Lynn
P.O. Box 878687
Wasilla, AK 99687

April 21, 1994

Representative Bill Williams
Alaska State Capitol
Juneau, Alaska 99801-1182

Dear Sir,

Drop Senate Bill 310 now. The vast majority of Tanana valley residents oppose it. It would place control of a large portion of our forests in the hands of large timbering companies for 20 years. Furthermore, cutting at the rate of 5,000 acres per year is not sustainable. Losing control of our timber for 20 years and receiving clearcuts in return is bad business.

If we are going to develop an Tanana valley timber industry - which we already have at a sustainable level - we should do so conservatively and in such a manner as to ensure its survival for many generations. As someone who's only paycheck came from a sawmill for 5 years, I would like to see a small, sustainable timber and wood products industry in the Tanana valley. I would like to see it in the hands of small, Alaska-based businesses. Lastly, I would like to see logs cut in the interior stay in the interior and supply local wood-products and construction industries.

Common sense dictates that this bill be dropped. We do not need jobs at any cost. We do need smart jobs in smart industries that will be around for a long time to come and won't exploit or forests, air, or water. Kill this bill!

TODD MACKINAW
3150 Chena Hot Springs Road
Fairbanks, AK 99712

Alaska State Legislature

Please enter into the record my testimony to the RESOURCES committee name

committee on ~~4/20~~ S.B. 310 bill/subject, dated 4/20/94

WITH ALL DUE RESPECT FOR SEN. STEVE FRANK WHOM I HOLD IN VERY HIGH ESTEEM, I URGE YOU TO VOTE NO ON SB 310... UNTIL SUCH TIME AS THE BILL CONTAINS ASSURANCES OF TRULY SUSTAINABLE LOGGING AND MUCH STRONGER LANGUAGE MANDATING LOCAL VALUE ADDED OPPORTUNITIES.

I AM A LONGTIME RESIDENT OF FAIRBANKS, A GENERAL CONTRACTOR & LOG HOME BUILDER USING LOCAL LOGS. I BELIEVE THAT IT IS DESIRABLE TO UTILIZE OUR LOCAL FOREST PRODUCTS IN A BENIFICIAL MANNER AND WOULD ACTIVELY SUPPORT LOCAL SUSTAINABLE DEVELOPMENT OF THE TANANA BASIN FORESTS.

Signed: Mike Musick

Testifier

SELF - ESTER CONSTRUCTION

Representing (Optional)

PO BOX 161 ESTER, AK 99725

Address

Dear Representative James and to all members of the House Resources Committee

In an attempt to understand SB310, I have been studying the bill, all the statutes and regulations to which it refers, the Tanana Basin Area Plan, and the Tanana Valley Forest Management Plan. I have also talked with employees of DNR (DOF) and ADF&G and forestry professionals at the University. I am concerned that

1 - the public has not been adequately informed or had sufficient time to become adequately informed on all aspects of the bill and,

2 - that the bill may not provide adequate public review of FMA's. (I would like more time to determine this second point to my own satisfaction).

I am not opposed to FMA's nor do I wholeheartedly support them. We'll probably never know if an FMA is a "good thing" unless we try one. However, I am concerned that the process for processing FMA's is considerably less stringent than for timber sales as they are done now (see the attached flow chart) and this seems unwise to me. Perhaps we should have confidence that the contract will take care of potential problems - but the final agreement is not reviewed by anyone but the Commissioner as provided by SB310. FMA's could be 10 to 50 times the size of our normal timber sales - surely they should

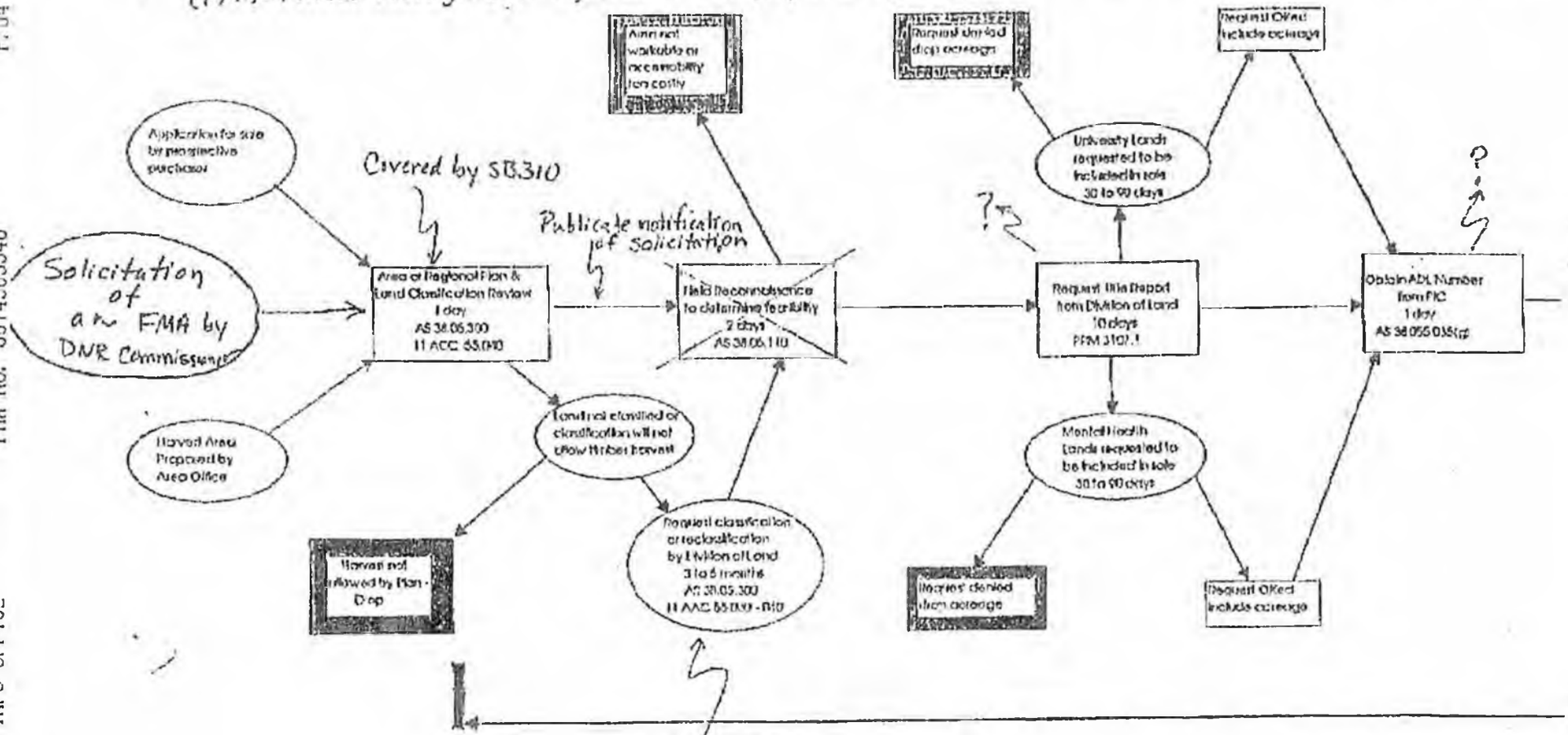
receive equal or greater scrutiny and deserve as much time for review.

Thank you for taking the time to show concern on this issue.

Audrey J Magaun
3680 Non Rd.
Fairbanks, AK. 99709
479-5588

APR-25-94 MON 12:08 FBX INFO OFFICE FAX NO. 9074563346 P. 04

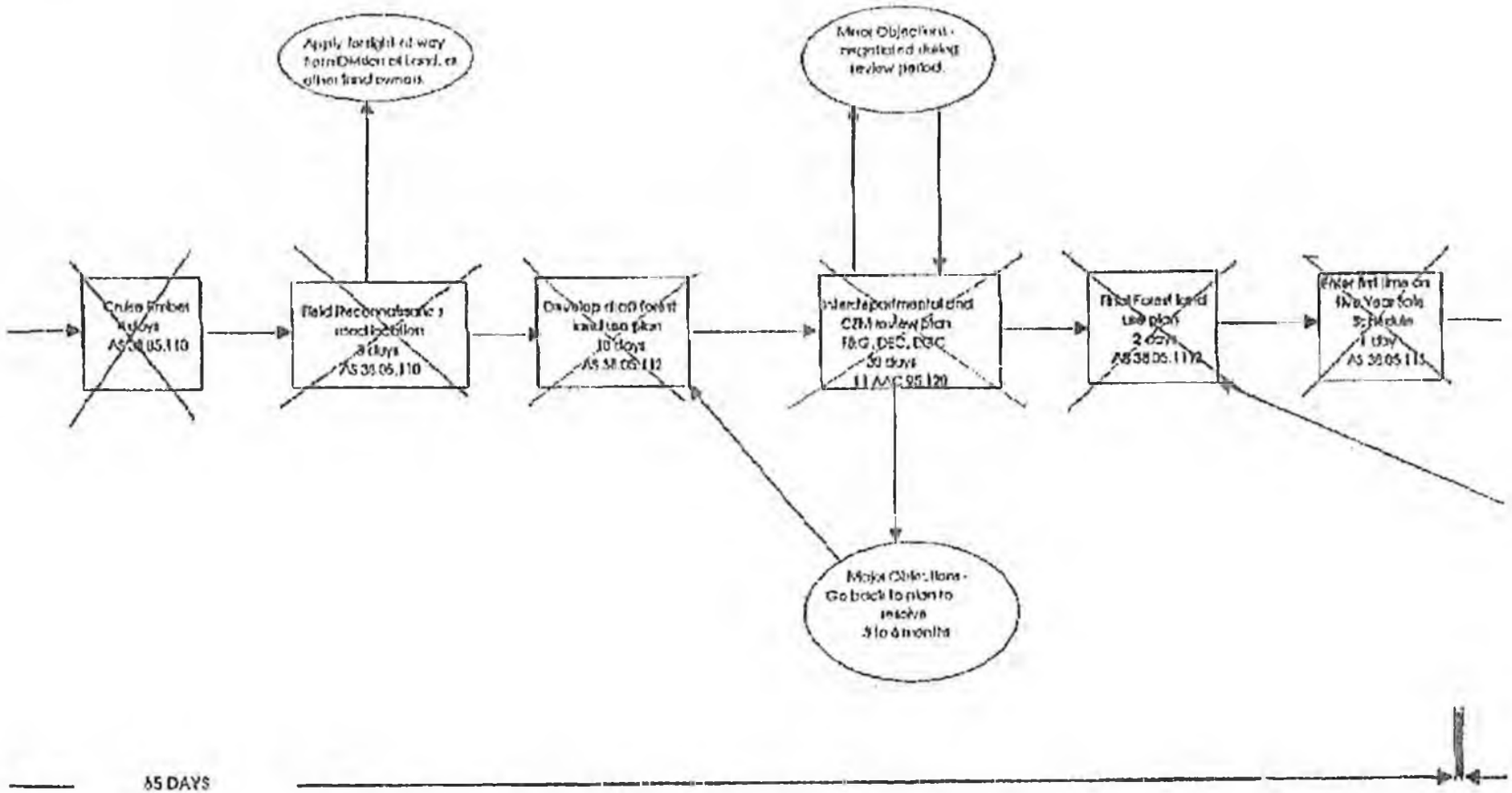
This is a flow chart showing the difference in procedures between a regular commercial timber sale (as mandated by Alaska law) and sale of timber through an FMA (FMA= Forest Management Agreement as proposed by SB310.



X = Does not apply to FMA's because of provisions in SB310

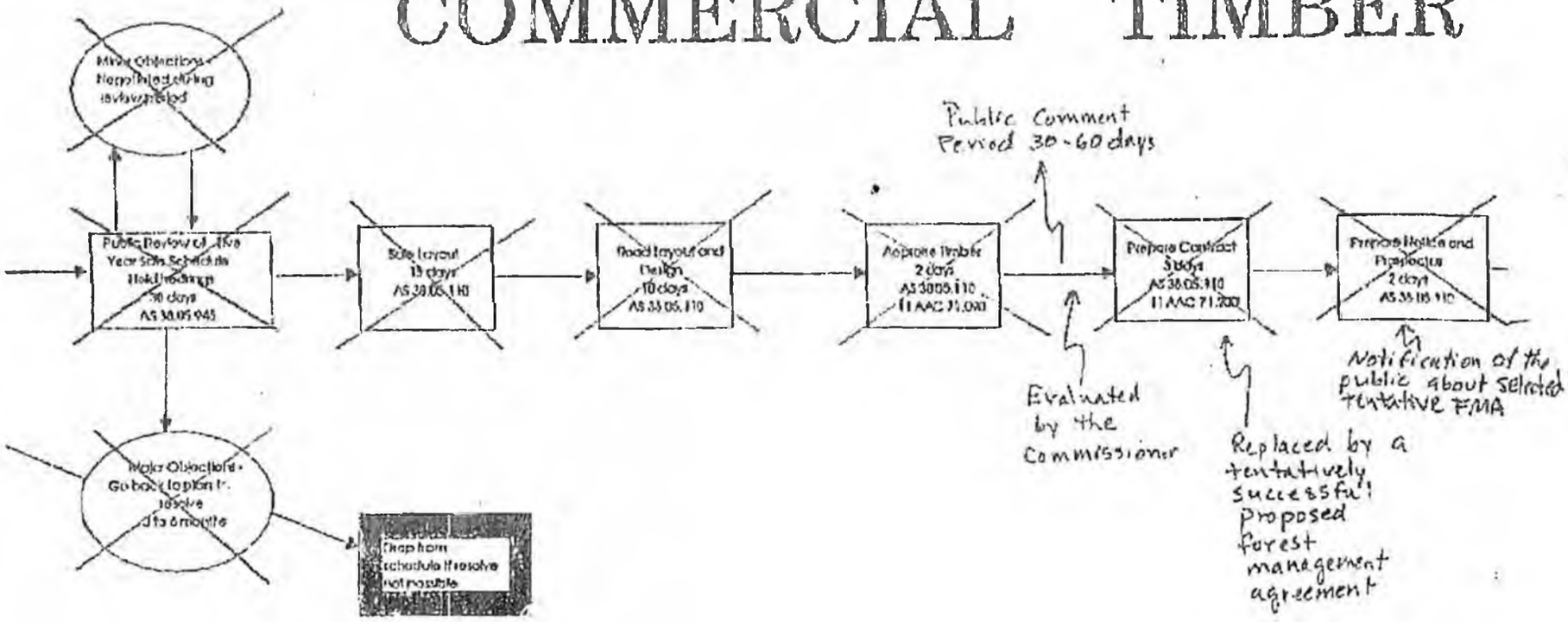
? = Do not know the relevancy in relation to FMA's at this time.

Original Flow Chart available from DNR

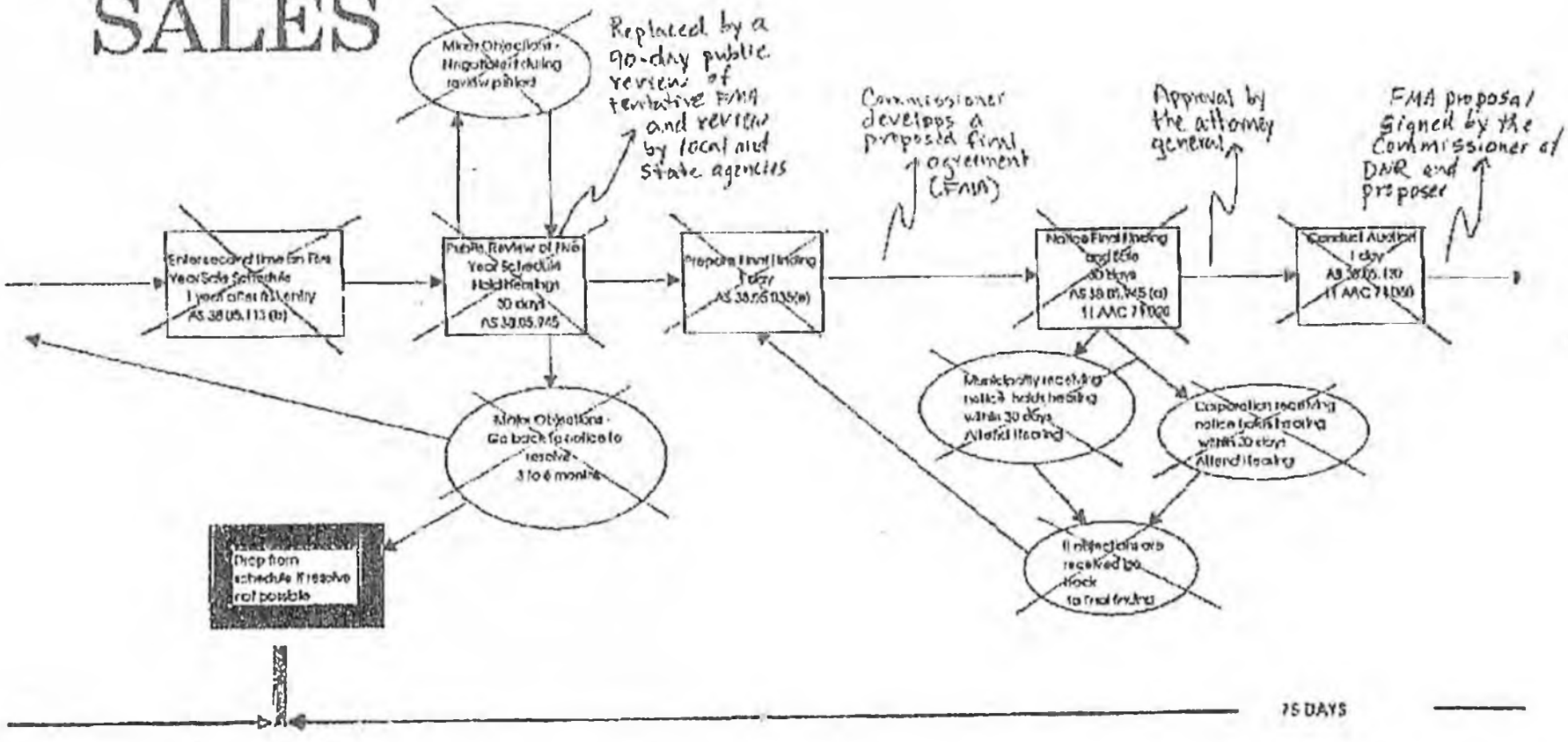

Apply for right of way from Division of Land, or other land owners
Minor Objections - negotiated during review period.
Cruise timber
Field Reconnaissance
Develop draft forest land use plan
Interdepartmental and CBM review plan
Final Forest land use plan
Enter Act into on the Year Sale
65 DAYS

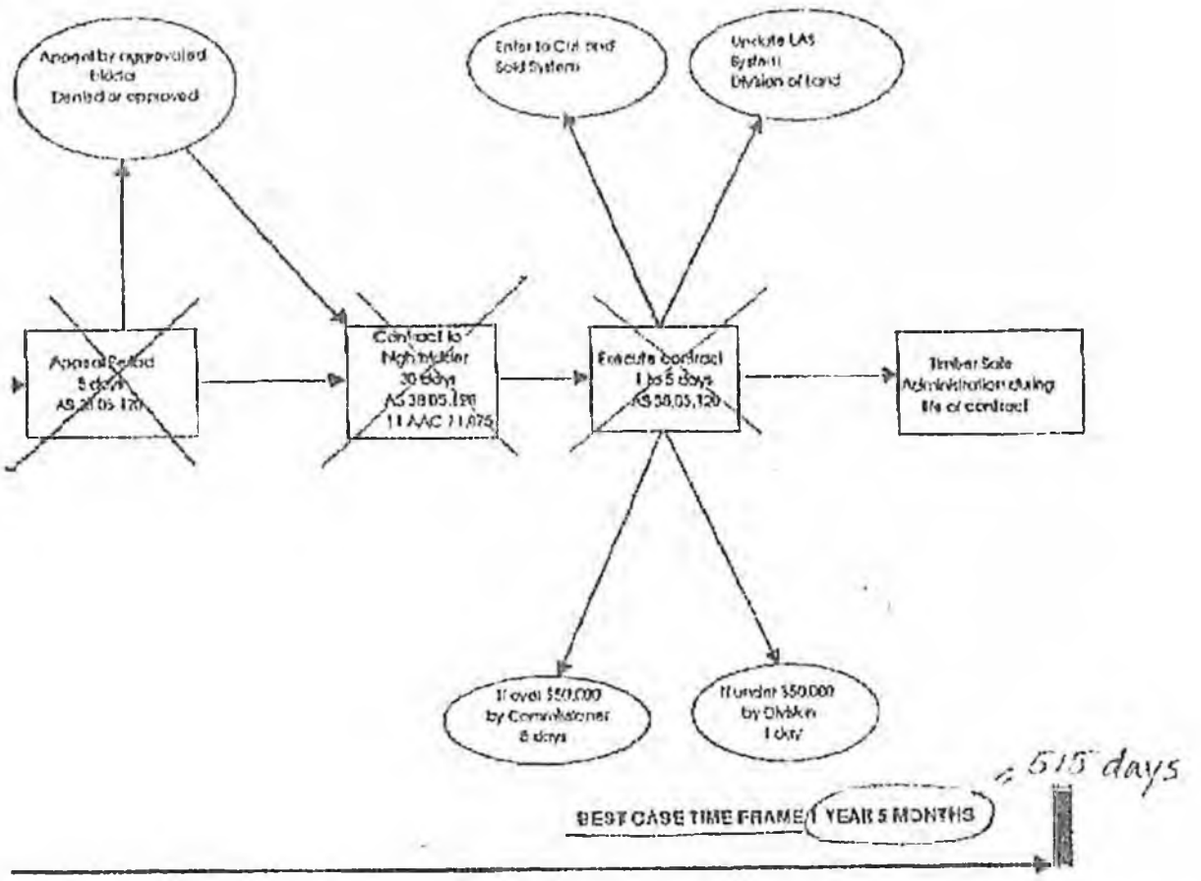
APR-25-94 MON 12:08 FBX INFO OFFICE FAX NO. 9074563346 P.03

COMMERCIAL TIMBER



SALES


Major Objections - Unsolvable/ruling review picked
Replaced by a 90-day public review of tentative FMA and review by local and state agencies
Commissioner develops a proposed final agreement (FMA)
Approval by the attorney general
FMA proposal signed by the Commissioner of DNR and proposer
Enter second time on Five Year Sale Schedule 1 year after first entry AS 38.05.113 (b)
Public Review of Five Year Schedule Hold Hearings 30 days AS 38.05.945
Prepare Final Finding Date AS 38.05.035(e)
Notice Final Finding and Decision 30 days AS 38.05.945 (a) 11 AAC 71.000
Conduct Auction 1 day AS 38.05.130 11 AAC 71.000
Minor Objections - Go back to notice to resolve - 3 to 6 months
Municipality receiving notice holds hearing within 30 days Attend Hearing
Corporation receiving notice holds hearing within 30 days Attend Hearing
If objections are resolved go back to final finding
Drop from schedule if resolve not possible
75 DAYS



An FMA could take as little as 137 days to sign (perhaps even less) but could not take any less than 120 days. Actual time will probably take more than 137 days.

Meredith Marshall
PO Box 7418
Ketchikan, Alaska 99901
225-2134

April 20, 1994

I support SB310. Utilizing Alaska's state forests to create industry and provide jobs is a positive step for our state.

The concept of forest management agreements as a way of supplying industry and ensuring environmental compliance from an operator who will then have a vested interest in the land management process is an idea that is overdue. Long term contracts allow a producer to amortize a large investment in a reasonable period of time and is a benefit to the communities that will see increased employment.

Streamlining the state timber management process will not put other resources at risk and will finally get a viable timber sale program on state lands.

Sincerely:

Meredith Marshall

STATEMENT ON SB310

by
Larry Mayo
282 Hay Way
Fairbanks, AK 99709
April 14, 1994

SB310 attempts to provide economic improvements for Alaskans through intensive cutting of our forests. More than likely, it would harm us more than help us.

Forests on state lands provide a wide range of benefits ranging from fisheries to hunting, trapping, wildness, subsistence, a nice place to live, tourism, clean air and water, house logs, fire wood, research, and recreation. All of these activities provide economic and other benefits to most residents. The driving concept in SB310, that the woods do not contribute satisfactorily to the economy, is simply false.

It is debatable whether competitive bidding for timber pays its way today. Experience elsewhere is that long term Forest Management Agreements lead to increased subsidies and much smaller timber revenues compared with competitive bidding.

I am frankly surprised, and distressed, with the Republicans. For years, they have beer stalwarts that "outside interests" should not control Alaskans. Through SB310 they are engineering a sell-out; it is tailored to multi-national timber corparies. If these outside companies come in, we will find that access into their contract areas is forbidden, that Alaskans will not have the education to run their type of operations, they will need generous state subsidies to survive, and that their primary purpose will be to ship the wood cut with the least possible work involved. Countries like Japan can survive economically only when they can import cheap resources for their workers and their industries.

By contrast, a larger number of smaller home-town wood industries can provide much greater economic benefit for Alaskans through local hiring, working and building with the wood, selling it, and using it in many ways in our own homes. And to our greater benefit, they will not need to cut as much of the natural forest. This will leave a lot of it for our other benefits already mentioned.

BUT MOST IMPORTANT FOR YOU TO UNDERSTAND--AS THE EARTH BECOMES MORE AND MORE DAMAGED, PEOPLE COME FROM AROUND THE WORLD TO SPEND TIME TO WITNESS A FULLY-FUNCTIONAL NATURAL ECOSYSTEM. IN LESS TIME THAN A 20-YEAR FMA WILL RUN OUT; THIS ASPECT, ALONE, WILL EMERGE AS THE GREATEST ECONOMIC BENEFIT FROM OUR STATE FOREST LANDS.

TAIGA ECOSYSTEM VALUES AND BENEFITS

Views expressed by citizens of Fairbanks, Alaska--Compiled by L. R. Mayo (479-2954)

INTRINSIC

Wildness
Existing for thousands or millions of years
Unique to Earth
Having unwritten Rights
self-Renewing
self-Regulating
self-Healing
Home of the circum-polar Boreal Forest
Home of Lakes, Bogs, Marshes, Meadows, and Rivers
Solar powered Energy reservoir of the sub-arctic
Storehouse of natural Genetic Materials
Ecosystem and Habitat bioDiversity
Makes its Soil from rock
Makes and stores its complex chemical Nutrients
Habitat for all sub-arctic animal life

PRACTICAL

Supply of abundant clean water
Air shed, the source of clean Air with moisture, fragrance, and oxygen
Recycles our wastes such as sewage and CO2
Setting for physically-healthy Living
Tent sites and Campfires
Fish and game Meat
Wood for Shelter and Furniture
Wood for industry
Fuel
Wood for Export
Wood for Art and Toys
Entertainment for curious Children
Water Storage in times of flood and drought
Holds soil against wind and water erosion
Stabilizes Climate
Scenic resource for Tourism
Shelter from wind
Moss and snow for Insulation
Sound barrier
Birds and Flowers
Outdoor Classroom of wildlife and nature
Object for Science of sustainable systems
Herbs, berries, teas, mushrooms, and medicines
Dye materials
Ambiance for pleasant Homes and Business sites
Soils for Agriculture and Gardens
Feed for domestic Livestock
Genetic Source for agriculture and domestic animals
Fence rows
Assets for great Recreation
Environment that promotes psychological Health
Wildlife to watch and hear
Ever-changing tapestry of natural Art
Object of Poetry and Photography
Place for evolution of Sustainable Lifestyles
Source of Alaskan Native Cultural Attributes
Site of the "Sourdough Alaskan Lifestyle"
Birch bark and syrup

SPIRITUAL

Quietness that one can hear
Clarity and color that one can see
Freshness that one can smell
Strength that one can feel
Tranquillity and Hope
Fellowship with all Life on Earth
Solitude for spiritual Renewal
Inspiration for philosophical Development
Naturalists find Cathedrals
Peace

STATEMENT ON SB310

by
Larry Mayo
282 Hay Way
Fairbanks, AK 99709
April 20, 1994

SB310 attempts to provide economic improvements for Alaskans through intensive cutting of our forests. More than likely, it would harm us more than help us.

Forests on state lands already provide many benefits ranging from fisheries to hunting, trapping, wildness, subsistence, a nice place to live, tourism, clean air and water, house logs, fire wood, research, recreation, and peace of mind. All of these benefits provide economic and other values to most residents. The concept driving SB 310 is that the woods do not contribute satisfactorily to the economy. That is simply false.

SB 310 is not our salvation after oil. Experience elsewhere is that long term Forest Management Agreements lead to increased subsidies and much smaller timber revenues compared with competitive bidding. FMAs help multinational corporations, not local governments.

I am frankly surprised, and distressed, with the Republicans who are pushing SB 310. For years, these same people have been saying that "outside interests should not control Alaska". Well, SB 310 is tailored for multi-national timber companies. If these companies come in, we will lose access into their contract areas, few Alaskans have the education to run their types of operations, they will need generous state subsidies to survive, and their primary purpose will be to ship the wood out with the least possible work involved here. Countries like Japan can survive economically only when they can import cheap resources for their own workers and industries.

By contrast, economic benefit is already being realized by a number of small, home-town wood industries that provide local employment for those who work wood, make lumber, build log cabins, harvest fuel wood, and make birch syrup. And to our greater benefit, these industries do not need to cut huge amounts from our wild forests, that leaves extensive forests for all the other benefits mentioned earlier.

IT IS MOST IMPORTANT FOR YOU TO UNDERSTAND THAT AS THE EARTH BECOMES MORE DAMAGED, PEOPLE ARE COMING FROM AROUND THE WORLD IN INCREASING NUMBERS TO WITNESS A FULLY-FUNCTIONAL NATURAL ECOSYSTEM. IT MAKES SENSE THAT IN LESS TIME THAN A 20-YEAR FMA WILL RUN OUT; THAT THE WILDNESS OF THE FOREST WILL EMERGE AS ITS MOST IMPORTANT ECONOMIC AND ECOLOGICAL VALUE.

SB 310 IS HISTORY!

FAX TO:
465-3293

Right now, biology and forest inventory information should be published in readable form. A working definition of "sustainability" ought to be found. The citizen's advisory committee must not be stacked; it should obviously represent the community and be selected from individuals who can accept public view and work toward consensus. Economic models can be created that examine the benefits and consequences of various scenarios. For example, can we accommodate all anticipated needs for biodiversity, wildness, subsistence, research, local lumber and fuel, and expanding year around tourism within the existing forest lands? Maybe not without some form of forest zoning. Can research tell us about the uncertainties of forest regrowth given increasing human uses plus anticipated climate change? Division of Forestry could be strengthened to work with more forest values, not just timber.

It is possible for us to use our forests extensively and harmoniously. To do this, we must first recognize that forests around the Earth are being damaged at an unprecedented rate, and it could happen here. For Alaska's forests not to meet this fate, we could ensure that they provide for our conservative needs for forest products, as well as the following options:

(1) Division of Forestry should establish an independent group to conduct ecological research, inventories, and monitoring;
(2) Provide wild forest reserves that act as natural seed banks for biodiversity and as reservoirs of intrinsic values;
(3) Develop strategic plans for dealing with forest declines caused by clearing, accidents, fires, insects, game management, storms, climate shifts, etc.;
(4) Replace large-scale clearcutting with something less damaging;
(5) Create incentives for sustainable management on privately-owned forests;
(6) Provide flexibility so that any new economic activity of greater benefit can replace an established activity; and
(7) Ensure, forever, that public forests are managed principally for public benefits as current law clearly provides.

Larry Mayo
282 Hay Way
Fairbanks AK 99709
479-2954

OPINION ARTICLE for Editorial Page of Fairbanks Daily News-Miner

PUBLIC CONCERN OVER FOREST MANAGEMENT

Substantial public concern about state forest management has erupted twice in the past year--first when large-scale timber sales were proposed by Division of Forestry in their 5-year timber sales schedule, and more recently by Senate Bill 310 offered by Steve Frank and already declared a "sure winner" by the Republicans.

Why has this broad-based outcry come about? Simply stated, authorization for huge clearcutting of public forests seems to be thrust upon us without background knowledge about the full benefits from the forest, without knowledge about its economic and ecological effects, and without public consensus. Decline in oil revenues is no reason to be careless with our other natural resources.

Introduction of large-scale clearcutting would provide jobs and money in our economy. At the same time, it would cause ecological damage; cost money for roads, schools, police, etc.; and could ruin some existing jobs in fisheries, subsistence, hunting, trapping, and tourism. An economic assessment of these tradeoffs has not been made. It is possible, even likely, that we could lose more than we could gain.

In public hearings, both Senator Frank and Chief Forester Boutin stated that they have little information about how Forest Management Agreements (FMAs) have worked out in other areas such as Canada. Knowing this, they could have used their responsibility to shelve SB310.

What we do know about FMAs is that they are a tool of multinational timber interests to remove large amounts of wood with minimal public and government oversight, and with minimal money flowing into local public and government economies. Typically, FMA's provide only about 25 percent the stumpage fees than is normal under competitive bidding. Companies sometimes engage in environmentally damaging practices while prolonged court battles rage. They pry loose huge subsidies using loss of local jobs as one lever. These giant corporations pay for as little public infrastructure and replanting as possible. They hire locally for labor, but internationally for professionals; and with their high technology used for cutting, loggers are included among their professionals. They process the timber as little as possible locally, then ship it to home lands such as to Japan where their economy can benefit best. Their final products can sell for 200 to 1000 times more than was paid for the wood.

Forest biology, economy, and management are complex and our boreal forest is the largest undamaged ecosystem remaining in the nation. For a new forest management plan to succeed, it must be shown to be robust, defensible, flexible, and protective of the numerous values that are already found in the forest. SB310 fails these tests. It is divisive and unwelcome because it seems to be modeled after some sort of a "third-world clean shave", not something that obviously enriches us. We can do better.

Public testimony and the consensus reached at community forest forums reveal that the range of options for forest management ought to be laid out by unbiased professionals and then publicly debated to obtain support for the mix of optimum uses and condition of the forest. Most likely, the uses will support a wide range of values and benefits, and not focus on just one like "jobs" or "wilderness". Only after this is done may it be necessary to craft new legislation to obtain what we want from the public forests. Perhaps existing laws and authorities are sufficient.

Dear Legislator,

I am writing in regard to SB310. First off, I want to express my extreme dissatisfaction with the way the hearing/teleconference went on Wednesday, April 13th. I find it very frustrating to take my time to go to the LIO and sit for 2 1/2 hours and not get the opportunity to speak. I think I can speak for the other 50+ people who were on line and waiting that is was rude and inconsiderate and unprofessional. It completely discourages the public to be involved with the government legislation. The 4 people who were given the opportunity to speak must have felt very luck that day! It would not be unreasonable for you to set a certain amount of time for the public comment when you say there will be one, especially when you know ahead of time that the meeting will be cut off at 10:00 o'clock.

On to the matter of SB310, as I understand it, testimony, POM's, letters, etc. have been overwhelmingly in opposition. It was astounding when SB310 passed the Senate. I trust this will not be the case with the House. People's trust is being violated by the politicians and its time for it to stop. In the case of SB310, is this a bill for the people? Or is it for large timber companies who benefit the most from long term timber sales? The average Alaskan resident does not benefit greatly when our resources -- our capitol assets -- are sold on mass, for long term, on high volume-low margin timber sales. It is time for the house to set things straight, work for Alaskans 1st and for most and to be honest with the facts at hand: the majority of people in Alaska do not want this bill.

I have the results of several studies/questionnaires which where done in the Mat-Su Valley in the past 5 years, all of which indicate the residents of the Valley do not favor long term timber contracts and large scale logging. In the Mat-Su Borough's Public Opinion survey, July 1989, 79.2% of the people only wanted small scale logging and 70% preferred short term contracts of 5 years or less. Representative Menard's Frontiersman poll showed only 9.8% of the respondents supported large scale logging. In the DNR's public comment for the Susitina Forestry Guidelines, the overwhelming results were: keep it small, keep it near roads, and emphasize recreation. I could go on with the data, but all of it indicates FMA's are not in the public's best interest.

Now I understand there will probably be amendments that will make this bill a lot better. But you the legislators have to understand that this bill is like a rotten apple -- it may get shinier on the outside with the proposed amendments, but it is still rotten at the core. That rotten core is FMA's.

Do us a service. Kill SB310.

Sincerely,

Dori McDannold

PRELIMINARY PROGRAM

Tuesday, February 4

A.M.

Session 1: Opening Plenary Session

Keynote Speaker
Dr. A. D. McIntyre
Emeritus Professor of Fisheries & Oceanography
University of Aberdeen
Aberdeen, SCOTLAND

Onshore Produced Water Operations —U.S. Perspective
Dr. Dale Gilliam
Vice President
Production Technology & Services
Amoco Production Company
Houston, TX

Produced Water Discharges & Environmental/Regulatory Issues— Canadian Perspective
Dr. Brian Dietz
Board Member
Alberta Energy Resources Conservation Board
Calgary, Alberta, CANADA

Offshore Produced Water Operations— European Perspective
Dr. David Monk
Environmental Manager
B.P. Exploration Europe
Aberdeen, SCOTLAND

Tuesday, February 4

Noon

Poster Session and Lunch

P.1 Comparison Tests with Continuous Oil in Water Monitoring Systems Against the Accepted Paris Commission Method for Application on Unmanned Dutch Offshore Platforms. L. Henriquez. The State Supervision of Mines of the Ministry of Economical Affairs, THE NETHERLANDS

P.2 Characterization of Organic Constituents of Produced Water and Marine Sediments Using GC/MS. R. Kelley and A. Jones. University of California-Davis, Davis, CA

P.3 Chemical and Toxicological Characterization of Produced Water Freon Extracts. J. Brown, T. Sauer, M. Wade and J. Neff. Arthur D. Little, Inc., Cambridge, MA

Tuesday, February 4

Poster Session (continued)

P.4 A Statistical Model to Predict Toxicity of Saline Produced Waters to Freshwater Organisms. D. Gulley[1], D. Mount[2], J. Hockett[2], and H. Bergman[1]. [1]University of Wyoming, Laramie, WY; [2]ENSR Consulting and Engineering, Ft. Collins, CO

P.5 Water Column Effects of Produced Water Discharges on the Production and Dispersive Potential of Giant Kelp (*Macrocystis pyrifera*) Zoospores. D. Reed and R. Lewis. University of California, Santa Barbara, CA

P.6 Produced Water Perturbs Reproduction in Mussels as Monitored *In Vivo* by NMR Spectroscopy and Imaging. T. Fan[1], R. Higashi[1], G. Cherr[2] and M. Pillai[2]. [1]University of California Davis, CA; [2]University of California Bodega Marine Laboratory, Bodega Bay, CA

P.7 Effects of Produced Water on Early Life Stages of a Sea Urchin: Gender-Specific Responses and Delayed Expression. P. Krause, C. Osenberg and R. Schmitt. University of California, Santa Barbara, CA

P.8 Production Water/Waste Treatment and Site Remediation Technology Data Base for the Natural Gas Industry. T. Halapin[1], J. Tallon[1], J. Fillo[1] and J. Evans[2]. [1]ENSR Consulting and Engineering, Pittsburgh, PA; [2]Gas Research Institute, Chicago, IL

P.9 Surface Discharge of Coalbed Methane Produced Water in the Warrior Basin of Alabama, The Cedar Cove Model. P. O'Neil[1], H. Isaacson[2] and J. Evans[2]. [1]Geological Survey of Alabama, Tuscaloosa, AL; [2]Gas Research Institute, Chicago, IL

P.10 Bioreclamation of New Mexico Oilfield Produced Wastewaters: Characterization and Feasibility Study. G. Tellez and N. Khandan. New Mexico State University, Las Cruces, NM

Attention Senate Committee members:
re: SB 310

As I understand it, testimony, POMs, letters, etc., have been overwhelmingly in opposition of SB 310. One might wonder how SB 310 passed in the senate. Who is this bill for? The people? Or the large outside corporations who are wheeling and dealing on the side, behind closed doors? Now that this bill is in the house, the House Resource Committees and the House have the opportunity to set things straight - to work for the people of this state, first and foremost and to be honest with the facts in hand. The majority of the people do not want this bill.

I have seen the results of several surveys and questionnaires which were done in the Mat-Su Valley in the past five years:

1) Mat-Su Borough's Public Opinion Survey on the Forest Management Program, July 1989
2) Issue Questionnaire by Representative Curt Menard, 1990
3) Susitna Forestry Guidelines public comment analysis, 1991

These are surveys of the people of the valley. Any representative or senator who votes for this bill is voting against the voting public.

From the various surveys, you must use the information and act accordingly. 79% of the people want only small scale timber harvesting, 60% prefer short term contracts of five years or less, only 9.8% of responses to Curt Menard's survey support large scale logging, and people want logging to be kept small, kept near existing roads, and they want an emphasis on recreation.

What is wrong with this bill? When its initial version came out it had many problems that people commented on, the core one being FMAs. The legislators thought they were "fixing the bad apple" when they took away some of the FMAs, but the core remained. Now we have a simpler apple, but it is still rotten to the core. The core is still FMAs and the various aspects of how they are dealt with. To list just a few:

1) No public participation as to where FMAs are located. The public comment periods after the area and proposals are received.
2) SB 310 gives too much authority to commission to negotiate the terms of FMAs.
3) FMAs are not small contracts as in the southeast. 500,000 board feet in the Valley is approximately 200 acres, a BIG contract.

There is more data I have not quoted. All of it indicates that FMAs are not in the public best interest.

The people are trying to get the government on track. Just listen!

Dori McDannold
Dori McDannold
Mi. 50.5 Glenn Hwy
Palmer, AK 99645

H Resources

Dear Legislator,

I am writing in regard to SB310. First off, I want to express my extreme dissatisfaction with the way the hearing/teleconference went on Wednesday, April 13th. I find it very frustrating to take my time to go to the LIO and sit for 2 1/2 hours and not get the opportunity to speak. I think I can speak for the other 50+ people who were on line and waiting that it was rude and inconsiderate and unprofessional. It completely discourages the public to be involved with the government legislation. The 4 people who were given the opportunity to speak must have felt very luck that day! It would not be unreasonable for you to set a certain amount of time for the public comment when you say there will be one, especially when you know ahead of time that the meeting will be cut off at 10:00 o'clock.

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Now I understand there will probably be amendments that will make this bill a lot better. But you the legislators have to understand that this bill is like a rotten apple -- it may get shinier on the outside with the proposed amendments, but it is still rotten at the core. That rotten core is FMA's.

Do us a service. Kill SB310.

Sincerely,

Dori McDannold

Alaska State Legislature

Please enter into the record my testimony to the Resources Comm
committee name

committee on SB 310 , dated April 15 .
bill/subject

I appeared at ~~this~~ the hearing to oppose SB 310 because I don't think FMAs are in the public interest. Ironically, no public testimony is being taken at this hearing. This seems to confirm my concerns that public involvement will be preempted with FMAs. I request that another hearing be scheduled.

Signed: Doug Wolf
Testifier

self
Representing (Optional)

1945 Cody Anchorage 99516
Address

345-3139
Phone No.

ORAL TESTIMONY SENATE BILL 310 April 20, 1994

My name is Vivian Monaker. I have lived in Alaska 40 years and 39 of them in Haines.

It has been 3 times now that I have gone to a teleconference on S.B. 310 and have not been able to speak. The first time there was a room full of people, perhaps 20, and only 2 of them were allowed to talk. The next time there were maybe 6 or 7 people and no one got a chance to talk. I had a scheduling conflict and couldn't go to the 3rd one. The 4th time the members of the committee used up all but about 15 minutes of the alloted time so only about 4 people testified. I wonder if this is one way of wearing the public down so they won't even bother to go to teleconferences.

At the first teleconference on SB 310 I listened to testimony from Fairbanks and heard many of the people speak against SB 310 with whom I agreed, especially Celia Hunter and Jinny Wood. So, I will not repeat their arguments in opposition to SB 310.

SB 310 seems to be a single use approach to our forests. When loggers get through cutting down the trees, no other activity can take place. Tourists don't want it; fish streams become too cold in the winter and too hot in the summer , slash falls into the water clogging the flow and the fish die; moose have summer brouse but will starve in the winter or die of exposure. Otherwildlife are equally displaced.

In Haines we have another problem. In 1979 the Haines-Skagway Area Land e Plan was developed which emphasized the multiple-use concept. In 19 4 our next 5 year plan was developed which also emphasized the multiple use concept. In 1989 there should have been another 5 year plan but the forest service didn't produce one. Now a 4th five year plan should be prepared but our local forester says its too expensive and says there is an annual plan done now. I'm not aware of <u>any local</u> input for the annual plans. Some people think that there could be a shortage of timber but there is no way to know.

~~Our population is growing and tourism is expanding rapidly. It may~~

already have surpassed fishing in economic importance. For many years we had a three-point economic base: fishing, timber and tourism but about 2 or 3 years ago our local large mill closed which leaves tourism and fishing as our basic industries. We had a long term timber sale for the Schnabel Timber Company but It cost the state about 6 to 8 million dollars in loans by the time if finally closed. The state was able to sell the mill for about $1,000,000.

I must say at this point that we need a small mill for local lumber needs. We do have a small 2 or 3 man operation supplying local lumber but if SB 310 passes he might not be able to continue if he can't get wood. When we had 2 large mills running 2 shifts a day in the 1960s, we couldn't buy a local 2x4. All of our finished lumber had to be purchased from Seattle. Now when SB 310 comes along calling for large scale mills, long term contracts, no public review, it begins to look like a public resource give-away.

If SB 310 were to be passed, we would be in a crisis situation. Our first inventory of Haines Borough timber was done in 1965 which was written up as a public report and all sales were based on that. In 1985 after considerable public pressure, another forest inventory was done but there has never been a public report so the public has no idea whether or not a sustainable yield has been maintained. There have been 9 years of delays and excuses as to why there has not yet been a report for the public. However when we phone the department and ask about the inventory, we get an excuse and then a promise to have it out in a few months. I called the Inventory Forester in Anchorage in March and he thought it might be out in April. I called again in April and he thought it would be ready in May or June. Now I wonder if he will be allowed to finish the inventory or will he be given some other assignment before it is finished like has happened before. In the mean time our local forester says he can read the numbers and not to worry, all is ok. ..... We wonder.....

In view of all the above, I am opposed to Senate Bill 310.

CARIBOU ENTERPRISES
DEBBIE AND DENNIS MILLER
1446 Hans Way
Fairbanks, AK 99709 (907) 479-2189

Photojournalists Contract filming
Aerial photography
Air taxi

April 15, 1994

Testimony for the House Resource Committee hearing on CSSB 310

Thank you for conducting this hearing. I'm a nineteen-year Interior Alaskan resident. With such tremendous opposition over this legislation, I hope you will represent the many voices of Alaskans who have urged the Senate and your committee to not pass this bill.

This legislation has a number of problems:

1) There is no fiscal note attached to this bill. In reading the legislation, it is clear that the Department of Natural Resource, the Department of Fish and Game, the Department of Environmental Conservation, and the Department of Law, will all incur costs associated with the timber inventory assessments, fish and wildlife habitat studies, monitoring and protection measures, and the solicitation and administration of 20-year timber harvest contracts. The public has a right to know how much this will cost the state, and it is irresponsible to pass this legislation without financial provisions. **This legislation warrants a detailed cost analysis**, review by the House and Senate Finance Committees, and public hearings on the cost analysis.

2) There are **no timber harvest ceilings** written into the bill. Without a limit on the amount of land that can be harvested for large-scale timber harvests, the public has no idea how much land will be subjected to clearcutting over a 20 to 40 year period. It might be 5,000 acres in the Tanana Valley one year, or 10,000 acres five years down the road. Without limits in the form of number of acres, or per cent of land, all of our best white spruce along the Parks Highway could end up in Japan as we move into the next century.

The vast silent majority of residents in the Interior, whether they be teachers, doctors, laborers, business men, hunters, or recreationists, have no desire to see our state forests shipped off to Pacific Rim countries with a patchwork of clearcut zones left behind. This would hurt the tourism industry, fish and wildlife habitats, and the many Alaskans who live here because we value the unsurpassed wilderness and recreational values of our land.

3) In addition to a timber inventory, the State needs to conduct a biological inventory of the lands identified as having merchantable timber. The Heritage Program, funded in part by the Legislature, should conduct comprehensive studies on the fish and wildlife habitats and populations associated with well-defined merchantable timber zones. In order to do this, the Heritage Program would need additional funds authorized by the Legislature. Such a biological inventory would then be considered as part of the forest land use plan process. We need to look at the forest in terms of an ecosystem, not just at the value of timber in board feet.

The Department of Natural Resources should not be allowed to solicit any long-term timber harvest contracts until such timber and biological inventories are complete, and not until the public has had the opportunity through public hearings to look at the timber zones that are at stake. I recommend that a special appropriation be directed to the Heritage Program so that they can identify important fish and wildlife habitats and populations on all lands that are categorized as having merchantable timber.

In summary, I feel that this legislation is premature because no cost analysis has been conducted or considered by the Legislature or the public, and no biological inventory has been initiated for the state lands classified as having merchantable timber. There is clearly a political effort being made to rush this legislation into law on behalf of one special interest group, in the face of overwhelming opposition by the general public.

You have the option of tailoring this bill to make it look more acceptable to the public, or wisely postponing any action on the bill and requesting that a cost analysis and biological inventory be conducting before this legislation is considered. Instead of rushing through the legislative process and setting up industries that have 20 to 40-year life spans, or more, the Legislature and the public need to take a close, hard look at the economics, habitat values, and what Alaskans stand to lose or gain.

Sincerely,

Debbie S. Miller

Testimony before House Resource Committee on SB310

Thank you for the opportunity to comment on this very important bill. I ask you to oppose SB310 for a number of reasons, each of which you have heard numerous times before. The Tanana Valley State Forest is used by interior Alaskan residents and visitors for a wide variety of commercial, subsistence, and recreational uses. Indeed, much that is unique and desirable about life in the Interior revolves around the broad expanse of boreal forest that surrounds Fairbanks.

In this day of mounting social and environmental problems, it is imperative that Alaskans seek to replace declining oil revenues with alternative economic bases. Two fundamental criteria that responsible economic development should include are sustainability and compatibility with existing lifestyles. I fully support local lumber mills and other value-added forest products businesses that employ and benefit Alaskans, and I believe there is potential for further development of this sort of locally owned enterprise. However, the FMAs mandated by SB310 do not satisfy either of these criteria, sustainability or compatibility, and are not even likely to help the local economy much due to automation and out of state hire.

The history of FMAs in other parts of the country reveals a legacy of short term prosperity followed by depleted, useless forests, economically depressed communities, and net economic losses to the state. Why, when the primary beneficiary of this brand of large scale logging is so clearly the timber industry, are so many legislators determined to pass SB310?

I would urge members of the House to make a number of fundamental changes to SB310 to protect Alaskans from the woes that have accompanied FMA -type timber sales in the Pacific Northwest.

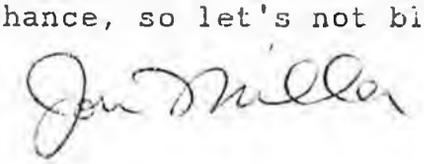
--The State certainly should not subsidize out-of-state timber companies by providing infrastructure or selling timber at a loss.

--Forests are a rapidly dwindling resource on a global level. In twenty years, the value of a mature spruce or birch tree will be many times its current value, both in terms of economic value and ecological value. It's no wonder the timber industry pushes for 20 year contracts...But it's amazing that the state is willing to comply. Please limit the length of sales to five years or less in order to secure realistic, competitive pricing.

--The state constitution currently requires that timber harvest on public lands be limited to the annual growth increment. Relaxing this requirement is very likely to lead to a rapid erosion of the timber base. Think ahead. What will our children and their children depend upon by the middle of the next century when the forests are cut, the oil pumped, and the fish gone? How about a little respect for future generations!

--Lastly, the trees should be cut, hauled, and processed locally by Alaskans, and by Alaskan businesses. We should use our forests in as sustainable, creative, and economically efficient methods as possible. We don't live in an optimal tree-growing climate...It will be a long time before our forests give us a second chance, so let's not blow it.

Jon Miller
2630 Home Run
Fairbanks 99709



Mr. Chairman and members of the committee, my name is Kathy Miller. I am part owner of Miller, Inc. in Ketchikan. I am here today in support of SB310 and the managed use of our forest resources. The forest products industry provides sound economic development and guarantees year around jobs in the state of Alaska. We have provided for a family here, sent our children to school...and we plan to be here for the rest of our lives. However, federal decisions about the management of our lands could jeopardize all of that. This is why we must take steps to manage our state lands.

Timber dependent communities rely on a stable, predictable supply of timber at market prices. Forest Management Agreements make this possible, attract the investment necessary, and support our communities. We harvest at sustainable rates and have a healthy forest in Southeast Alaska.

The interior and southcentral regions of our state promise further economic and social development on a sustainable basis. SB310 provides for public comment, and Forest Practices Act provisions. It is a healthy bill, good for the environment, and good for the people.

Thank you for your time.

Fax 225-1989

Testimony before House Resource Committee on SB310

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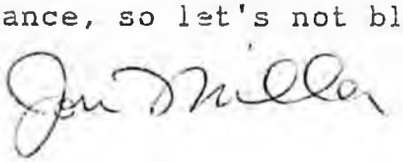

7. Do you live...
__In Anchorage, Fairbanks, or Juneau
__In a town
__In a rural area

8. Does your community have:(Check all that apply)
__A road system?
__A ferry system?
__A scheduled airline?
__Handicapped bus transportation

9. Do you live...
__Alone in a home or apartment
__With family or friends in a home or apartment
__In a place with others who have disabilities (examples: group home, nursing home, institution)
__At school
__Other (write in):_____

IF YOU WISH, PLEASE ANSWER THE FOLLOWING QUESTIONS

1. Do you or the person you represent have any of the following? (check all that apply)
__Physical disability
__Developmental disability (mental retardation, learning disability, speech/communication, autism)
__Hearing disability
__Vision disability
__Behavioral disability (mental health, behavior problems)
__Environmental disability (allergies, chemical reactions, etc.)
__Health problems
__Neurological problems

2. If you are on a cash economy or a combination of subsistence and cash, how much money did you or the person you represent make last year?
(Please use your OWN income if you have graduated or left school. If you are still going to school, use your family's income.)
__less than $10,000 __$10,000 to $30,000
__$30,000 to $60,000 __More than 60,000

3. Did you answer the previous question based on how much money made by:
__You? __Your family?

4. Where do you get most of your money (income)? (check only one)
__My wages __Native Corporation Dividends
__Social Security __My family
__Welfare benefits __Other: (write in)_____

5. What is your race?
__White (Caucasian) __Eskimo __Black (African American)
__Aleut __Asian __Indian
__Hispanic __Other (write in) _____

Mr. Chairman and members of the committee, my name is Kathy Miller. I am part owner of Miller, Inc. in Ketchikan. I am here today in support of SB310 and the managed use of our forest resources. The forest products industry provides sound economic development and guarantees year around jobs in the state of Alaska. We have provided for a family here, sent our children to school...and we plan to be here for the rest of our lives. However, federal decisions about the management of our lands could jeopardize all of that. This is why we must take steps to manage our state lands.

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Thank you for your time.

Fax 225-1989

Alaska State Legislature

Please enter into the record my testimony to the HOUSE RESOURCES committee name

committee on SB-310 bill/subject, dated APRIL 15, 1994.

I AM OPPOSED TO SB-310. TIMBER HARVESTING WOULD STILL BECOME PRIMARY USE OF PUBLIC LANDS PUTTING MULTIPLE USE ASPECTS AFTER THE FACT.

THERE IS STILL NO PUBLIC PROCESS AS THE ONLY COMMENT PERIODS ARE AFTER THE F.M.A.'S HAVE BEEN NEGOTIATED.

F-MA'S ARE A ECONOMIC GIVEAWAY OF PUBLIC PROPERTY. FAR TOO MUCH LEGESLATION IS SHOVED THROUGH WITHOUT EVALUATING THE ECONOMICS THUS ENDING UP AS A FINANCIAL BOONDOGGLE COSTING US ALL, DUE TO LEGESLATIVE SHORT SIGHTEDNESS. IT IS ESSENTIAL THAT THIS BILL AT LEAST ~~BE~~ ALSO BE DIRECTED TO THE FINANCE COMMITTEE FOR EVALUATION.

I ALSO INSIST THAT PUBLIC TESTIMONY IS SCHEDULED ON THIS BILL AS IT WAS NOT TAKEN TODAY.

Signed: James C. Minton JAMES C. MINTON
Testifier

FLAT HORN LAKE PROPERTY ASSOC.
Representing (Optional)

P.O. BOX 190121 ANCHORAGE, AK. 99519
Address

907-248-1965
Phone No.

Alaska State Legislature

Please enter into the record my testimony to the House Resource Committee
committee name

committee on SB 310 , dated 4/15/94 .
bill/subject

I am speaking as a business person in Sitka; I have lived and worked here for 20 years. I am speaking from personal experience.

Until yesterday Sitka and a significant part of the Tongass forest were burdened with a longterm contract. Under this burden Sitka has remained locked in the 1950's, when the contract was written. Under the contract, regardless of any new information that emerged, the Forest Service and APC seemed locked into the agreements of the contract. All other resources were secondary to the terms of the contract, including the quantitity of timber available, hunting, fishing, recreation, subsistence, and tourism uses. Under the contract small independent timber companies were forced out of business. Under the contract US taxpayers paid enormous sums — through the Forest service — to meet the price structure terms of the contract. As the pulp company made greater & greater profits overseas as the value of the timber went higher & higher, the price they paid for the timber remained only slightly above give away. Under the contract, the overall stability of Sitka's economy has been reduced. I can see no reason to support SB310. Please vote against it.

Signed: _____
Testifier

Don Muller
Representing (Optional)

Box 1042
Address

Sitka, AK 99835 747-8808 (w)
Phone No.

Alaska State Legislature

Please enter into the record my testimony to the RESOURCES committee name

committee on S.B. 310 bill/subject, dated 4/25/94

BY NOW YOU ALL HAVE PROBABLY REACHED SATURATION ON BOTH SIDES OF THE ISSUES INVOLVED IN S.B. 310. AS SUCH, I DONT EXPECT YOU TO WEIGH THE TESTIMONY OF JUST ONE MORE CITIZEN VERY HEAVILY. PLEASE BE AWARE THAT ON WED., 4/20/94 THERE WERE MORE THAN 50 PEOPLE PATIENTLY WAITING TO BE HEARD IN THE FAIRBANKS L.I.O. I WAS ALSO PRESENT ON FRIDAY AFTERNOON.

I BELIEVE THAT THE FORESTS OF THE TANANA VALLEY ARE SUCH AN EXTREMELY VALUABLE RESOURCE THAT THE PUBLIC MUST BE MADE AN INTEGRAL PART OF THE LAND USE PLANNING PROCESS. TO EXCLUDE US FROM THIS PROCESS IS NOT ONLY SHORT SIGHTED BUT ALSO POTENTIAL POLITICAL SUICIDE.

ALTHOUGH I AM REGISTERED AN INDEPENDENT, I HAVE ALWAYS VOTED FOR STEVE BECAUSE OF HIS BALANCED APPROACH TO ECONOMIC DEVELOPMENT. HAVING READ THE ORIGINAL S.B. 310 I HAVE A HARD TIME BELIVING THAT STEVE ACTUALLY WROTE THIS BILL. WHILE THE AMMENDMENTS REMOVE SOME OF THE WORST ASPECTS OF THE BILL THEY DO NOT RESULT IN LEGISLATION THAT THE MAJORITY OF SEN. FRANKS CONSTITUANTS CAN SUPPORT. PLEASE TABLE 310 SO THAT THE CITIZENS OF THE TANANA VALLEY CAN HELP YOU TO FASHION A BILL THAT THE MAJORITY CAN SUPPORT.

Signed: ~~A BILL THAT THE MAJORITY CAN SUPPORT.~~

Testifier

Mike Musick – ESTER CONSTRUCTION

Representing (Optional)

P.O. BOX 170 ESTER, AK 99725

Address

CHUGACH ALASKA CORPORATION
560 E. 34th AVENUE, SUITE 200
ANCHORAGE, ALASKA 99503-4196

TRANSMITTAL

TO: BILL WILLIAMS

RECIPIENT	
C. Hoffman/ House Resources	
COMPANY	DEPARTMENT
ADDRESS	
CITY, STATE, ZIP	

FROM: JIM PAGE

DATE	TELEPHONE NUMBER	FACSIMILE NUMBER
4/18/94	907-563-8566	907-563-8402
THIS MESSAGE IS FROM		
FACSIMILE? ☒ Yes ☐ No	IF YES, FAX NUMBER 465-3793	SPD #
SENT BY (IF DIFFERENT FROM ABOVE)		PAGES SENT (INCLUDING THIS PAGE) 3
		TRANSMISSION MEM

REFERENCE: SB 310 TESTIMONY

MESSAGE

IN FAVOR OF SB 310.

CC:

REPLY

CC:

KINKO'S
the copy center
FAIRBANKS, ALASKA 99701
FAX: 907 452-3805
PHONE: 907 456 7346

TODAY'S DATE 4/12/94 TIME 1pm NO. OF PAGES 3

TO Representative Williams
LOCATION Juneau
FAX NUMBER (465 3424
TELEPHONE NUMBER 1465 3793
COMMENTS

SENT BY Dan Parks
LOCATION
FAX NUMBER
TELEPHONE NUMBER 456-5054

FaxSav

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Kinko's provides this service. We are not responsible for the contents of any communication or transmission or for any loss occasioned with them.

Interior Alaska Forest Association

April 9, 1994

Dear Representative Williams

The needs of the existing timber industry was **not** considered in the final version of SB310. What started out as a bill that would help our industry was whittled down to nothing by the end of the compromises. To be able to support this bill our top priorities, listed below, must be included:

1. ***AS 38.05.112(a) The department may not (sell or) harvest timber, except for isolated (personal use timber harvest) sales of less than 50,000 board feet,....***

Delete the (enclosed) words and add the underlined, this means wood in decks from a previous harvest would not have to have a new plan to be resold and small salvage clean up could be made without a long review process. Division of Forestry won't do these sales anymore because they are too small for all the effort.

2. ***AS 38.05.112(b) The commissioner shall base a forest land use plan on the best available data, including information provided by other agencies(.) describing the immediate and long-term effects of individual and collective forest activities on the timber base and on other resources and uses. ****

Delete the underline. It would be impossible for each sale to meet these stipulations and survive a court challenge. If absolutely necessary this could be moved to AS41.17.230 in the forest management plan for the state forest as a whole.

3. ****AS 38.05.112(d) A management plan prepared by the commissioner under AS 41.17.230 and AS 38.04.065(a) must consider and permit the uses described in (c) of this section. If the commissioner finds that a permitted use is incompatible with one or more other uses in a portion of a state forest, the commissioner shall, consistent with AS 41.17.200, affirmatively state in the management plan that finding of incompatibility for the specific area where the incompatibility is anticipated to exist and the time period when the incompatibility is anticipated to exist together with the reasons for each finding. If AS 38.05.112(c)(1) is found incompatible or restricted, sound scientific data and documentation must be provided that clearly proves such incompatibility and the benefits of such restrictions.***

Add the underlined parts. The key in stopping the state forest from being locked up is the underlined parts, which reminds them

of the intent for state forests and requires proof of the need for restriction on harvest for any part of the state forest. **After seeing what has happen in Mat-Su, it is our opinion and deep concern that if these changes are not added there is nothing to stop huge 1/4 mile buffers, 100 year rotation ages on birch (making them rotten), and individual tree selection harvest, all of which will kill our industry.** If these Susitna Forest Guidelines were applied here about two-thirds of the commercial timber would be off limits for harvest. As written now Section 1 of SB310 will not stop this. Environmentalists don't object to logging outright, they make it uneconomical by endless conditions. That's why our additions must be made to SB310.

4. ***AS 38.05.122 (g)
(1) must be reviewed by a committee consisting of a representative of affected local government, and recognized experts in Forestry, local forest industry and Business.*****

Our association believes that there needs to be a blue-ribbon panel to approve the FMA to get the best deal for the state. Since any FMA would deal with hardwoods it should open new markets for our members. We endorse such an industry coming in, but we are taking a risk that the DNR will watch out for us. DNR's track record so far has been awful. We will support the FMA if there is a blue-ribbon panel to review the final proposal.

Are we overreacting? When a large sale was proposed in the Mat-Su in the late 1980's, environmentalists from Anchorage formed The Susitna Valley Association to kill the large sale. They didn't stop there. They pushed DNR into putting severe restrictions on existing industry. When ever environmentalists get loud and vocal, DNR placates them to keep them quiet. DNR's Division of Lands willingly bent over backwards meeting every demand of the environmentalists resulting in "The Susitna Forest Guidelines". After these restrictions went into affect, timber sales dropped from 12 timber sales to 1 sale a year. The person who designed these restrictions is an environmentalist and has now been put in charge of the timber section in forestry. These guidelines are not based on scientific fact or reasonable environmental controls.

It's the way planning is now done. They call it "consensus" where they try to satisfy everyone. So the radicals know all they have to do is to take an extreme way out position, get loud and intimidating, and they will get most of what they want. Reasonable controls to protect fisheries are already in the Forest Practices Act. We feel that they should prove any further restrictions.

The environmentalists know if they yell and shout, DNR and Division of Forestry will cave in. These agencies will bend over backwards to keep them quiet to the detriment of the people who make their living from the forest. Another example is the Kenai, where trees killed by beetles four years ago have yet to be sold. There have

been endless plans, committees, and public hearings, while the trees rot. The trees are now almost worthless. Yet, private land owners have been salvaging their trees with no problem. Just two weeks ago, the auction to salvage some of these trees was postponed to have yet a another hearing because of environmentalists complaints. This is after four years of public process. DNR is becoming completely paralyzed by a small radical group. We are not afraid of sound scientific restrictions and we don't need most of the valley, only a small piece. But what we do need is protection in law, because DNR won't do it on it's own.

Environmentalist's restrictions are based on feelings, not facts. Our version of AS 41.17.230 requires that any incompatibility or the need for restriction on harvest such as buffers must be proven. You have to remember that only a small piece of the valley has been set aside for use, so we feel any restrictions must be justified.

As we said before, it doesn't matter if you have an FMA bill, because the restrictions that the environmentalists will put in the state forest plan will kill any FMA and the local industry.

Please help us get these final changes into SB310 so we can all get strongly behind it. We need this bill for our survival, but it must have our additions for us to support it. We know we can count on your help to make sure we protect the industry we already have.

Sincerely,

Don Parks
Parks Wood Service
456-5054

Al Pagh
Four Star Lumber

Alaska State Legislature

REPRESENTATIVE
JEANNETTE JAMES
P.O. Box 56622
North Pole, Alaska 99705
(907) 488-1546
FAX (907) 488-9006
House District 34

House of Representatives

While in Juneau
State Capitol
Juneau, Alaska
99801-1182
(907) 465-3743
FAX (907) 465-2381

TO: House Resources Committee and Interior Delegation

FROM: REPRESENTATIVE JEANNETTE JAMES

RE: SB310

DATE: April 18, 1994

Mr. Pagh requested that I distribute the following testimony to you.

TESTIMONY in
HOUSE RESOURCES COMMITTEE
RE: SB310
4/15/94
by Albert M. Pagh, Four Star Lumber Co.
2849 Parks Highway
Fairbanks, AK 99709
(907) 479-6643

My name is Albert Pagh and my son and . have owned and operated a sawmill and logging operation in Fairbanks for 24 years. I have worked in the timber industry for 53 years.

I am in favor of the concept of forest management agreements with some reservations. I would like to have wording in the SB310 that would require that the F.M.A.'s would be in predominantly hardwood stands. There are at present sawmills in the Fairbanks area that can

process all of the spruce that can be sold from the Tanana Valley State Forest and keep it on an even flow sustained yield basis. If the F.M.A.'s were on hardwoods they would have to be processed in-state as the hardwoods are of too low a quality to export as raw logs.

There were two truck loads of birch logs hand picked and shipped to Washington state to be processed. I followed one load to N.W. hardwoods and talked to the manager. He had a man take me out into the plant and watch the processing of logs into lumber and then watch the grading of lumber. Out of those hand picked logs, 16% made furniture grade lumber. The rest of it was pallet material. Had those logs been cut into lumber in Alaska, the shipping of the pallet material would have cost more than the lumber was worth.

There are a few small operations in Fairbanks that use a very small amount of hardwoods, but they have to be very selective in choosing the trees that they can use. It is impossible to tell if a standing tree is sound enough to use, so usually they have to cut many trees before they find one they can use. Most of the birch that is cut is used for firewood. We can not even give aspen away.

(51) If there was a pulp mill or chipboard plant the small operators could sort out what they could use and sell the rest to the pulp or chipwood plant. It would also give the sawmills in the area a place to dispose of tops and all other cull logs.

If the F.M.A.'s were for spruce, there is no doubt the high grade logs would be exported. The Seward mill is shutting down because they can make 50% more selling the logs for export than they can milling them. The Seward mill is a very modern state of the art sawmill. It was built a very few years ago at the cost of $20 million. A pulp or chipboard plant would cost as much or more so they have to have a long enough contract to amortize their investment.

The Tanana Valley State Forest is about 1.8 million acres and if we were to cut an average of 14,400 acres per year it would take 125 years to cut the 1.8 million acres. The second crop would then be ready to be cut. When I say 125 years I am talking about spruce, as the hardwoods should be cut at 60 to 80 years or less. At the present time, less than 1000 acres a year are being cut.

We have a lot of young people that have dropped out of school and it is very hard for them to find a job they can make a living at. A lot of them turn to crime. Working at logging does not take a college degree so I am sure we could take a lot of these young people off the streets and give them good paying jobs. Jobs in logging would be about 11 months a year and the processing plants would be year around.

Much has been said about tourists not wanting to come to Alaska and see clearcuts. Most tourists are my age or older and they come from a generation that either had to work or go hungry, so I don't think they begrudge us the opportunity to make a living.

Most clearcuts grow up with grass and brush in a couple of years and the most telltale marks are the boundaries that are relatively straight. Clearcuts generate good browse for animals. Fish and game managers like to see fires let burn to create browse, but I believe that is a terrible waste of our natural resource.

Logging requires access so road systems are funded by an allowance from timber sales. The roads are then used by all for recreation, firewood gathering, and also in some cases fire fighting to name a few. There are hundreds of lightning fires a year. Unaccessible fires usually are let burn if it isn't endangering someone's home. The timber is usually left to rot. The Rosie Creek burn, because it had access, was salvaged. There were over 20 million board feet salvaged. Under today's regulations written by environmentalists, the salvage of such timber before it spoils is impossible, even if it does have access. Take the Kenai Peninsula bug killed timber as an example. If fire destroys timber environmentalists say, "Oh, that is just Mother Nature's way." But if that same timber is logged and used to build homes, they think that is terrible.

Alaska is a rich state in natural resources if the citizens are allowed to use the resources wisely as was intended under the statehood act. 8/10 of 1% of the 1.8 million acres per year is all that is required to support a viable forest industry in the Interior.

There are things in SB310 that have to be changed if there is to be any timber industry at all. There are millions of acres in the state that can not be logged, so I think 1.8 is very little to ask for. These are the available lands:

52,914,223 acres of National Parks
77,061,693 acres of National Wildlife Refuge
22,842,205 acres of National Forests
56,484,686 acres of National Wilderness
2,721,127 acres State of Alaska Fish and Game Designations
3,095,957 acres Park Designations
2,803,020 acres other designations
2,033,000 Forestry

Attn: House Resources

Page 1 of 2

Larry Paquin
April 14, 1994
23 year Alaska resident, recreational forest user, burn wood for heat at home

CS SB 310

SB 310 is a piece of loose legislation that should be scuttled. Here's why I am still opposed to it:

- There have been no cost-benefit studies on the effect of this far reaching bill.

Too much power is concentrated in the hands of Commissioner of Natural Resources, a political appointee, and not necessarily a professional in the field.

- The FMAs are in effect a carte blanche to corporate timber industries over a twenty year period. There is much potential for abuse and monopolistic policies in these agreements.
- Senator Frank suggested early on in SB 310 hearings that a value added provision would be a possibility with SB 310, he now says that is not constutional. Who did the homework there? Without that guarantee SB310 would be disposing of Alaskan timber at cheap prices. Some if not most could be exported to Japan, where they would benefit many times over from value-added manufacturing there.
- No fiscal cost to SB 310? Who is to deal with massive timber cuts we know FMAs promote, who is to monitor effects? There is a fiscal cost and Fish and Game understands this? Does the house.. it would be irresponsible to deny a cost to the state.

In the rush to reap Alaska's resources, we the citizens ask if the state has done its homework on the ramifications of this bill? Look at Alberta with giant FMAs, which were rushed into place to deal with dropping oil prices. Disasters as a whole, subsidized by the Province. Large tracts of timber bound up in long term contracts with the Province, often times squeezing out the little guys because FMAs put so much power in the hands of the corporations. Across Canada, from coast to coast, there are about 22 FMA's,one as big as the Province of New Brunswick, or about the size of Maine. Only two out of 22 are exemplementary operations, the rest costly, wasteful, subsidized. The Meadow Lake, Saskatchewan plant, a small FMA, featured selective logging, no feller-bunchers,but rather chain saws were used; was not overcapitalized; had scrubbers, holistically harvested; no chlorine was used in the processing. On the down side, most of the plants built under FMA agreements were highly automated(meaning few jobs there); required a high degree of specialized skill; used feller-bunchers to cut forest (replacing labor intensive jobs) plus feller-bunchers compacted the soil,making tree regeneration difficult. Lastly, much pollution was dumped into nearby rivers and into the air, causing health problems in some communities. Obviously the timber corporation have to be tightly regulated, which SB 310 doesn't begin to address.

- Where is the support system to support HB 310? The nurseries for the massive reforestation that will be required, not in place.
- Data floated around like a 16" spruce growing back in 35 years is unrealistic. And where are the forest inventories that might tell allowable cuts on these state forests we rush to reap? Not in

place, so how can scientific data be applied?

— Scuttle SB 310, it is loose legislation that is being rushed through to reap Alaskan resources, and we are told there are no expenses to the state. Costs to the citizens may be incalculable because the basic, yes standard studies, and research have not been done. Regrettable! There is a chance to do it right in Alaska; unfortunately SB 310, as it now stands, with its attempted quick fix, at the vaggeries of long term timber markets, is not the answer. Listen to the experts, and listen to the people, don't legislate their overviews out. Alaska is the last place to do it right, don't sell us out to the quick fix as was done in Alberta. We deserve better!

PARKER
4/15/94

(1) SB 310

Alaska Sportfishing Assoc. & State Council of Trout Unlimited Comments on SB 310

ASA & TU remain opposed to SB310 despite the changes in the bill.

(1) The bill needs a strong, clear and bullet-proof role for ADF&G in being able to reject or remove lands from consideration for FMAs.

(2) Because Senator Frank of Fairbanks is the chief sponsor, the bill should be amended to apply only north of the Alaska Range. Let Senator Frank prove the bill works there before he imposes it on southcentral Alaska.

(3) Delete §4 of the bill. The "and expansion" language is —
- unnecessary to accomplish FMAs i.e. expansion of business occurs because of FMAs, not because of this "and expansion" language.
- nonsense to talk of expansion as a lifestyle.

(2)

"expansion" "activities" is equally poor management. Eg., expanding moose hunting dimishes opportunity for good bulls, as can be seen by comparing the good opportunity to get bulls in unit 13 compared & the poor opportunity in Unit 16 because of easier access & unit 16. Similarly, every clear water king salmon stream between Homer and Talkeetna is either closed to king salmon fishing or open only for 3-day weekends or very small portions of the streams. SB 310 invites such closures wherever timber road approach king salmon streams. The same true for most of resident stock fisheries and steelhead fisheries. They decline in quality as levels of use increases.

This bill (SB 54) is totally insensitive the complexity, seasonal use, the diversity of

(3)

the character of such use, and how quality of experience depends on levels of use. Don't simply assume that more use is better for all users or better for the economy.

(4) § 3 of bill needs redrafting. It needs to protect diversity of natural systems. Needs to protect age cohorts (i.e. age class composition) in fish and wildlife populations. That needs baseline data.

The "best interest" finding needs criteria per above. DNR can drive a truck through this language.

Jeff Parker
w 272-9377
h 274-5418
U.P. AK Council TU
Counsel re BLM & ASA.

ASA & TU boards unanimously oppose SB 310

Alaska Boreal Forest Council
P.O. Box 61237
Fairbanks, Alaska 99706-1237
FAX: 474-8343

April 14, 1994

To: All Representatives on the House Resources Committee: 6 pp. FAX material including this page, if problems receiving plesae call 479-8343 or FAX back to 474-8343

From: Alaska Boreal Forest Council

URGENT: information packet on SB 310 to read before Fri., April 15, 8:15 a.m. House Resource Committee Teleconference Hearings

The following material is respectfully offered in support of the need for regional and statewide cost-benefit analyses of all timber resources (state and private lands) before Forest Management Agreements (FMAs) are legislated for as the tool of choice in promoting a large-scale timber industry in Alaska.

Please read this when considering the current version of SB 310. Thank you.

Sincerely,

Birch Pavelsky

Birch Pavelsky

Position paper of the Alaska Boreal Forest Council on SB 310
Forest Management Agreements Bill
April 14, 1994

Summary

SB 310 seeks to promote large-scale timber industry in Alaska by legislating for Forest Management Agreements (FMAs). These long-term land leases guarantee a steady timber supply to the FMA holder for 20-year periods: long enough to justify the costs of building mill facilities and, perhaps, get a return on that investment.

If this were the whole story on FMAs, they, in conjunction with other inducements, could encourage the development of a value-added forest products industry in Alaska. However, the history of FMAs in Canada, the western United States and SE Alaska provide many lessons and cautions that must be incorporated into SB 310 in order to make it prudent public policy. For example, the Alaska office of **the U.S. Forest Service reports that its experiences with two 50-year timber leases in SE Alaska have proven economically and environmentally disastrous**. The Forest Service will not use Canadian-style FMAs nor the 20-year leases that SB 310 would promote (see pt. #3 in ABFC's position paper, following). The experiences in the coastal timberlands of Alaska as well as the Canadian boreal forests, which resemble those of interior Alaska, must be heeded if we are to avoid community and forest collapse.

We urge the Senate to amend SB 310 as follows.

A planning document including the entire timber base of a geographic region, i.e. one that takes into consideration private and public lands, both, must be completed before an FMA may be negotiated (see point #2 in ABFC's position paper, following).

An economic cost-benefit analysis, considering who benefits from an FMA and who bears its costs, is essential. (See Attachment 2: "A Proposal for the Study of the Best Economic Use for the Tanana Valley Forest"). This will allow the citizens of Alaska to assess the appropriate scale of forest development which is sustainable long-term. Given the potential impact of SB 310, it is imperative to do this analysis first.

As presently before you, SB 310 promotes spending Alaska's forest capital rashly. We urge you to consider the long-term consequences of such action. A cost-benefit analysis looking at various levels of economic development offers the citizens of Alaska the greatest opportunity to determine the wise future use of forest resources. Please amend SB 310 to accomplish this goal.

Attachment 1) "Position paper of the Alaska Boreal Forest Council on SB 310" (2 pages).
Attachment 2) "A Proposal for the Study of the Best Economic Use for the Tanana Valley Forest" by Dr. Colin Read (2 pages)

Alaska Boreal Forest Council
P.O. Box 81237
Fairbanks, Alaska 99708-1237
FAX: 474-8343

Position paper of the Alaska Boreal Forest Council on SB 310
Forest Management Agreements Bill
April 14, 1994

As it stands today, SB 310 is seriously flawed and should not be passed. It is too open-ended to provide prudent public policy. Many concerns raised by the public during Senate debate on SB 310 remain: some of the most important are listed below in the form of five questions. Legislators committed to responsible resource development should address these questions before the forests of Alaska are let in Forest Management Agreements (FMAs). Until these questions are resolved with appropriate data and legislative restraint, it is premature to promote the FMA as a tool of choice for developing a large-scale forest products industry in our state.

1) SB 310 effectively eases corporate access to private lands adjacent to state forested lands to ensure a ready and continuous supply of timber. What will prevent these lands from being overharvested as they are not stringently regulated?

2) How would harvest levels conform to an **overall planning document for all forests** of the Tanana Basin? What is the Basin's entire sustainable harvest potential and what are the **cumulative effects** of intensive logging on all the lands involved, be they private, municipal, or state? No such planning document now exists.

3) Is it a judicious use of our forest resources to guarantee their supply *via* an FMA for a 20-year or longer period? In an parallel situation, the Region 10 (Alaska) Office of the U.S. Forest Service (USFS) says it has learned from its experiences with two failed 50-year contracts in Southeast Alaska that FMAs are unwise. Not only will the Forest Service not negotiate 50 year contracts again, but it will not consider even 20-year contracts, such as those that would be permitted by SB 310. Residents of Southeast Alaska and the Forest Service are now going through an "economic falldown" as a result of deficiencies in these contracts. The economic travail in Southeast Alaska is a direct result of changing market conditions and increased awareness of environmental damage. USFS now says that any sale strategy promoting a monopoly of the timber supply by large corporate interests is contrary to any of their preferred forest management alternatives. We will provide references to U.S. Forest Service sources if requested.

To cite just one concern with SB 310 along these lines: how does SB 310 incorporate changes in harvest technology that occur during the 20-year period allowed for in an FMA? On a recent Fairbanks Community Forest Forum field trip to Tanana Chiefs-directed timber operations, TCC foresters observed that their technology had changed each year for the past three to keep up with the latest harvesting method. Given that harvest technology, forest resource demands, and ecological knowledge are changing fast, **we question the wisdom of committing any forest resources for such long periods.**

4) The public would not be privy to which forests are being considered for FMAs until contracts were prepared. As envisioned by SB 310, the Commissioner of DNR would solicit and negotiate FMA contracts annually with **minimum public and legislative oversight.** We believe SB 310 concentrates too much of the decision-making power in the hands of the Commissioner of Department of Natural Resources.

5) With what data do SB 310 sponsors determine that timber cutting is the best use of the forest? According to a 1992 Legislative Research Agency report, the return on forestry operations in the state was 2.5 cents on the dollar invested. At the present time, fisheries, tourism, and research, each, bring in more money and produce more jobs than timber, and they all depend on a healthy, natural forest.

CONCLUSION

We believe that the citizens of Alaska deserve careful resource planning. Nowhere does the current version of SB 310 provide for such planning which must begin with an adequate and thorough forest inventory before FMAs are let. **In addition, an integral part of the planning document for the Tanana Basin should be an economic cost-benefit analysis which considers who benefits from an FMA and who bears its costs.** Please see attachment for a cost-benefit study ("A Proposal for the Study of the Best Economic Use for the Tanana Valley Forest") by Dr. Colin Read, Assoc. Professor of Economics at the University of Alaska-Fairbanks. If SB 310 were amended to legislate for the creation of economic studies in the various regions of the state before letting any FMAs, many of our concerns would be addressed.

Indeed, if SB 310 could be amended to include provisions for

a) fair public participation in resource management
b) an overall planning document for the forest resources of each region of the state
c) consideration of appropriate time-scales for contracts to harvest timber resources
d) gathering the basic resource information which is still outstanding (such as completing the forest inventory that will provide the baseline data for sustained yield management of the forested lands), and
e) adequate attention given to all other long-term forest-dependent values beside timber

it would address issues that we currently feel are being ignored. We would welcome the opportunity to put our energies to work in helping produce that document. We strongly request the House to consider whether the state's best interests might not be better served by proceeding with such an approach that is already possible within existing forest planning processes rather than continuing with the one embodied in the current version of SB 310. Thank you for considering our position on this legislation.

Sincerely,

Janice Dawe, 479-8343
FAX 474-8343

Douglas Yates, 479-8300

Mary Shields, 455-5469 (ph. and FAX)

Birch Pavelsky, 456-0500

Larry Mayo, 479-2954

Richard McCaffrey, 474-3473

for the Boreal Forest Council public process and economic subcommittees

A Proposal for the Study
of the Best Economic Use
for the Tanana Valley Forest

While all participants in the public dialogue on the forest resources in the Tanana Valley agree that they are valuable, an economic analysis of any type that quantifies these values does not exist. Yet without such an analysis, is is impossible to proceed with a long range forestry plan that will provide the greatest economic return to the Tanana Valley.

It is not surprising that an analysis which fully describes alternative development scenarios for forests in the Tanana Valley has yet to be performed. Expertise in regional and industrial economics and forestry are required. Fortunately, faculty at the University of Alaska Fairbanks have been identified that are well positioned to perform such a complicated study at comparatively low cost. Indeed, given the value of the forest, our desire for a more complete and better informed discussion within the public process, and the lasting implications of a poor decision now, we probably cannot afford not to pursue such a study.

Components of the study must include:

1) Inventory Analysis - an assessment of the inventory base and a survey of additional information required to meet the inventory needs.

2) Input Analysis - a study of the best match between the sustainable forest inventory and the harvest and value added forest industry in the Tanana Valley.

3) Harvest Technology Analysis - the costs and benefits of various logging technologies by forest type.

4) Scale Analysis - a cost benefit analysis of the range of feasible development and value-added scenarios. Also, determination of the time scale of management agreements to match proposed industrial structure.

5) Market Analysis - an analysis of local wood products demand and export potential.

6) Job Creation Analysis - the level of income and job creation in the primary industries identified in the above sections.

7) Multiplier Analysis - the level of secondary income creation (the size of the multiplier) for various industrial alternatives.

8) Fiscal Analysis - the optimal size and type of state subsidies to encourage commerce, develop infrastructure, and enhance the multiplier.

There are a number of factors that warrant such a specialized study.

1) First, mandated sustainability of Alaskan forest resources requires an analysis of the inventory with a knowledge of the proposed value added industry.

2) Second, the forest harvest is dependent on the proposed scale and the transportation network supporting the harvest and the co-location of industry fed by public and private forest holdings. Such transportation infrastructure will required extensive State cooperation and may involve some subsidy.

3) Third, while lower-48 forestry development typically keeps a significant share of the income in the community, it is likely that some development scenarios for the forest of the Tanana Valley will drain profits and some jobs to sources outside Alaska. We must quantify the share of local income and job creation for each development alternative.

4) Finally, forestry development has certain ramifications on other Tanana Valley industries. Interactions between job maintenance and creation in the tourism and recreation industry and the scale and type of logging practices needs to be explored.

Such an economic analysis must be performed before sensible forest industry development can proceed. The modest costs for the study pale in comparison to the lasting value a well-conceived forest management plan will provide to the citizens of the Valley.

Principal Researcher - Dr. Colin Read, Assoc. Prof. of Economics, School of Management, Univ. of Alaska Fairbanks

Study Logistics:

1) Inventory Analysis -	2 person weeks
2) Input Analysis -	1 person week
3) Harvest Technology Analysis -	.5 person week
4) Scale Analysis -	1 person week
5) Market Analysis -	1 person week
6) Job Creation Analysis -	.5 person week
7) Multiplier Analysis -	1 person week
8) Fiscal Analysis -	1 person week
9) Conclusion and Presentation -	2 person weeks

10 week study for principal researcher(s)
10 weeks of support staff assistance

Signed,

Colin Read

Colin Read

Donald C. Pendergrast
1407 Holy Cross Drive
Fairbanks, Alaska 99709

April 15, 1994

Alaska House Resources Committee

Dear Members,

This is letter is in response to the Tanana Valley State Forest bill that is before you. I feel that the bill takes to narrow a view. That is, regional planning documents must be prepared and referred to rather than just state lands. There is of course a lot of land in corporation holdings that should not be left out of the picture if reasonable plans are made.

Further I believe that this bill promotes timber use over other uses, and I must ask what the consequences to tourism and fishery resources will be. I think that a cost benefit analysis for all uses, not just timber should be included.

I was surprised to notice in yesterday's Fairbanks Daily News Miner, that the Alaska Department of Fish and Game, Habitat Division, had prepared a Fiscal Note on this bill. I was not surprised that this note did not see the light of day until the eleventh hour. This does not reflect well on the public process or openness in government.

I believe that this bill should be referred to the House Finance Committee, because it obviously has great financial implications for the interior.

Thank you for your consideration.

Sincerely,

Donald C. Pendergrast

Alaska State Legislature

Please enter into the record my testimony to the HOUSE RESOURCES committee name

committee on SB 310 bill/subject, dated 4-15-94.

I AM OPPOSED to SB 310.

THIS BILL HAS MANY PROBLEMS STILL, AND IT IS ESSENTIAL THAT ALL CONCERNED ALASKANS BE ALLOWED TO TESTIFY PRIOR TO THE BILL LEAVING HOUSE RESOURCES COMMITTEE.

LONG TERM CONTRACTS ARE BAD PUBLIC POLICY, WITH POTENTIALLY DISASTROUS ECONOMIC CONSEQUENCES. WE SHOULD NOT FAVOR ONE INDUSTRY AT THE EXPENSE OF OTHER INDUSTRIES. THE SUSITNA VALLEY FOREST ALREADY SUPPORTS A THRIVING AND GROWING MULTI-MILLION DOLLAR RECREATION/TOURISM INDUSTRY WHICH PROVIDES HUNDREDS OF JOBS. FMA'S WILL THREATEN THIS INDUSTRY.

FMA'S ARE AN ATTEMPT TO IGNORE AND BYPASS FREE MARKET ECONOMICS, MAKING THIS BILL FUNDAMENTALLY FLAWED. PLEASE DO NOT PASS THIS BILL UNDER ANY FORM OUT OF COMMITTEE.

Signed: Allan L. Phipps
Testifier

SELF
Representing (Optional)

10241 STILLWATER, EAGLE RIVER 99577
Address

696-2656
Phone No.

PINE'S SAWMILL
Box 4
TOK, ALASKA 99780

Phone 883-2182
Fax 883-5217

MEMO

TO

Representative Bill Williams
Chm., House Resources Committee
State Capitol, Room 128
Juneau, AK 99801

DATE: April 19, 1994

SUBJECT: Senate Bill 310
Forest Management Agreements

We support Senate Bill 310 and urge you to consider the importance of providing small operations with an adequate supply of timber. Small communities rely on small businesses for employment and we hope that such small businesses will not be lost in the interests of "big business."

We hope that the timber-sale process can be simplified. It doesn't make sense to cut back staff and at the same time cause the sales to be more complicated with the involvment of other agencies. It seems that the State would benefit with the harvest of timber and management of this renewable resource. The governor has sold out the timber industry to a preservationist controlled DNR who would lock out productive industry from State forests.

PLEASE FEEL ADDED NECESSARY

Sincerely,
Virginia Pine

40% Pre Consumer Content
10% Post-Consumer Content

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ALASKA PULP CORPORATION
4600 SAWMILL CREEK ROAD • SITKA, ALASKA 99835-0709

March 28, 1994

TESTIMONY FOR SB 310

Senator Steve Frank
State Senate
State Capitol (MS 3100)
Juneau, AK 99801-1182

Dear Sen. Frank:

As a supporter of the timber industry, I have been following the debate over your logging bill (SB 310). You have stirred the wasp nest of the environmental consituency. However, public hearings, public debate and letters to the editor only represent a small segment of the population.

The Alaska Forest Association has twice done statewide public opinion surveys (1991 and 1993) that show overwhelming support of logging on state and federal lands. Here is some insight from the 1993 poll:

- More than half of Alaskans (55%) assign high importance to producing wood and paper products from Alaska's forests.
- Nearly three fourths (71%) assign high importance to job creation from Alaska's forests.
- When given a choice for forest management emphasis in the future, Alaskans prefer economic development (44%), over preservation (25%) and status quo (27%).

Don't think for a minute that your hearings have attracted the average Alaskan. You have merely rankled one constituency that is far better at getting its people to the microphones and telephones. They also love to write letters.

Respectfully,

Rollo Pool

Rollo W. Pool
Public Relations 747-2283

Alaska State Legislature

FAX-465-3773

Please enter into the record my testimony to the HOUSE RESOURCES
committee name

committee on (IN FAVOR OF) SB 310 , dated CHAIRMAN BILL WILLIAMS
bill/subject

Within the last 2 months I have attended 3 teleconferences, spent 2 days in State Capitol Building, 2 weeks in Kenai - Moose Pass Area, have read numerous newspaper/editorial articles, spoke to State and Federal Agencies, University of Alaska Faculty, as well as a Preservationist Group who call themselves the Boreal Forest Council in Fairbanks, and have come to the conclusion that CONFUSION EXISTS!

Environmental Elitist groups are confusing the issues by promoting half truths and emotions. The issue has become extremely polarized with no management occurring and the opportunity for good paying jobs being lost. Professional Forest Management is not occurring on State Lands and this is what SB 310 is about - Managing a renewable resource for its highest and greatest value through multiple use management with good paying jobs and an influx of money into the States' General Fund.

Signed: Jim Page
Testifier

SEWARD FOREST PRODUCTS
Representing (Optional)

560 E. 34th Ave Suite 200 Anch. AK. 99503-4196
Address

907-563-8866
Phone No.

9/08 Legislative Information Office

Alaska State Legislature

Please enter into the record my testimony to the HOUSE RESOURCES committee name

(IN FAVOR OF)

committee on TB 310 bill/subject, dated CHAIRMAN BILL WILLIAMS

Contrary to what you hear the General Public is in favor of good sound professional forest management. They're not able to speak today because they're working. They're not on WELFARE or a member of a PRESERVATIONIST group which advocates doing nothing.

I've been to Canada & Africa to observe Forest Management Agreements and meet with the Canadian Government and individual provinces. FMA's are working; examples are Tackana Forest Products in Fort Nelson B.C., Miller Western in Whitecourt, Alberta, and Vanderwell Contractors in Alberta.

It's time for all sides to DE-POLARIZE and approach this issue professionally. Everyone who speaks at these teleconferences should be held accountable for what they say and back their statements up with facts and real examples instead of half truths and emotions.

Seward Forest Products supports this bill and suggests you adopt the concerns of the Tongass Forest Association.

Thank you and if you have any questions contact me in Anchorage at 907-563-8866.

Signed: _____
Testifier

SEWARD FOREST PRODUCTS
Representing (Optional)

560 E. 34th Suite 200 ANCH AK.
Address

907-563-8866
Phone No.

Box 82115
Fairbanks, Alaska 99708
14 April 1994

House Resources Committee
Alaska State Legislature
Juneau, Alaska

Dear Legislators:

I wish to express my intense opposition to SB310, which would set up forest management areas and allow the natural resources commissioner to negotiate long-term contracts with logging companies. Proponents of this bill purport that it will allow the development of a large timber industry in the boreal forest of Alaska, which will create jobs and create a broader base for our economy--and at supposedly no cost to the people. These assertions are either naive, or blatant lies. As a self-employed business owner with an M.S. degree in biology, I am appalled that this bill is approaching approval by the legislature. I implore you to carefully consider the assertions of those who promote this bill.

Their first assertion: "It will allow the development of a large timber industry."

What kind of industry are they talking about? The only kind of timber industry that needs 20 year contracts are huge operations which will require timber harvest levels beyond the sustainable levels that our relatively unproductive (in terms of wood) boreal forest produces. Such industries use high tech machinery to harvest vast amounts of wood in a short time using clearcut logging techniques. The boreal forest can not support that kind of industry over the long term. What we would be doing is creating another boom-bust econmic cycle--but in this case one of the most destructive kinds imaginable.

Do the people of Alaska want a huge timber industry developed in interior Alaska? NO! as has been most clearly expressed in public meeting after public meeting after public meeting. Giving the natural resources commissioner the power to negotiate contracts to establish an industry that is not wanted is tantamount to government over the people--not of the people, by the people and for the people.

Their second assertion: Such an industry would create jobs for local people. Would it?

The real answer is NO! Not in the short term, and especially not in the long term. In fact, it will cost us jobs, and it will cost us our ways of life. While the companies with which such contracts might be negotiated would likely build some kind of processing plants, which would no doubt create jobs, many of these jobs would go to highly trained equipment operators. Since few in Alaska have such training, it is a guarantee that the good, highly skilled jobs created would not go to current Alaskans.

But as the forests are cut down, those of us who depend on the tourism industry would find ourselves losing business. Why in the world do you think people come to Alaska? They can see cleared forests, processing plants, and industrial development at home--they don't need to travel thousands of miles and spend thousands of dollars to see that--and they won't.

In addition, small local logging companies would be outcompeted for the limited timber resources and forced out of business. People who heat their homes with wood, as do we, would find it harder and harder to come by--or more and more expensive to buy as the places to harvest it get further and further

away from town. The people who make their livings by trapping, and those who depend on subsistence hunting and fishing would find fewer and fewer places where the habitat existed for the wildlife they depend upon. In addition, many self-employed people, and business owners who chose to base their operations in Alaska because of its beauty would quickly find that the attractiveness of this place as a home deteriorating. And as entrepreneurs, many would decide to leave--taking with them the income they generate, the jobs they create, and the economic diversity which we so dearly need.

These scenarios are not imaginary--all one has to do to see the results of large scale industrial logging is to look at other places in the country, Canada, and the third world. Large scale logging companies have come in with big promises and left when the wood was gone. In their wake, the people are left without income, without a natural resource base, and with a damaged natural environment decades from recovery. Sure, forests can eventually recover from large scale logging (if intact forests nearby remain protected)--but does such recovery occur within the lifetimes of the people living in the region? No.

It appalls me to see intelligent, well-educated, wealthy Alaskans making the same stupid decisions that destitute third world countries made years ago. Selling off our raw natural resources to the highest bidders is not the avenue to a broad-based economy. It is the road to poverty and despair.

The way to create jobs based on the natural resources here is not to make it easy for huge corporations to come in buy our forests at discounted prices and export them to countries that long ago devastated their own forests--but instead to invest in the people here. We should be working to develop small, labor-intensive industries that harvest and use our forest resources to make products here. We can encourage Alaskans to set up small companies that make use of the forest resources in a diversity of sustainable ways. Birch wood is one of the most beautiful woods in existance. We should develop a small furniture industry based on that. Lingonberries (or as we call them locally, low bush cranberries) sell for $7.00 / jar in the grocery imported from Sweden--yet there are almost no small businesses developed to harvest and sell this valuable forest commodity. Likewise for birch syrup, and dozens of other forest products. The tourism industry here is barely underway--yet it is the third largest industry in Alaska. As wild areas become more scarce throughout the world, the value of our untouched forests as a tourist attraction can only increase.

We could create hundreds of jobs at a much lower cost than selling off public rights to our forests to some huge companies and allowing them to cut the trees down, export the wood, ruin our tourist indusry, and attract new people to our state who will be unemployed as soon as the timber runs out--and it will run out--20, 30, or 50 years down the road.

Don't let stories of introducing new tree species, or more efficient forest management practices mislead you. The plants that grow here now do so because they are the best adapted to our severe climate--and you can look worldwide without finding anything better. Many intense forest management practices that supposedly increase forest yields are proving to be mistakes, as we learn more about how our forest ecosystems function--about how insect pest populations are kept in check naturally, how nutrients are recycled by soil invertebrates and fungi. Our scientific understanding of what works and doesn't work in forest managment is growing by leaps and bounds. Twenty year contracts are absolutely ridiculous given that our scientific understanding of the forest and how best to manage it, is changing so rapidly.

The third assertion of this bill's proponents is that this forest management policy will cost nothing to the government, and will in fact make us money. Who in the world are they kidding?

Have you ever seen a large industry that didn't require tending over by government? Who is going to build the logging roads these companies will need? And who will pay for that? Who is going to

ensure that they replant the forests --or replant them if the companies don't? And who will pay for that? Who will pay for the education of the children of the new workers who will immigrate here to work in the high tech plants? Who will pay the goverment employees needed to ensure that the logging companies log the areas they are supposed to, and follow necessary guidelines to ensure minimal damage to the forest. Who will make sure they leave buffer strips to protect our rivers and fish resources--and who will pay for these people? Who is going to pay the unemployment and welfare costs for the people whose jobs are displaced as the tourism industry declines, and other business that located here because of the forest and the wild beauty move away? Who will pay the higher salaries needed to attract professors to the University of Alaska--a place with a super computer, but in a place with dark freezing winters, and (due to large-scale logging) air pollution, a devastated landscape and few opportunities for fishing, hunting and nature enjoyment. Will anyone really want to live here?

Our state forest lands are public resources which should be managed to benefit all of the public--not for the benefit of a few business corporations. Management decisions about the future of our forests should be made by professional natural resource managers who listen to the public, not by politically appointed commissioners who may or may not have the interests of the public in mind, and who may or may not know anything about natural resources management.

In the name of common sense, in the name of representative government, get your heads on straight down there. Vote **NO! NO! NO!** on this ill-conceived bill!!!

Sincerely,

Susan E. Quinlan

Resource Development Council
for Alaska, Inc.
FOUNDED 1975

121 West Fireweed Lane, Suite 250, Anchorage, Alaska 99503-2035
Phone 907/276-0700 Fax 276-3887

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RDC Testimony on SB 310 in *Senate Resources Committee*, March 16, 1994:

Good afternoon, my name is Carl Portman, Communications Director of the Resource Development Council for Alaska, Inc. On behalf of RDC, thank you for the opportunity to submit comments on SB 310, *"an Act relating to the management and sale of state timber; relating to classification of state land that would preclude harvesting of timber or would designate harvesting of timber as an incompatible use; relating to the administration of forest land, proposals for state forest, and the determination of sustained yield; and providing for an effective date."*

RDC is a statewide, membership-funded, non-profit pro-development organization working on behalf of Alaska's basic industries, including oil and gas, mining, timber, fishing and tourism. RDC's membership includes the aforementioned industries, as well as the sectors which support those industries, such as construction, labor and other technical service providers, individuals, Native corporations, communities and a wide variety of Alaska interests.

RDC supports SB 310 because it would encourage reasonable timber harvesting and create long-term jobs in the forest industry.

The Forest Management Agreement concept is an idea whose time has come. FMAs will not supplant the ongoing timber sale program, but augment and enhance the current system. FMAs are a desirable tool in accomplishing responsible timber development. Specific terms and the conditions for harvesting the timber can be spelled out in the contract, and the cost of that development is born by the operator. The agreements would also require reforestation, clarify true multiple use practices and restate the primary purpose of state forests, that being commercial timber harvest under the principles of sustained yield, while perpetuating other beneficial uses. An FMA would be governed by the Forest Practices Act and before an agreement is finalized, the Department of Natural Resources (DNR) would be required to solicit public comment.

FMAs would also encourage the development of a multi-faceted, value-added forest products industry. FMAs can be negotiated to provide for local value-added manufacturing, something that DNR cannot do today because current law does not allow for negotiated agreements on timber sales.

FMAs would provide a long-term stable supply of timber to the operator, which is a critical element in a company's decision to invest in value-added timber development. Opponents of timber harvesting, whether it's in the Tongass, Prince William Sound, the Gulf Coast, the Kenai Peninsula, the Matanuska-Susitna Valley or the Tanana Valley, object to long-term timber contracts. A long-term stable supply of timber, however, is necessary because value-added timber development is usually capital intensive and those investments require a long payback period.

Ironically, the environmental community espouses "sustainable development" and preaches "value-added" processing, yet opposes the direct actions necessary to make it happen. A recent quote from a leading environmentalist in the Anchorage Daily News regarding the long-term timber contracts in the Tongass sounds all too familiar. "Revoke the monopoly, open the markets, and other timber companies could come into Sitka to build new sawmills, furniture or musical instrument factories." Stop and think -- will those new opportunities ever see the light of day?

It's easy to preach sustainable development and value-added processing, but putting your money where your mouth is in Alaska requires fair and honest efforts to encourage new concepts that will provide for basic resource production and new industries to supplant the value of resources taken out of production.

In reality, the record shows the environmental community does not look favorably on timber harvesting, except perhaps small firewood cutting operations. It is not enough that two-thirds of the commercial timber in the Tongass is off-limits to logging and most of the timber in the Chugach National Forest will never be logged. It is not enough that 57 million acres of designated Wilderness in Alaska (enough to cover the entire state of Utah) is closed to commercial logging. It is not enough that 125 million acres of national park and national wildlife refuge lands in Alaska are also closed to timber harvesting. In Prince William Sound and elsewhere along the Gulf Coast, private lands that may potentially be logged in the future are on a hit list for buyouts using funds from the Exxon Valdez settlement. It is not enough until the opposition has it all, even down to the small percentage of land that can be harvested on a sustained yield basis to help support our local economies.

Timber is a renewable resource, and while the environmental community may have deemed it politically incorrect to log, cutting trees is not an environmental crime. Trees do grow back.

With Alaska being a public land state and since most of our federal lands are now closed to logging, most future development will occur on state lands. FMAs offer a real opportunity for value-added processing and sustainable development in local communities.

If environmentalists really are serious about sustainable development and value-added processing, they should work with local interests and the legislature to pass SB 310

Again, thank you for the opportunity to submit comments on SB 310.

Resource Development Council
for Alaska, Inc.
FOUNDED 1975

121 West Fireweed Lane, Suite 250, Anchorage, Alaska 99503-2035
Phone 907/276-0700 Fax 276-3887

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Congressman Don Young

RDC Testimony on CS SB 310 in *House Resources Committee*, April 21, 1994:

On behalf of RDC, thank you for the opportunity to submit comments on CS SB 310, *"an Act relating to the management and sale of state timber and relating to the administration of forest land.*

RDC is a statewide, membership-funded, non-profit pro-development organization working on behalf of Alaska's basic industries, including oil and gas, mining, timber, fishing and tourism. RDC's membership includes the aforementioned industries, as well as the sectors which support those industries, such as construction, labor and other technical service providers, individuals, Native corporations, communities and a wide variety of Alaska interests.

During this session, RDC has testified on several occasions in support of SB 310, noting that Forest Management Agreements would encourage reasonable timber harvesting and create long-term jobs in the forest industry. The Forest Management Agreement concept is an idea whose time has come. FMAs are a desirable tool in accomplishing responsible timber development. Specific terms and the conditions for harvesting the timber can be spelled out in the contract, and the cost of that development is born by the operator. The agreements clarify true multiple use practices and restate timber harvesting as legitimate multiple use.

FMAs would encourage the development of a multi-faceted, value-added forest products industry. FMAs can be negotiated to provide for local value-added manufacturing. They would give the operator a long-term stable supply of timber, which is a critical element in a company's decision to invest in value-added timber development.

RDC believes the committee substitute provides for stronger legislation, addressing a number of concerns expressed by various interests. The committee substitute would:

- include provisions for greater public input, increasing the comment period on a tentative successful proposal and changes language to require DNR to solicit comments from the public and state and local government agencies;

- require that a successful proposed agreement be consistent with applicable land use management plans;

- clarifiy uses that must be considered when evaluating a proposal, and

- retain existing Forest Practices Act definitions for sustained yield harvesting.

Forest Management agreements will not result in the wholesale clearcutting and destruction of our state forests as some have claimed. All provisions of the Forest Practices Act, including fish habitat, water quality, buffer zone and best forest practices considerations would apply to any Forest Management Agreement.

RDC recognizes there is a lot of opposition to this legislation, but we believe your committee has worked hard to address the opposition's concerns in the substitute. Opposition will remain, however, because some simply do not want to see the emergence of a viable forest products industry harvesting trees on state lands, period!

The record shows the environmental community does not look favorably on timber harvesting, except perhaps small firewood cutting operations. It is not enough that two-thirds of the commercial timber in the Tongass is off-limits to logging and most of the timber in the Chugach National Forest will never be logged. It is not enough that 57 million acres of designated Wilderness in Alaska (enough to cover the entire state of Utah) is closed to commercial logging. It is not enough that 125 million acres of national park and national wildlife refuge lands in Alaska are also closed to timber harvesting. In Prince William Sound and elsewhere along the Gulf Coast, private lands that may potentially be logged in the future are on a hit list for buyouts using funds from the Exxon Valdez settlement. It is not enough until the opposition has it all, even down to the small percentage of land that can be harvested on a sustained yield basis to help support our local economies.

Timber is a renewable resource, and while environmentalists may have deemed it politically incorrect to log, cutting trees is not a crime. Trees do grow back.

Law, regulation, attitude and the creation of Wilderness and other highly restrictive land withdrawals have greatly limited timber harvesting. The result has been a very limited utilization of forest resources, while disease and insect attacks destroy wood, precluding beneficial uses. Natural mortality has, in many areas, surpassed growth.

Timber harvesting must be recognized as a legitimate multiple use in Alaska. It's important to encourage reasonable timber harvests and long-term jobs in the forest industry.

With Alaska being a public land state and since most of our federal lands are now closed to logging, most future development will occur on state lands. FMAs offer a real opportunity for value-added processing and sustainable development in local communities.

RDC appreciates the opportunity to testify and commends the committee for its efforts in making this legislation better. RDC urges the committee to move this legislation forward.

Resource Development Council
for Alaska, Inc.

FOUNDED 1975

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Phone 907/276-0700 Fax 276-3887

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To House Resource Committee	From RDC		
Co.	Co.	Phone # 276-0700	Fax # 276-3887
Dept.			
Fax #			

April 20, 1994

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RDC Testimony on **CS SB 310** in *Senate Resources Committee*, March 22, 1994:

Good afternoon, my name is Carl Portman, Communications Director of the Resource Development Council for Alaska, Inc. On behalf of RDC, thank you for the opportunity to submit comments on CS SB 310, *"an Act relating to the management and sale of state timber and relating to the administration of forest land.*

RDC is a statewide, membership-funded, non-profit pro-development organization working on behalf of Alaska's basic industries, including oil and gas, mining, timber, fishing and tourism. RDC's membership includes the aforementioned industries, as well as the sectors which support those industries, such as construction, labor and other technical service providers, individuals, Native corporations, communities and a wide variety of Alaska interests.

Last week RDC testified in support of SB 310, noting that Forest Management Agreements would encourage reasonable timber harvesting and create long-term jobs in the forest industry. The Forest Management Agreement concept is an idea whose time has come. FMAs are a desirable tool in accomplishing responsible timber development. Specific terms and the conditions for harvesting the timber can be spelled out in the contract, and the cost of that development is born by the operator. The agreements clarify true multiple use practices and restate timber harvesting as legitimate multiple use.

FMAs would encourage the development of a multi-faceted, value-added forest products industry. FMAs can be negotiated to provide for local value-added manufacturing. They would give the operator a long-term stable supply of timber, which is a critical element in a company's decision to invest in value-added timber development.

RDC believes the committee substitute provides for stronger legislation, addressing a number of concerns expressed by various interests. The committee substitute would:

• include provisions for greater public input, increasing the comment period on a tentative successful proposal and changes language to require DNR to solicit comments from the public and state and local government agencies;

- require that a successful proposed agreement be consistent with applicable land use management plans;

- clarifify uses that must be considered when evaluating a proposal, and

- retain existing Forest Practices Act definitions for sustained yield harvesting.

RDC recognizes there is a lot of opposition to this legislation, but we believe your committee has worked hard to address the opposition's concerns in the substitute. Opposition will remain, however, because some simply do not want to see the emergence of a viable forest products industry harvesting trees on state lands, period!

RDC appreciates the opportunity to testify and commends the committee for its efforts in making this legislation better. RDC urges the committee to move this legislation forward.

Fairbanks Industrial Development Corporation

April 14, 1994

Honorable Walter J. Hickel
Governor
State of Alaska
P.O. Box 110001
Juneau, AK 99811-0001

Dear Governor Hickel:

I was both shocked and disappointed to read the fiscal note attached to Senate Bill 310, the Forest Management Agreement (FMA) bill. This appears to be a latent attempt by the Alaska Department of Fish & Game (ADF&G) to frustrate passage of a bill that is extremely important to long term economic development of one of our State's resources.

The analysis attached to the fiscal note is particularly disturbing, because it assumes expertise in the area of forest management by ADF&G staff without any apparent contact or consultation with the Administration's own experts in the field, namely, Division of Forestry (DOF) staff. Certainly the ADF&G would have a right to be upset if the forestry folks assumed knowledge of fish and game issues in preparing a fiscal note to a bill proposed by the ADF&G. Why then, this arrogant approach by ADF&G? In this instance much of the misinformation contained in the ADF&G analysis would have been avoided had they exercised the courtesy of consulting with forestry staff before preparing their document.

First, it should be made clear that while some comparisons between the Canadian experience with FMAs and Alaska are appropriate, for the most part they are not. The Canadian Boreal forest is much different than Alaska. For example, the ADF&G analysis suggests very large volumes of timber being involved in our FMAs. Such is not the case and would not be contemplated by any prudent forest manager. Clearly, 20,000 acres suggested by ADF&G has never been proposed, particularly not by DOF staff.

The assumptions used are for the most part invalid as follows:

1. While large companies might be involved, neither huge plants nor very large quantities of timber are contemplated.
2. Again, the ADF&G continues to assume large scale operations which will not be the case.
3. Comparisons with the Tongass and the Interior are like comparing apples and oranges.
4. Because of the modest size of contemplated forest operations, current staff should be adequate for the purpose of oversight.

515 Seventh Avenue, Suite 320, Fairbanks, Alaska 99701 (907) 452-2185 Fax: (907) 456-1896

5. The assumption that large mills would be constructed and that there would be a rapid move to submit FMA proposals is unfounded. Likewise, the writer is presumably referring to the Louisiana-Pacific and Fibreform proposals, neither of which were seriously considered nor feasible for a variety of reasons.
6. The Fibreform proposal was never seriously considered by anyone and is not an appropriate example of a contemplated operation in the Interior.
7. Were the cited quantities verified with DOF staff? No!
8. The assumption that an oriented strand board manufacturing plant will be build in the Interior is also unfounded as is the basis for its timber requirements.
9. Again, the Fibreform proposal was ridiculous in its content, and was not seriously considered.
10. This is an example of fish and game biologists meddling in an area with which they have little or no knowledge.

Given the financial predicament in which this State finds itself, I am particularly concerned when an action such as proposed by ADF&G may frustrate a legitimate effort to boost our economy and support our tax base -- passage of SB310. I hope you will do the right thing and give Commissioner Rosier instructions to withdraw this fiscal note.

Respectfully,

Ronald L. Ricketts
Executive Director

RLR/lpm

cc: Commissioner Rosier
Commissioner Noah
Director Boutin (Division of Forestry)
Senator Frank
Senator Williams
House Speaker Barnes

Fairbanks Industrial Development Corporation

April 20, 1994 VIA FAX

Representative Bill Williams, Chair
House Resources Committee

Dear Representative Williams:

Here is further testimony in support of SB 310.

Timber industry development in the Tanana Valley has been getting a bum rap lately. Perhaps some facts will shed a different light on the subject.

First, there are 29.2 million acres of land in the Tanana Valley. Of this, 22.7 million acres, or 77%, are closed to forest industry development because they are in parks, preserves, refuges, wilderness, recreation, special use or military withdrawal categories (both State and Federal). What is left is private, State and Borough land, 1.4 million acres (State owned) of which is classified by the State Division of Forestry as suitable for sustained yield forest harvest.

Of this total, the current estimate of the maximum amount which could be harvested each year on a sustained yield basis is 16,000 acres. Over a 20 year time frame, this represents only 1.1% of the total land in the valley.

As a practical matter, the actual harvest is likely to be much less than the maximum. A good example is found in the operations of the Slave Lake Pulp Corporation, a company operating under a 20 year forest management agreement (FMA) in northern Alberta. The company produces about 110,000 metric tons per year of bleached chemi-thermo-mechanical pulp, logging only about 4,000 acres per year to meet this output. The mill cost $182 million (C) to build and employs 78 people, with another 55 working in the woods. Couple this operation with companies like Bob Zachel's Alaska Birch Works, (*News-Miner*, March 28, 1994), and we would have excellent utilization of the resource, while creating even more jobs.

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Some people have suggested that most of the jobs would be taken by unemployed woods and millworkers from the Pacific Northwest. I think not. UAF's Tanana Valley Campus, Hutchinson Career Center and the Fairbanks Private Industry Council each fulfill a training role in supporting our local workforce. Vocational/technical courses and on-the-job training would be provided and most of the jobs would go to Fairbanksans.

Incidentally, the Slave Lake Pulp FMA has been in effect since 1990, with clear benefits to both the Province of Alberta and the company.

On other issue, opponents of SB 310 have been particularly vocal, suggesting in print and at hearings on the bill that they represent the majority view on the subject. I wonder. A State-wide poll, conducted last year by the Alaska Forest Association indicates that:

- More than half of Alaskans (55%) assign high importance to producing wood and paper products from Alaska's forests.
- Nearly three fourths (71%) assign high importance to job creation from Alaska's forests.
- When given a choice for forest management emphasis in the future, Alaskans prefer economic development (44%), over preservation (25%) and status quo (27%).

The poll has a statistical accuracy of plus or minus 5%.

As I have suggested on a number of occasions, we need the investment which new industry will bring, along with new, full-time, year-around jobs, so that we can build our local tax base -- thereby providing the essential funds to pay for the services we expect from local government. We must recognize that the State can no longer be relied upon to contribute toward paying these expenses. Vote in favor of SB 310.

Respectfully submitted,

Ronald L. Ricketts
Executive Director

RLR/lpm

Alaska State Legislature

Please enter into the record my testimony to the HOUSE RESOURCES committee name

committee on SB 310 bill/subject, dated 4/15/94.

Thank you for the opportunity to testify.

I would like to register my objections to SB 310. I am very concerned about the proposed changes in state forest policy which would make timber harvest a priority on state lands. State lands should be available and managed in a way that provides multi-use capabilities for the citizens of Alaska. I ask that if this bill is passed, which I believe it should not be, that you require FMA's be consistent with municipal land use plans, that you include provisions for penalties and fines for contract & regulation violations, that you FULLY FUND DNR and ADF&G so that they can adequately monitor the FMA's. I also feel that such legislation must make the contractor responsible for ALL costs to the state related to administering, monitoring, and enforcing the FMA. I would also like to see the state require that value be added to timber. Public resources should benefit the public so lumber should be milled in Alaska and the FMA should include a local hire provision as well.

I hope you will consider my recommendations and again I thank you for the opportunity to testify.

Signed: Krista Rogerson KRISTA ROGERSON
Testifier

Self
Representing (Optional)

Box 1386 Valdez, AK 99686
Address

(907) 835-3788
Phone No.

9/28 Legislative Information Office

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To Rep Williams	From Rogerson-I.O.
Co.	Co.
Dept.	Phone # 835-3111
Fax # 465-3793	Fax #

Alaska State Legislature

Please enter into the record my testimony to the Resources
committee name

committee on SB 310 . dated 4/15/94
bill/subject

I would like to add my voice to chorus of those I have heard speaking in opposition to SB 310. My participation in public forums, as reader of the newspaper and as a citizen of this state, has left me with the lasting impression that a majority of those affected (local residents) by this bill are in opposition to it. In a representative Democracy it is your obligation to represent the will of the people. Please fullfill that obligation and dispense with this harmful piece of legislation the reasons are plentiful and are more economic than ecologic

Thank you very much.

Signed: Carl Roland CARL ROLAND
Testifier

Representing (Optional)

2382 Olivia Lane, Fairbanks AK
Address

Alaska State Legislature

Please enter into the record my testimony to the House Resources
committee name

committee on SB310 , dated April 15, 1994
bill/subject

I am primarily a recreational user of the Tanana Valley State Forest and my concern is supply of firewood is harvested there by either myself or local folks who cut firewood for a living. As a resident of Fairbanks, I am here to share serious concerns I have regarding Senate Bill 310. While the bill continues to undergo revision due to intense public pressure, it is still seriously flawed in that it does not honor existing multiple use.

The root of my concern is that SB310 places the priority for use of our forest on developing commercial, large scale logging operations rather than managing for existing multiple use such as subsistence hunting & fishing, recreation, and small scale logging operations. SB310 takes land away from users such as myself and gives it away to big timber corporations from outside our State. I urge you to honor the diversity of use in our state forest and kill Senate Bill 310 in the House.

Signed: Mary Katherine Romberg
Testifier

Representing (Optional)

P O B 81444 Fairbanks, AK 99708
Address

CARL ROSENBERG
1832 WOLVERINE LANE, FAIRBANKS 99708
479-3077

Dear Senator,

I am a woodworker and energy consultant. I am concerned about SB 310. I am concerned about the long term FMA's and the lack of public involvement. There has not been a valid forum for public input and for consideration of what the public wants for it's lands. I am concerned about closing out small, local, responsible, long term users of our timber resources. I do not support locking up our forests. I do not want to stop efficient utilization of our resources.

New jobs do not only come from resource extractive businesses, but can be replaced with those in resource conservation. I am an example of that. Energy conservation and weatherization jobs have been shown to be one of the best investments a community can make. The money stays in the community, and results of the work last a long time.

I have personally viewed the incredible waste by large scale timber harvest practices, in interior Alaska and Southeast. It is our responsibility to utilize our resources carefully, wisely and efficiently. Large scale resource extraction works in opposition to these ideals. Large scale timber development means large scale waste. I have seen it repeatedly throughout the state.

Short term financial boom end long term bust. I support local businesses that use our resources wisely and are locally responsible. It is time our legislators start listening to their constituency. We want long term, sustainable solutions.

Sincerely,

Carl Rosenberg

Alaska State Legislature

Please enter into the record my testimony to the _____
committee name

committee on SB 310 , dated April 20, 1994
bill/subject

This is the third time I took off from work, came to the LIO on time for a hearing and was not allowed to testify. I am infuriated. I oppose 310. It is not in the STATE'S interest. FMA's have not worked in Alberta, in Southeast & in Scandinavia. The Republican majority is intent on cramming this down our throats Despite overwhelming Public opposition We need to go back to a public process System if indeed the Forest Practices Act needs amending AT ALL.

Not one person I know supports this bill. It should be killed or at the very least TABled until a comprehensive inventory & public Hearings are conducted.

Signed: Ronnie Rosenbers
Testifier

Representing (Optional)

541 Ninth Av. Fairbanks AK 99701
Address

Alaska State Legislature

Please enter into the record my testimony to the House Resources Comm.
committee name

committee on SB 310 . dated 4-20-94
bill/subject

It is correct to distinguish the Alaska boreal forest from forests both in other portions of Alaska & in the lower 48 however there are lessons which we can learn from large-scale, long-term intensive logging in these regions (FMA's).

The relatively low quality of our forests & their poor proximity to major markets implies that state gov't. would have to provide a large financial commitment (eg. providing infrastructure, absolving the FMA holder of responsibility to replant, tax abatements, etc) to attract companies to apply for FMA contracts. Further the state would have to evaluate cumulative impacts of such contracts on fish & wildlife populations & on watersheds.

Timber production is not the only value of forests. There are, among other uses, also fish & wildlife, recreational, life style & aesthetic values which must be considered. For short periods, large-scale, intensive cutting may benefit a few spp. of wildlife. But if the goal of forest mgt. in Alaska (as stated in SB 310) is intensification of commercial output & includes regeneration of merchantable species (not likely to be willow); it seems that wildlife values, among others, will be lost.

Twenty year contracts do not allow us as a state to respond to changes in technology, information re forest ecology, economics or societal values. (over)

Signed: Anne Ruggles
Testifier

Representing (Optional)

POB 82950 Fairbanks Alaska 99708
Address

I would prefer utilization of our forests, statewide, to be driven by local resource economies. Certainly the state <u>should</u> have a role in encouraging long-term, sustainable, locally-driven economies based on use of our natural resources. I see <u>none</u> of this in SB 310.

Finally - I'd like to make a comment on the public process practiced by the legislature on SB 310. I am a member of the Board of Game — we, too have a public process. We recognize that we are managing a public resource for the public. When we schedule public testimony we <u>all</u> sit and listen to <u>everyone</u> who signs up to testimony no matter how long it takes. I urge you to do the same.

Afognak Logging

A DIVISION OF

Kodiak Lumber Limited

(907) 224-3130 Box 610 Seward, Alaska 99664

April 19, 1994

Representative Bill Williams
Chairman, House Resources Committee
State Capital, Room 128
Juneau, Ak. 99801

Please support SB310 as good public policy to create jobes and protect forest health. We must manage our State lands because we cannot count on the Federal government to manage theirs. Forest Management Agreements will still have the protections of the Forest Practices Act, including stream buffers.

Sincerely,

Albert Schafer

Albert Schafer
President

copy for the file

Northern Timber Corporation
P.O. BOX 1120
HAINES, ALASKA 99827-1129
TEL (907) 766-2821
FAX (907) 766-2832

March 4, 1994

The Honorable Mike Miller, Chair
Senate Resources Committee
State Capitol, Room 423
Juneau, Alaska 99801

Re: SB310

Dear Senator Miller:

This note is written to express our support for SB310, and am optimistic that it will become law which will further benefit Alaskans.

I live in Haines which is surrounded by State forests only to see inter-agency and special interest problems destroy a valuable resource. It's disappointing that the Spruce Bark Beetle has become the "harvester" of the Chilkat Valley.

Sincerely,

NORTHERN TIMBER CORPORATION

Roger J. Schnabel
President

S/j

cc: AFA - Troy Reinhart

\SB310

Alaska State Legislature

Please enter into the record my testimony to the Resource Committee
committee name

committee on SB 310 , dated 4/20/94
bill/subject

This bill seems to pave the way for a give away ~~to outside~~ or export of this valuable state resource. Judging from the track record of other FMA's elsewhere, they seem mainly to facilitate resource extraction.

This resource will only grow more valuable with time, and selling a long term contract ~~at~~ for these resources at todays prices is to the detriment of the state. Especially if the state must make expenditures to facilitate this.

I oppose SB 310

Signed: Jack Schmid
Testifier

Representing (Optional)

P.O. Box 84244 Fairbanks AK 99708-4244
Address

April 20, 1994

House Resource Committee
Alaska State Legislature

I am a lifelong Fairbanks resident. I work in the visitor industry. This letter is the testimony I offered this morning to the House Resource Committee on SB310.

First I want to register my disappointment in the way your committee has handled the public hearings on 310. On Friday April 15th, at no time did you ever acknowledge the people gathered statewide to offer testimony on SB 310. Further you have decreed today that you have only 2 hours time to offer all of us, & only 2 minutes per person. Clearly many voices will not be heard by your ears. Rest assured we will not be silenced by filibustering myopia. This is our home. What we say is worth your time. We hired you; we can fire you.

That stated, allow me to speak my opposition to SB310.

Consider <u>why</u>, after decades of non-interest the forests of remote Alaska are suddenly interesting and potentially profitable to the timber technocrats. Plain and simple: this industry has destroyed its resource base everywhere else.

Also consider that people are spending millions of dollars every year to visit Alaska. They come here because we have what they want, what they no longer have: intact wilderness, standing & river-logged forests, wild & healthy populations of endemic species. If we destroy what we have, these people will take their dollars elsewhere.

The price of Alaska will only rise as everyone else continues to live beyond the capacity of their homelands. We must not cave in to pressure to irrevocably develop + destroy our forests.

We Alaskans must preserve what we have - manage it locally, sustainably, on a small scale for modest gain. You do not have the right to invite these rude outside profiteers to my home. I don't want them here.

Eventually the intact forests of Alaska will be worth <u>more</u> than all the timber ever produced the world over.

Oppose SB 310. Allow community councils to draft consensus forestry management proposals for considerations next legislative session.

Sincerely,

CRISTINA SCHNEIDER
P.O. BOX 80883
FAIRBANKS, AK 99708

ALASKA STATE LEGISLATURE - LEGISLATIVE AFFAIRS AGENCY
JOB DESCRIPTION

ESSENTIAL FUNCTIONS/TASKS OF JOB

Essential functions are those that you must perform to accomplish the objectives of the job.

% of Time	importance 1 - 5*	Description
60%		Moderating Teleconferences with responsibility for:
	5	*Scheduling teleconferences (rooms-moderators-lines) and advertize teleconferences (newspapers-press-constituent fax tree) for interested people in the Fairbanks area & 5 VTS sites
	5	*Provide public with necessary legislative materials (bills, committee substitutes, amendments, etc for knowledgeable participation in teleconferences)
	5	*Enforce sponsor mandated protocols-time restraints
	5	*Sending participant lists and updates to chair
	5	*Compiling and entering final stats & forwarding to Juneau
	5	*Trouble shooting
	5	*Making necessary telephone calls to add sites, relay messages, etc.
	5	*Sending & Responding to E-mail messages concerning participants & teleconference concerns
35%		Providing factual, accurate and timely information to the public on legislative and other state government activities with responsibility for:
	5	*Responding to inquires from the public concerning legislative issues, including status of bills, resolutions & citations & other state government activities
	5	*Directing public to the appropriate legislation and/or controlling committee or agency by research of ALECSYS computer system, AAC's, Statutes or past files
	5	*Processing POMs, incoming & outgoing mail, telecopy documents & other materials in a timely & confidential manner
	5	*Monitoring activities of the legislature
5%		Clerical Duties
	5	*Assisting with mail pick up & delivery
	5	*Providing assistance on special projects
	5	*Moving equipment & supplies
	5	*Supervising an office as directed in the absence of the field or regional Legislative Information Officer

NON-ESSENTIAL FUNCTIONS

Non-essential functions are those that you occasionally perform but are not necessary to accomplish the main objectives of the job.

FAX TO Representative Bill Williams, House Resources Chair, 465-3793

April 15, 1994

Dear Rep. Williams,

I'm a lifelong Alaskan and I operate a business in Fairbanks with my father. I'm very familiar with Alaska's boom and bust economy, and I certainly favor a diversified economy. Although we're not opposed to logging, my family and I have grave concerns about SB310 as it now stands. I hope you'll address our concerns before you pass SB310 out of the House Resources committee.

First, reassure us that only a limited acreage of our total state forest will be committed to the long-term contacts, so our economy can remain diversified (and parts of the forest landscape will remain aesthetic). Be sure that the proposed Forest Management Agreements mesh with local communities' land use plans.

Promise us that the state is going to make money, and that our local smaller-scale loggers won't get shut out of the deal. Assure that there will be no state subsidization of this industry. (There will certainly be a cost to the state to conduct this business.)

Show us that the companies will find it economic to build processing plants here. Reassure us that somehow, local hire can be mandated. Assure that out-of-state loggers won't come here seeking employment, only to eventually end up on our unemployment rolls. (My friends from Southeastern Alaska tell me that more than half of the people currently working in the timber industry aren't Alaska residents.)

I've read the bill that the Senate passed, and it doesn't address these concerns. Since we are venturing into new territory here, let's proceed with caution. At the very least, give the state an "out" by changing the language of the bill to shorten the length of the contracts. And if it's unconstitutional to mandate in-state processing and local hire can't be mandated, maybe SB310 needs to be reworked altogether.

I'm concerned that you haven't been hearing from a representative cross-section of Alaskans because we're busy with our lives, and testifying on legislation isn't a familiar process to us. But believe me, this bill is being discussed in many circles. Just in the last couple weeks I've heard opposition from people at the athletic club, at my quilt guild meeting, in our office and at a neighborhood potluck. People are opposed to the bill (although not to resource development in general). As it stands now, this bill is not the optimum vehicle for developing our timber industry.

Thank you for considering these points as you address this legislation.

Cordially,

Julie Scott
PO Box 80435
Fairbanks, AK 99708
FAX (907) 479-4329

Alaska State Legislature

Please enter into the record my testimony to the House Resources committee name

committee on SB 310 Lumber Resources bill/subject dated 4-14-94.

(1) Feel timber should not be cut at all if we have to subsidize the effort.

(2) We should not sell any timber abroad unless its outside of a 200 mile radius of a mill. Anything within that radius should go to the mill or not be cut. Should get feds to adopt a similar rule.

(3) No clear cuts should be allowed if visible from a main tourism thoroughfare such as the Seward Highway, Exit Glacier Road, Resurrection Bay etc.

Signed: Michael Sela MICHAEL SELA
Testifier

Representing (Optional)

Box 912 Seward
Address

224-3125
Phone No.

Please FAX to H. Resources.

April 20 testimony House Resources SB 310
Rep Williams and committe

Hello. My name is Mary Shields I am a 29 year resident of Fairbanks. I work in tourism and I am an author. Everyday in the summer, visitors tell me how precious Alaska's natural beauty is. They tell me to be sure we don't make the same mistakes made other places outside. I tell them I will and I take my responsibility seriously. That is why I am here today.

Thankyou for listening to me. Unforunately many people went home this morning and do not that the hearing is reopened. I hope you will schedule and publizie an evening hearing so working people can speak to you. Also many of us contributed in raising air fares to send 3 of Fairbanks ' finest and most creative minds down to you; Dr. Jan Dawe, Dr. Glen Juday and Dr. Colin Reed. I hope you will make time in your busy schedules to talk with them and learn from their expertise.I realize you are nearing the end of the session...you are stressed to the max and you must be very tired.

Please don't make foolish mistakes in your weariness. We the people will have to live with those mistakes forever.

The people in the Tanana Valley did not ask for large -scale timber development and we do not want it. That you could go ahead , after the overwhelming testimony across the state this morning is alarming.
And believe me the alarm is being heard clearly around Fairbanks.

I urge you to oppose SB 310 for the following reasons, and I will keep it simple.

1. The people living in the Tanana Valley have told you we don't want it.
This is very important to us, this is our home. We can put up with cold.dark and long winters, but we can't put up with living in the middle of a clear-cut. We don't have mountains, or tides or glacier nearby. We have trees.

2. There is no local-hire provision. Fairbanks would have a hard time supporting new families who mlove to town from other depressed logging communitiesout-of-state. Please hold the bill until you can get a waiver than will protect against ou-of-state migration to take the jobs.

3. FMA's have been disasterous everywhere else they have been tried with only 1 or 2 exceptions. DOF can't even manage the present 1000 A.harvest without wasting a lot of the trees. If you doubt me, let me show you the Left Fork sales..and show you pictures of what a mess that is. Seeing current practices is what caused me to get active to stop more of the same BAD management. Management is more than just cutting down trees, although DOF seems to ignore this.

4. Some of the best foresters in North America, (Jerry Franklin, Gray Jones, Chad Oliver,) recently visited Fairbanks. They all said the management must start from the people up. SB 310 is comng from a few at the top down, and it is headed for disaster. Last Friday Senator Frank admitted that he did't have a personal knowledge of how FMA's work or don't work. But he thought there were people who thought they worked. I'm sorry but that just not good enough. We have to live with these things and we expect a lot more homework on the part of our legislators.
Why is Senator Frank pushing so hard for this bill when his district is so opposed to it?

5. We don't have the economic or biological data to know it is worth the risk. We need a cost/benefits anaylsis before we give it all away along with all future options.
5. There is no local hire provision. Fairbanks would have a hard time supporting new families who move to town from other depressed logging commnities.

6. REAL value-added processing would provide lots of job using few trees. Small local business will be squeezed out if the jumbotron, international industries are attracted by cheap "raw material" Competitive bids would bring much higher stumpage prices than the FMA system. The state really can't afford to give our resources away, and I hold your committee responsible for this protection.

CHANGE is coming , no mistake. But let's work together to invite change that will make our lives better. Yes we need jobs, but the people are not willing to pay the price of locking up our forest for the next 20 years.

Slow down...use your common sense....and hold off on this bill until we really know the costs and benifits in terms of all jobs using the forest, of clean air and water,and healthy habitat for people and wildlife.

Please attend or have your aides attend the nest FORESTRY FORUM, in Fairbanks April 29-30 Herb Hammmond, a well known forest ecologist, will share the experiences of British Columbia and try to help us learn from their mistakes.
The people want to have community control of our forest. The 5 year plans and guidelines like the Susitna Valley has, are better ways to go. The public process must be respected. Public comments and not just to be given, they are to be listened to and worked with. We can not afford to divide our communities even more than SB 310 has already done. Fairbanks is a small town. We need to live together and work together to assure our best future

Mary Shields
po box 80961
Fairbanks 99708
455-6469 phone and fax

Mary Shields

TO: Bill Williams, House Resource Committee April 20, 1994

FROM: Peter Shepherd, 1012 Galena St. Fairbanks, AK 99709

SUBJECT: SB 310

I support SB310 and urge it's passage in the House.

Various anti-development groups and preservationist activists are attempting to derail this bill. Their objectives are largely personal opinion and reflections of an ideological bent towards "nature knows best". I suggest these groups have co-opted ADF&G (Habitat Division) participation in an attempt to block or impede this bill. The ADF&G estimates of annual expenditures are misleading, inaccurate, and intellectually dishonest, reflecting shoddy unprofessional work.

The so called "public outcry" against this bill has been led by the Northern Environmental Center and Boreal Forest Council of Fairbanks. These groups have spared little expense to impune the authors of this bill as well as to seek it's defeat. Suggestions that the entire Tanana Valley would be denuded of trees, small log processing operations would be eliminated, vast clear cuts imposed on the forests, and demands for fiber would outstrip forest sustainability are a few examples of their fear mongering tactics.

My professional opinion, as a retired wildlife biologist, is that enactment of SB 310 will permit and encourage maximum use of interior forests without deleterious effects on wildlife or other forest uses. Indeed this bill compliments the recently signed into law SB77 habitat improvement requirements. Statehood gave us lands for an economic base, development of these resources on these lands is a constitutional mandate. Neglect of this potential, based on emotional retoric, will not benefit or insure a healthy economy.

Peter Shepherd

474-4685

OPEN LETTER TO ALL
MEMBERS OF COMMITTEE
H. Resource

Dear Editor:

You would expect a group made up of Scientists, professional wildlife managers, and Conservative enforcement officers, to be correct, logical, and precise. But if you read Saturday's Compass (3/26/94 Anchorage Daily News) you would be as perplexed as I was. The policy of the Wilderness Society is anything but correct, logical or precise. At best it is an emotional (retorical) statement. I can't believe professionals would be associated with the likes. Caribou/Reindeer ranching is now practiced and only for a specific race of people. "Land occupied by ranched or herded game, is land from which free ranging wildlife is excluded." Ask these boys and girls why they aren't working to ban natives from using millions and millions of acres for Caribou raising. The policy seems to be - NO white Alaskans

Again and again the word unscrupulous is used. A word I'm ~~personally~~ familiar with and atribute to this type of misinformation. I mainly atributed it to some current and former state personel.. Just recently Fish and Game's Commission's

Wayne Reglan attempted to misinform the public about Doug Welton and his intentions. Doug has been an ardent supporter for moose farming. An honest Joe trying to make and enhance his living. A darn hard worker, self employed and not wealthy ie. he's typical of the majority of us. I'd love to see Wayne and his overpaid buddies work for themselves, where holidays and vacations aren't ~~paid~~ paid days off

"Game ranching poses the risk of spreading disease and parasites" and the paragraph goes on to cite tuberculosis. I should inform these professionals that our state is tuburculosis free. I'll address the reference to meat only with ~~the~~ their discredited DEC's competence. Talk to the people doing time for illegal meat sales. There will always be someone who will break the laws, that doesn't mean driving 56 miles an hour is right

The public should contemplate the philisophical implications of reducing the status of wild species to privately owned domestic livestock.

This is a room with No walls. Fox, bison, elk mink, muskox, Deer, Caribou (limited only to natives), are all domesticated animals. When you see them in the "free ranging Condition" does the fact that they are domesticated cause your philisophical feelings of "wild" change? I guess the wildlife Society has already answered that.

It's ironic that we consumptive users pay nonconsumptives to control us. Maybe English Common law ~~never~~ ~~left~~. still exisits

Respectfully,

Robert Shumaker
P.O. Box 3712
Palmer, AK 99645
746-4453

Alaska State Legislature

Please enter into the record my testimony to the House Resource committee name

committee on SB 310 bill/subject, dated 4.15.94

STATE AGENCIES ADMINISTERING PUBLIC RESOURCES SHOULD BE ACTING AS COORDINATORS + PLANNING ADVISERS TO LOCAL POPULACE (OWNER/OPERATORS, SUPPORT SERVICES, AND RESIDENTS IN THE REGION). DEVELOPMENT IS NECESSARILY SLOW AND AT SMALL SCALE TO BEGIN WITH IF LOCAL CONTROL BY THOSE AFFECTED IS TO BE MAINTAINED. GROWTH FROM SMALL BEGINNINGS WILL TAKE PLACE IF PUBLIC AGENTS FOSTER THESE LOCALLY CONTROLLED EFFORTS TO DEVELOP.

THIS BILL IS AN EXAMPLE OF STATE AGENCIES (+ THE LEGISLATORS) ASSUMING THAT THE PROCESS OF EXPLOITING RESOURCES FOR MONEY (IN THE NAME OF "THE PUBLIC") IS THEIRS TO EXERCISE. I OPPOSE THIS OPERATING PREMISE.

ENSURE THAT LEGISLATION DIRECTS RESOURCES AGENCIES TO PROVIDE PLANNING + ACTION SUPPORT TO THE LOCAL SMALL-BUT-GROWING OWNER/OPERATORS AND THOSE IN THEIR REGION TRYING TO LIVE WITH THE RESULTS.

Signed: David Stallard
Testifier

SELF-EMPLOYED OWNER/OPERATOR (LOCAL BUOYANCY) ADDING VALUE TO LOCAL RESOURCES (CERAMIC)
Representing (Optional)

1009 O'CONNER
Address FBKS 99701

Alaska State Legislature

Please enter into the record my testimony to the _____
committee name

committee on S.B. 310, dated 15 April 1994
bill/subject

This bill is the first time I've ever felt motivated enough to figure out how to give testimony, and actually follow through. I am not a regular member of the AK Northern Environmental Center – I am a longtime resident of Fairbanks and the Tanana Valley, and I love it here. I am in opposition to this bill. I used to live in Oregon and I know how the big timber companies operate. They will say now that they will only harvest a limited amount timber, but after 20 years, after people and their families have become dependent on logging at a certain rate, they will say they need more timber. They will pit jobs against quality of life. They will get their way until there is no harvestable timber left, and then they will leave – leaving people and their families with no work and bitter feelings. PLEASE don't let this

(cover)

Signed: Susan A. Steinacher
Testifier

myself
Representing (Optional)

1610 Jones Rd. Fairbanks, AK 99709
Address

happen to our community. The big timber companies are not in our best interest. Please rethink how to proceed with logging in the Tanana Valley.

I propose that you consider subsidizing the start-up of small local owned logging companies and mills. The price of lumber has risen dramatically. We can supply our framing, general construction, and log home construction, at a lower cost using local labor, local lumber, and locally owned companies that are investing in the long term, renewable resources of the Tanana Valley - not just for their children, but for their children's children, and on indefinitely. PLEASE DO NOT BRING THE BIG TIMBER COMPANIES INTO OUR VALLEY - WE CAN DO MUCH BETTER FOR OURSELVES AND OUR FUTURE WITHOUT THEM. I challenge you to be innovative, to think small, and to think forever.

Thank you.

To: Bill Williams
Chairman of House Resources
FAX 465-3793

I am opposed to the passage of SB 310 as it is currently written. Amending the primary purpose of the State forests from mulitiple use to commercial timber development and creating the proposed long-term FMAs, I think will prove to be not only short sighted but, ultimately, detrimental to both the economy and natural resources of the State. The proposed long-term contracts and attendant obligations do not allow sufficient flexibility to react to changing conditions in, e.g. public values on land usage, critical habitat demands, or world market needs.

If such a bill is to be passed, the State must require that the contract period be reduced to no more than 5 years, that FMA harvest levels be adjustable to changing conditions, that FMA contractors be required to be responsible for scaling, road construction, reforestation and restoration of their areas, that fines and penalties be established for contract and regulatory violations, that overseeing agencies such as DNR and Fish & Game be funded sufficiently to monitor compliance, and, finally, that provisions exist for local hire.

After considering the issues and ramifications of SB 310, I feel that it is ill-conceived, panders to special interests, and attempts to support a bloated budget. As written, this bill's passage would demonstrate both negligence and irresponsibility on the part of our legislators to the people of the State. Alaska is still a very special place in terms of the extent of its wilderness areas and natural resources and the heritage this can offer our children. I feel it is encumbant on all of us to develop and nurture a proper relationship to this environment, and that it not be plundered for potential short-term gain. I think this bill violates that trust.

Sincerely,

Constance Stricks
PO Box 81437
Fairbanks AK 99708

Alaska State Legislature

Please enter into the record my testimony to the House Resources
committee name

committee on SB-310, dated 20 April 1994
bill/subject

I am opposed to SB-310 as written since I believe that the multiple-use management as stated in the current Sec. 41.17.200 should be retained. I believe that this Bill unnecessarily limits other economic development and recreational uses of forest lands by making them subservient to timber harvesting.

I also have reservations about the proposed possible twenty year lengths of contracts since the forests under consideration are varied (about fifteen per cent white spruce and the rest approximately equally divided between hardwood-spruce and hardwood stands) and could probably be more efficiently and responsibly managed and harvested in shorter, possibly renewable, contracts

I am a 30 yr resident of Fairbanks vicinity and am an exploration geophysicist. Thanks you for your consideration.

Signed: Kenneth R. Tuttle
Testifier

Tuttle
Representing (Optional)

1191 Eastwood Lane Fairbanks, Alaska 99712
Address (907) 457-8502

To: Troy 1 page
Fm: Thyas

Bdb

Statement of Support for SB-310 Which Would Authorize Forest Management Agreements
by John L. Sturgeon, President Koncor Forest Products
March 1, 1994

Koncor Forest Products Company is a native owned company that has been involved in forest management in Alaska since 1977. Koncor currently has forest management activities in Southeast Alaska, Prince William Sound and the Kodiak area. These activities generate in excess of 300 full time jobs in Alaska with annual revenues in excess of $60 million.

Koncor believes that the forests of Interior and Southcenteral Alaska hold great potential for the development of a sustainable medium size forest products industry. Due to the lack of timber supply worldwide, markets for Alaskan forest products are very strong and expected to stay that way for the foreseeable future. This is critical since in past years timber markets for Interior type timber were not high enough nor stable enough to attract sufficient capital to develop infrastructure.

Since it is generally agreed that strong timber markets are here to stay the next most important component needed to develop an Interior timber industry is a steady, reliable supply of raw material. If investors can be assured of this steady reliable supply of raw material they will be willing to invest in the construction of infrastructure. This infrastructure would include the construction of processing facilities, mainline roads, rail loading facilities and the purchase of modern timber harvesting machinery. This infrastructure could be built without the need of government support in the form of loans or loan guarantees. This can be accomplished by the private sector if they have access to a long term, reliable supply of timber, assuming the timber is sold at market price and government regulations don't suffocate the industry. The forest management agreements that would be allowed under SB-310 would provide the basis for securing the needed long term reliable supply of timber.

While this legislation would provide an avenue toward the management of Alaska State forest lands, it would not do so at the detriment of the forest environment. The State of Alaska would still retain control of the land and the practices undertaken. However, this would result in much less cost to State government. Koncor believes that the Forest Practices Act and provisions of this legislation would result in protection of fish, wildlife, and other public resources.

The legislation still provides for public comment and comments by all public agencies. In no way would this legislation lock anyone out of the process. It would also not damage any of the other important industries which rely on the forest environment.

Alaska State forest lands are in need of careful management activities if we are to protect wildlife, watersheds and the economic values they contain. If we do not soon start the management of our State forest lands, the chance of some natural disaster, such as wildfire or the spruce bark beetle, destroying these values, will continue to increase.

In summary, Koncor supports SB-310 because it is a practical means to encourage the development of Alaska Interior forests. Forest management agreements, which would be authorized by this legislation, would provide the key component to building a strong forest industry in Alaska. These key components are a steady reliable supply of timber at market prices.

Susitna Valley Association
9600 Slalom Drive • Anchorage, Alaska 99516 • (907) 346-1943

POSITION PAPER
April 10, 1994

CSSB 310: AN ACT RELATING TO TIMBER HARVESTING ON STATE LANDS

The Susitna Valley Association, a coalition of 69 organizations, plus over 4400 individual and business members, opposes CSSB 310. This position paper will address SVA's concerns regarding forest management agreements, as well as the proposed exemption of "small sales" from the Five-Year Timber Sale Schedule.

Forest Management Agreements (FMAs). The public in southcentral resoundingly opposed a large negotiated sale for the Susitna Valley six years ago. That proposal is similar to what is in this bill. The people again opposed various forms of the concept in the legislature from '87 though '90. We continue to oppose it as presented in SB 310.

Several surveys conducted in the Matanuska-Susitna Borough reveal that large-scale timber harvesting and long-term contracts, such as required for forest management agreements, are not popular concepts among over 90 percent of the Borough's resident population. SVA has enclosed a paper which summarizes those surveys.

The paper also provides a brief overview of the Susitna Forestry Guidelines project which involved thousands of people over several years. According to DNR, participants "strongly opposed expanded logging operations" for the Valley, and "cited the importance of the recreation and tourism industry to the Valley's economy and quality of life".

SVA expects, after listening to earlier testimony on SB 310, the response will be similar elsewhere in the state to FMAs being used to manage state multiple use forest lands.

In regards to SB 310, one of its major flaws is that it does not provide for public participation in deciding where the FMAs will be located. That decision will be made by the commissioner, or by a timber company requesting a specific area. The first opportunity for public "comment" is <u>after</u> an area is identified and proposals are received.

Even though SB 310 does require the commissioner to consider certain multiple use values in arriving at a decision, it has been SVA's experience that DNR does not have the data base or personnel to adequately evaluate or represent many of the nontimber uses of the forest land. SVA sees this as a serious gap in the credibility of the process, particularly for an area such as the Susitna Valley which has a complex remote recreation and related tourism economy.

SB 310 gives far too much authority to the commissioner in negotiating the terms of an FMA. Those negotiations, including decisions involving roads, reforestation, facility development, and silvicultural practices, will be made between the commissioner and the contractor outside of public or legislative purview. The general public, including

(over)

impacted businesses, local communities, recreationists, and property owners, appear to have no opportunity for input into these decisions until the FMA area comes up for renewal in 20 years.

There is no question that forest management agreements, once in place, advance timber harvesting as the priority use of the land. They close the door on other forest dependent uses and values that may be even more important economically and culturally than logging. They remove the necessary checks and balances so important in managing, rather than exploiting, our resources. They are expensive. In Canada expenses have run two to three times income, requiring long-term financial commitment on the part of the governing body. FMAs are not likely to be the answer to Alaska's fiscal problems.

The exemption of "small sales" from the Five-Year Timber Sale Schedule. If the intent of the proposed amendment in Section 2 of the bill is to allow flexibility for Division of Forestry, but still ensure that the bulk of the sales goes through the plan process, then the amendment is flawed for the Susitna Valley. It would exempt a full 67% of our sales from the current Five-Year Timber Sale Schedule.

A half-million board feet is not considered "small" in the Valley. While that volume may equate to only about 20 acres in southeastern, in the Su Valley where our so-called "commercial forest lands" average only 2549 board feet per acre, that equates to 200 acres. If the sale is for selective harvest, it can impact many times that area. These are substantial harvests in an area that has over 17,000 private properties, 52 remote lodges, and numerous small communities diffused throughout the area; not to mention a recreation and tourism economy that generates over $15 million annually, and which has invaluable fish and wildlife habitat.

This proposed amendment is "broke" and needs fixing.

In conclusion SB 310 appears to accommodate a small group, primarily of outside corporate interests, who's sole purpose is to make money from cutting our trees. And, they've told you <u>maybe</u> they can make it work, but only <u>if</u> you give them full control over huge enough blocks of the forest land, and only <u>if</u> you commit the land to them with logging as the priority use for a long and indefinite period of time.

In support of responsible resource management and development, and in support of existing businesses that are dependent on an intact forest, SVA asks that you reject this bill. Thank you.

Lolsann G. Reeder, President
Mike Bronson, President, Wasilla Chapter
Roberta Sheldon, President, Talkeetna Chapter

Susitna Valley Association 9600 Slalom Drive Anchorage, AK 99516 346-1943
Susitna Valley Association, Wasilla Chapter P.O. Box 2176 Palmer, AK 99645
Susitna Valley Association, Talkeetna Chapter P.O. Box 292 Talkeetna, AK 99676

Susitna Valley Association
9600 Slalom Drive · Anchorage AK 99516 · 346-1943

THE PUBLIC HAS REPEATEDLY VOICED OPPOSITION TO LARGE-SCALE TIMBER HARVESTING IN THE SUSITNA VALLEY

Senate Bill 310

1987 SUSITNA VALLEY TIMBER SALE PROPOSAL

The administration proposed a large-scale negotiated timber sale, similar to a forest management agreement, on 200,000 acres in the middle of the Susitna Valley. The public overwhelmingly and soundly rejected the sale. The sale was ultimately withdrawn, and the Susitna Forestry Guideline Project was initiated (details below).

PUBLIC OPINION SURVEY, Matanuska-Susitna Borough Forest Management Program; Databank Mat-Su, for Matanuska-Susitna Borough; July 1989.

General. Random phone dialing survey of 250 Mat-Su Borough residents. 19 residents were from the Susitna Valley (Talkeetna - 11; Willow - 8), with the rest from Wasilla, Palmer, and Big Lake.

Large or small scale? Only 6 percent favored large operations. 79.2 percent of those interviewed wanted the Borough to build upon the small logging operations that currently exist in the borough, rather than attract large national or international operations.

Long term Forest Management Agreements? Only 4.4 percent favored the longer contracts conducive to Forest Management Agreements. Almost 60 percent of respondents preferred short-term timber contracts of 5 years or less.

Summary. Among the most emphatic points made by respondents, according to the researchers, was that timber development and processing which might occur should be small-scale, utilizing local labor, and be done in an environmentally sound manner. Further, that timber harvesting should be done utilizing fairly short-term contracts and that there be no clearcutting.

ISSUE QUESTIONNAIRE; Rep. Curt Menard; February 1990.

General. Questionnaire published in the Frontiersman, a Wasilla newspaper. 860 respondents. Questions were on a variety of issues, including one on timber harvesting.

Timber Harvesting. Only 9.8 percent of the respondents supported "large scale" timber harvesting. 58 percent approved, basically, of nothing larger than is presently being cut. Another 32 percent would accept "moderate scale", but "moderate" was not defined.

(over)

SUSITNA FORESTRY GUIDELINES PUBLIC COMMENTS, Susitna Forestry Guidelines Project; Department of Natural Resources; Adopted December 1991.

General. Was a 4 year project. 2000 people, including 1200 property owners in the planning area, requested to be on the project mailing list. Hundreds of people attended meetings which were held in Talkeetna, Trappers Creek, Skwentna, Alexander, Willow, Wasilla, Palmer, and Anchorage. The project's Citizens' Advisory Committee consisted of 31 organizations, businesses, and local governments.

Review and Analysis of Comments on the Public Review Draft. (DNR, May 1991; 130 pages of comments, single-spaced) "**SCALE OF LOGGING** Keep it small, keep it near existing roads, emphasize recreation: Many comments supported small-scale logging, harvests near the road system, and harvesting for personal or commercial use. However, they strongly opposed expanded logging operations and new access into remote areas. Many of the comments cited the importance of the recreation and tourism industry to the valley's economy and quality of life."

At the final public meeting, 4,100 signatures of individuals who "are opposed to large-scale timber sales in the Susitna Valley", and who support the premise that "forest management agreements are inappropriate means of administering our public lands", were submitted by the Susitna Valley Association. These are on file with DNR.

Response to Public Comments. (DNR, May 1991) "**THE BIG ISSUES Scale, Location, And Timing of Logging And New Roads.** Almost half the comments received were concerns about the scale of logging and extent of new roads. Most said that logging should be small-scale, local operations, near existing roads, and that new roads into remote areas were unwanted. Many were concerned that logging would harm remote recreation."

Dated: March 22 1994

Susitna Valley Association 9600 Slalom Drive Anchorage, AK 99516 346-1943
Susitna Valley Association, Wasilla Chapter P.O. Box 2176 Palmer, AK 99645
Susitna Valley Association, Talkeetna Chapter P.O. Box 292 Talkeetna, AK 99676

Alaska State Legislature

Please enter into the record my testimony to the HOUSE RESOURCES committee name committee on SB 310 (CSSB310) bill/subject, dated 3/30/94.

I Hereby request that the public hearing on this bill be extended and rescheduled. The public has been shut out, wrongfully shut out.

I OPPOSE Bill SB310 based on lack of public process, economics, bad public policy, citizen rights, & environmental questions. There's NO need for this Bill!

Signed: James T Lyken
Testifier

Representing (Optional)

PO Box 68 Talkeetna 99676
Address

Msg 278-7436
Phone No.

9/86 Legislative Information Office

DT: 4/20/94
FR: Jim Sykes
TO: House Resources Committee
RE: Testimony on SB310

My name is Jim Sykes, my residence is northeast of Talkeetna in the Susitna Forest.

I believe you are headed for dangerous legal territory with this bill, and quite frankly I don't see the need for it. We do Comprehensive plans, coastal zone management plans and community plans to prioritize likely uses. I chaired a long community planning process for the 300 square miles of the Chase Comp Plan. Our forest is one of multiple uses, like most forests. This bill creates an unnecessary conflict with the already established planning process and prioritizes trees for commercial timber harvest. The proposed amendment to Section 5 should be stricken.

You should also be aware that where plans are in conflict, it triggers a higher level of review before industry can proceed. For example, if the federal government wants to do something that goes along with a management plan, only an Environmental Assessment may be required. If the project is in conflict with a plan, the National Environmental Policy Act kicks in and a full Environmental Impact Statement is required. This bill could actually create that kind of conflict.

Worse than that SB310 gives the DNR Commissioner almost god-like authority to develop whatever long term forest management agreements she or he feels like. It definitely shuts out the public process, where there is already not enough citizen participation. If you don't have an example of what an FMA is going to look like, you shouldn't pass legislation giving full

authority to the DNR Commissioner to figure it out in the absence of public process.

3(3

The worst part of this proposed system is that we are basically paying people to cut down our trees and cart them off. We lose in two ways--getting only 10 cents in return for every dollar spent, and the resource is gone. Former State Forester Ted Smith testified before the Chase Comp Plan committee that the Susitna Forest could not be profitable without subsidies for roads and bridges. It's time for the state to wise up and quit being the sucker for anything that sounds like economic development. We have to ask who benefits while the state pays.

Section 2 c is one of those "One-size-fits-all" kinds of laws that won't work. Exempting a sale of a half million board feet in Southeast Alaska might be 20 acres, in my forest it might be 200 acres. Timber sales should be made on an as needed permit basis for sales lasting up to 5 years in length. All timber sales should have extensive public input from communities most affected before they are considered.

Several years ago the values of tourism, recreation and remote uses were figured to have a yearly financial benefit greater than cutting down and selling the entire Susitna Forest. We have a multiple-use forest where recreation is the primary benefit along with local loggers who historically cut from 500-1500 acres a year.

In summary, there is no need for this legislation. I urge you in the strongest terms not to pass it. If I were Governor, I would veto it. If it becomes law and I become Governor, I will work to repeal it in the next session.

I thank you for your time, and hope you will make a wise decision.

If it ain't broke, don't fix it!

Jan Sykes

TANANA CHIEFS CONFERENCE

COMMENTS ON

CSSB 310 (RES)
FOREST MANAGEMENT AGREEMENTS

[April 5, 1994]

The Tanana Chiefs Conference cannot support the passage of SB 310 in its current form. The original bill was flawed from public process, environmental and industry perspectives. It undermined established public input and planning processes; employed questionable environmental standards; and failed to address the needs of the industry. The bill as reported out of the Senate Resources Committee reinstated public input and planning processes. and strengthen the environmental standards necessary to protect subsistence, but failed to address the needs of the industry needed to promote sustained economic development of a forest products industry in Interior Alaska. If the bill merely promotes the harvest and export of round timber without support for the development of value added processing and coordinated forest industry management, it will add nothing to the Interior forest products industry and further the economic control of Alaskan natural resources by outside interests.

VALUE ADDED PROCESSING

The bill's prime sponser rightfully asserts that the current Interior industry practice of cutting trees for round log export merely harvests the investment principal contained in our forest. True economic development will only occur with the introduction of timber processing into the Interior, such as the development of particle board, pelletizing or similar plants. to process our natural resources. Unfortunately, this bill does not address these concerns. While the prime sponser has expressed strong support for value added processing, he has expressed equally strong concerns over the legally of such requirements. Rather than avoid the issue, however, the legislature should seek to resolve the underlying problem.

The controversy focuses upon the US Supreme Court decision in *South-central Timber Dev. v Wunicke*, 467 US 82 (1984), which

invalidated the former Alaskan in-state processing requirements. This holding acknowledged that federal policy in Alaska also requires in-state primary processing, but invalidated the method used by the State to achieve the same result. The Court's opinion, however, did not prohibit other means available to the State to promote in-state processing. The Court made specific suggestions as to how the State could constitutionally encourage in-state processing. Specifically, the Court noted that Alaska could

1) obtain express Congressional authorization.

2) choose to sell its timber only to companies who maintain active primary processing plants in Alaska,

3) provide a directly subsidize the primary processing industry with discounts on timber sales or cash grants

4) pay to have state timber processed and enter the market only to sell processed timber.

The clearest solution to the problem is to for the State to provide for value added processing contingent upon obtaining Congressional authorization, and than seek Congressional authorization. The fact that federal policy currently supports the practice on federal timber sales suggests that such an authorization would merely allow the State to do the same thing that the federal government does now. Other alternatives would include the restriction of FMA's to contractors that maintain processing plants in the State, or providing discounts to such contractors.

Any of these methods may be used to promote value added processing. The concept of forest management agreements (FMA's) has merit, however, the failure to address the value added issue transforms what otherwise might be a good concept into an illusionary symbolic act.

COORDINATED TIMBER DEVELOPMENT

The bill shc ıld authorize the State to coordinate timber sale offerings and FMA management with adjacent landowners who wish to participate in the FMA. A possible major advantage of an FMA is to integrate management of an entire forest system irrespective of property ownership. In Alaska State, federal and Native property

lines generally transect naturally defined forest boundaries. An FMA provides sufficient flexibility to coordinate land management and timber harvest activity between diverse land owners. ANILCA authorized coordinated land management from the federal perspective, but State participation regarding timber management has not been authorized by the State Legislature.

Coordinated management can provide substantial economic and environmental advantages. On the economic side, coordinated timber offerings allow participants to take full advantage of economies of larger scale. From the sellers perspective, coordinated sale offerings allow all landowners to achieve higher market benefit. Additionally, coordinated sale offerings and management allow participating owners to reduce administrative costs and to share such costs with adjacent operations. On the environmental side, coordinated management would permit an operator to manage an entire forest unit and avoid conflicting operating practices. In the past environmental damage has been exacerbated from uncoordinated timber harvest activity.

The bill should authorize the Department to coordinate with willing adjacent land owners in construction sale offerings, cost sharing, and timber management activities related to the FMA.

TANANA CHIEFS CONFERENCE, INC.
122 FIRST AVENUE
FAIRBANKS, ALASKA 99701 4897
PHONE (907) 452-8251 FAX (907) 451 8938

April 20, 1994

Hon. William K. Williams
Chairman
House Resources Committee
State Capitol, Rm 128
Juneau, Ak. 99801

Re: SB 310

Dear Chairman Williams:

Today, TCC conducted a teleconference with the member villages affected by pending SB 310. After reviewing the current status of the bill, the villages remain opposed to passage of SB 310. The villages recommend that the bill be held over the interim to allow education and consensus building within the Interior on the scope and direction of forest product development. It is fairly evident that both supporters and opposition to the bill have mutually engaged in rampant disinformation regarding the planned development of the forests. In the current political environment, passage of the bill will only serve to further polarize the Interior public opinion and foment further conflict. The result is a repeat of the Southeast Alaska experience of logging by litigation.

As you know, we continue to believe that absent a meaningful value added processing requirement, the bill fails to provide economic benefit for the Interior communities. Sen Frank indicated yesterday that he continues to have substantial legal concerns over the ability of the State to enact a meaningful value added requirement. We have proposed language that would allow such requirements contingent upon the Congress enacting legislation authorizing the State impose a value added requirement. This may

be putting the cart before the horse. Delaying consideration of the bill until next year would allow time for the state to seek the necessary federal legislation.

Consequently, TCC's position regarding SB 310 remains unchanged, and we would urge the committee to refer the matter to a subcommittee for the interim.

Sincerely,
TANANA CHIEFS CONFERENCE, INC.

Michael J. Walleri
General Counsel

Alaska State Legislature

Please enter into the record my testimony to the House Resources
committee name

committee on SB 310 , dated 4/20/14
bill/subject

The lead sponsors of SB 310, Senator Dyson & Representative Williams, refuse to allow much of the public the opportunity to testify, thereby dismissing our testimony as unimportant, and their testimony as significant. In the words of the Greeks, Knew, hubris is followed by Nemesis.

I sent you a proposed amendment to set a limit on timber harvest in the Tenmile Valleys.

If the proponents really don't plan large scale logging why is there no limit?

As it stands SB 310 is dead. Either take it up this year or table it until next year.

Signed: Lane Thompson (LANE THOMPSON)
Testifier

Self
Representing (Optional)

PO Box 80368 Fairbanks, Alaska 99708
Address

April 19, 1994

Lane Thompson
P.O. Box 80368
Fairbanks, Alaska 99708
479-6712

To: John Davies, Bill Williams, Steve Frank
Subj: Amendment to SB 310

I am a civil engineer who started work in Fairbanks as a surveyor in 1950. My wife and I have raised four children here.

I would like to see SB 310 defeated because it appears that the primary intent of its language is to undertake the deforestation of the Tanana Valley so that a few may profit. Since its powerful backers make it unlikely that SB 310 will be defeated, I ask, as a small concession to the many who oppose this bill, that the SB 310 sponsors at least set a limit on the total tree harvest in the Tanana Valley resulting from the FMA section of SB 310.

Since other logging will be taking place outside State FMAs, the limit proposed below is larger than I think desirable for a sustainable forest industry. However, in order to avoid having no limits at all, the proposed limit has been set deliberately at a level believed to be acceptable to the proponents of SB 310. The last four items of the proposal are to prevent cheating on the limit and to restrain giveaways of forest resources under FMAs.

Therefore, I propose that the following Paragraph (o) be added to 38.05.122. Section 3:

(o) Any person who signs a Forest Management Agreement under this section or any person who utilizes any temporary or permanent roads, bridges, factories or other facilities constructed in conjunction with such an agreement for the transport or processing of timber, shall be subject to the following provisions:

(1)Be it provided that the total of:
(a)the aggregate annual timber harvest on State Forest lands within the Tanana Valley drainage plus
(b)the aggregate annual timber harvest on all those other State, Federal, University, Mental Health, Native and private lands within the Tanana Valley drainage which have utilized any temporary or permanent roads, bridges, factories or other facilities constructed in conjunction with any State of Alaska FMAs in the Tanana Valley drainage,
shall not exceed 6,000 acres per calender year, of which no more than 1,000 acres shall be white spruce.

(2) Any proposed change to the above total aggregate acreage shall be preceded by statewide public notice and public hearings starting at least one year prior to the decision to implement such change.

(3) Allocation and reallocation among landowners of areas to be harvested under this section shall be coordinated under the provisions of this section and, prior to final allocation, provision shall be made for full public disclosure and provision made for a public comment period the same as stipulated in Paragraph (c) of this section.

(4) Failure to observe harvest restrictions as determined in (1) and (2) above shall result in State enforced denial of access to roads, bridges, factories or other facilities constructed in conjunction with this section for the transport or processing of timber.

(5) Timber harvesting in excess of the allocations provided for under this section shall be penalized by compensation to the State of Alaska for double the rail head or factory value of the excess timber. Should any disputes or violations among any parties arising from allocations or reallocations, or any other cause which involves provisions of a State FMA or the use of the roads, bridges, etc. listed in (1) above, result in claims for compensation being decided against the State of Alaska; said claims shall not be compensated through the harvest of additional acres of trees above the limits set in (1) above.

April 24, 1994
HC 62 Box 5080
Delta Junction, AK
99737

House Resources Committee
Alaska State Legislature
Capitol Building Room 124
Juneau, Alaska
99801

Dear Committee Members:

I am extremely concerned over the debate of SB 310 in the House. My family has lived off the Alaska Highway near the Robertson River about 30 miles west of Tok for 13 years. My husband, Hank, and I built our home with logs cut and peeled from our property. We both have Bachelor of Science degrees in Forestry from the University of Montana in Missoula. My forestry work experience included 4 years of seasonal employment with US Forest Service in Montana and Idaho marking timber sales, conductiong stand inventories and checking utilization compliance on sales. I then received a permanent professional position with USFS and was in charge of stand inventories. I quit my job in order to return to school to finish requirements for an Education degree - which in turn brought us to Alaska. My husband has also worked for USFS in various positions, has been a logger and log house builder in the Upper Tanana Valley for 6 years.

Wood is an integral part of Alaskans' lives - we heat with it, build our homes with it, create furniture and carvings from it, cook with it. Wood is a valuable resource and in this day and age an ideal raw material, being renewable and recyclable. Interior Alaska is blessed with miles and miles of boreal forest - important to all of us for recreation, wildlife habitat, subsistence, tourism, hunting and trapping, firewood and lumber from local sawmills. How can some politicians believe that these interests will not be adversely affected by SB310? Will the employment and revenue generated by the big business timber industry offset the loss to small sawmills and subsistence users? Will our small locally-owned logging businesses be able to compete with outside industry interests? Can the forest resource supply us with a long-term sustained yield, faced with out-of-state money and 20 year FMAs? I think not. There are some good growing sites in the interior with relatively short rotations possible, however much of our forested land will prove difficult to regenerate. How can a living, ever-changing resource that is affected by so many factors and is such an integral part of Alaska's web of life be efficiently and properly managed by 20 year contracts? 20 years is a long time - alot can change in that time span. Access will be another major stumbling block - winter logging is an option but still requires roads. Why do the supporters of this bill feel that it is necessary to provide the "fullest possible access to, and use of" Alaska's natural resources? Who will pay for this road building and reforestation? Can Alaska afford to follow in the footsteps of USFS in subsidizing the logging industry with deficit sales at a time when that industry is having hard times all over the US? Why is the state ignoring sound multiple-use doctrine that fulfills needs of many types of users as well as protects the natural habitat, in favor of commercial timber being the

primary purpose of forest land?

A bill of this magnitude requires careful consideration - there are so many variables associated with Alaska's forests. Too many questions remain unanswered concerning this bill. Much more is at stake than just trees here.

I am afraid too many people are seeing dollar signs in their eyes and have not been informed as to the real costs and risks associated with this bill's passage. Please, for all Alaskans, vote NO on SB310.

Thank you for your time and effort.

Sincerely,

Mary Timm

Mary Timm

ABC MECHANICAL SERVICES

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ALUMINUM & STAINLESS STEEL FABRICATION - NONDESTRUCTIVE TESTING
FAA APPROVED REPAIR STATION # FG4R179M

MEMBER:
- AMERICAN SOCIETY FOR NONDESTRUCTIVE TESTING
- AMERICAN WELDING SOCIETY
- NATIONAL HOT ROD ASSOCIATION

P.O. BOX 211291
ANCHORAGE, ALASKA 99521
(907) 248-4341
1-800-770-WELD
TOLL FREE ALASKA

DATE: April 12, 1994

TO: Representative Williams
Chair, House Resources Committee

FROM: Dane Wagner

RE: SB310

FAX: 465-3793 No. of Pages 1

We have attended meetings, written letters, and made phone calls to no avail -- why don't you listen to the majority of Alaskans when they say they do not want a bill such as SB310. Throw it in the trash and do something constructive for a change.

I talk to people all over this state daily and I have not talked to ANY who are in favor of a ridiculous idea like SB310. We are being labeled as environmentalists. You would become one over night if I showed up in your back yard with a chain saw. Who are you going to call for help? Wake up and realize what you are doing to many peoples dreams and ambitions.

Why don't you start by replanting all of the devastated areas on southeast alone, see how many years it takes before a harvestable tree crop is ready! The legislators are entrusted by the people to make responsible decisions and that is what we expect!

I vote independent but I follow most of the Republican party lines - but not this one and neither do my friends - all most all of them are in the business community.

This plan is <u>obviously</u> a short term profit for some one in Juneau. Once again Alaskans are being short changed.

Sincerely,

Dane Wagner

DATE: 13 APRIL 94

TO : REPESENTATIVE WILLIAMS
CHAIR - HOUSE RESOURCES COMMITTEE

FROM: REID WAGNER

RE : SB 310

FAX : 465-3793 NO. OF PAGES 1

I HAVE FOLLOWED THIS BILL FROM ITS ONSET, LISTENED TO PROS AND CONS AND AM STILL AMAZED HOW MANY LEGISLATORS EVIDENTLY HAVE A PERSONAL INTREST IN THIS BOON-DOGGLE, IT MUST BE A HIGHLY PROFITABLE PROGRAM TO THEM NOW AND IN THE FUTURE, IT CERTAINLY IS NOT IN THE BEST INTRESTS OF ALASKA OR ITS PEOPLE.

THE BILL TALKS ABOUT RENEWABLE RESOURCES BEING USED, HOW MANY CENTURIES CAN ALASKANS WAIT FOR THIS TO HAPPEN ONCE FORESTS ARE GONE. YOU GUYS HAVE TO BE DREAMERS OR TOTALLY DERANGED WHEN SUPPORTING THIS BILL. STATE FACTS NOT MORE LEGISLATIVE SMOKE.

I VOTE INDEPENDENT AND HAVE FOR 35 YEARS

THANK YOU

REID WAGNER
Box 237
ELMENDORF AFB AK 99506

Alaska State Legislature

Please enter into the record my testimony to the House Resources
committee name

committee on SB 310 , dated 4-15-94 .
bill/subject

The Anchorage Fish and Game Advisory committee opposes SB 310.

The section which turns management of state forest land over to private logging companies would certainly reduce the possibility for input from other users such as hunters and other recreationists, and tourism businesses.

The role of ADF+G must much stronger than simply advisory, as the bill's language presents now.

This bill places lower value on intact wildland for wildlife habitat and non-consumptive recreation, and classifies timber production as best use. It weakens the principle of multiple use which should be the foundation for state resource policy.

Reforestation of logged land by deciduous species will provide merchantable timber does not consider the value of successional stages as wildlife habitat.

Signed: _____
Testifier

Erik Williamson Reg G/S representing
Representing (Optional) Anchorage F+G Advisory Committee

12720 Lupine Rd Anc. AK 99516
Address

345-7678
Phone No.

UCIDA
UNITED COOK INLET DRIFT ASSOCIATION
P.O. Box 389 • Kenai, Alaska 99611 - 0389
(907) 283-3600 • FAX (907) 283-3306

April 19, 1994 SENT BY TELEFAX

Representative Bill Williams,
Chair, House Resources Committee
State Capitol, Room #128
Juneau, AK. 99801-1182

SUBJECT: CS SB310 (RES)
UCIDA POSITION: Opposed

Dear Representative Williams,

United Cook Inlet Drift Association (UCIDA) represents the 585 salmon drift permit holders in Upper Cook Inlet. Some 350 permit holders are current members of our association. UCIDA is also active at the state and federal levels as a member of the Executive Committee of United Fishermen of Alaska (UFA).

UCIDA would like to inform you of our strong opposition to CS SB310 (RES). This legislation constitutes little more than a give away of our timber resources for short term gain at the expense of other uses and users of our renewable resources.

Section 2: Exempts sales under 500,000 board feet from the current public review process which requires that a sale be on the Timber Sale Schedule for two years.

Section 3: Authorizes Forest Management Agreements (FMA). This allows the Commissioner the authority to circumvent the public process and determine that timber harvesting is the best use of the state's forest resources. Other uses will be sacrificed to short term profits for operators. More specific concerns with FMA are as follows:

- No legislature has adequately funded reforestation or implementation of the Forest Practices Act.
- DNR decides where and what size FMA's will be.
- Public comment occurs only after FMA bids are received.
- There is no provision that the state not lose funds (Please see enclosed Guest Editorial, Peninsula Clarion, 4/19/94). FMA's clearly can create a state subsidized industry not supported by the public.
- Contrary to the claim of many sponsors, FMA's can NOT guarantee local industry. There is no longer a primary processing law in Alaska. The holder of a FMA is free to sell timber to the highest bidder.

Section 4 (c)(3): Requires, for state and municipal forest lands, that they be administered for the **expansion** (emphasis ours) of harvest activities. This can only be at the expense of other non-extractive uses. At the very least, without definitions of "business, activities; and life styles that are dependent upon or derived from forest resources" this amendment will create endless litigation and is ripe for abuse.

Section 5: Much as Section 4, creates a defacto preference for harvest activities, the new language of this section clearly tries to establish a preference for "development of commercial forest land," while merely "perpetuating personal, commercial, and other beneficial uses".

Section 6: This section allows the Commissioner to restrict the public uses of land and resources in order to carry out the "resource giveaway" proposed in preceding Sections. Further, "forest growth at a high level of productivity" and "the interests of private landowners" are mandated to be taken into account. However, these interests may at times be inconsistent with other public uses.

I would appreciate it if a copy of our comments could be distributed to the rest of the House Resources Committee members.

In conclusion, UCIDA requests that you not support this attack on the public process and uses other than timber harvests.

Sincerely,

Theo Matthews
Administrative Assistant

CC Representative Phillips
Representative Davis
Representative Navarre
Senator Little
Senator Salo
Commissioner Carl Rosier, ADF&G
Alaska Environmental Lobby, Inc.
Alaska Outdoor Council
Alaska Sportfishing Association
United Fishermen of Alaska

PENINSULA CLARION
TUESDAY, APRIL 19, 1994 Soldotna/Kenai, Alaska 50 cents newsste

UCIDA
PO BOX 389
KENAI AK 99611

What others say

To agree on trees, bring everyone aboard

If Alaska is going to benefit from the long-term forest agreements proposed by some of our legislators, then the agreements must be done right — economically and environmentally.

Some signs in Juneau indicate that goal may not be getting the support it deserves. The bill allowing the state to assign large tracts of forest land to single companies has bypassed the House Finance Committee, ostensibly because it would have no effect on state finances.

The assertion is questionable at best. First, forest management agreements will earn some money for the state through stumpage fees. Second, such agreements will cost the state because they will, if done right, require much more intensive forest inventories and future oversight.

'Alaska should never find itself in the position faced by the Canadian province of Alberta. It committed to huge forest management agreements years ago without proper inventories.'

Better inventories are necessary both to protect the state and the forest.

Alaska should never find itself in the position faced by the Canadian province of Alberta. It committed to huge forest management agreements years ago without proper inventories. Now it turns out there isn't enough wood on the land they assigned to the agreements, so the province is looking to its park land to meet commitments.

More important, thorough inventories would be critical to the long-term health of our forest under management agreements. Scientists and our own intuitions tell us that truly sustaining the forest requires corridors of undisturbed land along streams and across watersheds to allow travel of beneficial animals, birds and insects. Old growth nodes must be left to act as "seed" areas for the plants, soil bacteria and fungus essential to healthy forests. Detailed inventories help make such ideas work.

Besides acknowledging the need for complete inventories, legislators ought to consider a few other changes to SB310. It should create a public process that would set the maximum amount of acreage to be covered in agreements at any one time and the maximum amount to be placed in new leases in any one year. That would address concerns that a pro-industry administration will tie up too much of our best land, leaving local users with the dregs.

The current bill also lets the commissioner of natural resources commit the state to paying for much or all of the industry's roads, scaling services and reforestation. That would be costly work, but the bill only requires the commissioner to evaluate proposed management agreements for economic benefits to the state. We need a statement of liabilities, too.

Knowledge of those liabilities is particularly important given experiences in Canada, where some pulp mills with forest agreements have required outrageous subsidies. Most critics of forest agreements suspect such government subsidies are the only way Alaska will be able to compete with large pulp mills in South America and Southeast Asia.

If that's true, then the public needs to know so it can hit the kill switch.

– Fairbanks Daily News-Miner

TESTIMONY OF RONALD R. WOLFE, CHIEF FORESTER

KLUKWAN FOREST PRODUCTS

TO THE HOUSE RESOURCES COMMITTEE

ON CSSB 310

Good morning, my name is Ronald R. Wolfe and I am the Chief Forester for Klukwan Forest Products, and I would like to offer testimony today in support of the Committee Substitute bill SB 310, which amends Title 38, and Title 41 to make the establishment of Forest Management Agreements possible. Considering the budgetary difficulties facing the State of Alaska, and the desperate need to diversify Alaska's economy, this bill offers a welcome alternative means to stimulate some long term forest development.

Klukwan Forest Products is a wholly owned subsidiary of Klukwan Incorporated, a Southeast Alaska Native Corporation, and holds the unique distinction of harvesting its own timber as well as purchasing timber from the widest variety of Alaska timber owners. KFP has purchased timber from the federal government, the University of Alaska, other Native Corporations in

Southeast and Southcentral Alaska, and it has even purchased a little timber from the state of Alaska, which heretofore has not been able to put up very much timber for sale. CSSB 310 offers an alternative to the existing way the state sells timber, which really hasn't been very successful, so that long term benefits can be attained. This is particularly true for the boreal forests of Interior and Southcentral where the lack of infrastructure frustrates forest resource development, but we at KFP think it may have application elsewhere as well. The main benefit is a reliable supply for industry to make capital investments, and if this is allowed to occur Alaska's forest industry will be allowed to expand and improve. A reliable supply of raw materials is an absolute necessity for industry to obtain financing to build manufacturing facilities and necessary infrastructure, or invest corporate assets into such a venture.

Now, having offered support for this Bill, I would ask the House Resources Committee to amend the Alaska Forest Resources and Practices Act by remove a confusing reference to sustained yield with respect to reforestation in section 41.17.060 (b)(4). The section currently states:

> (4) to the fullest extent practicable, harvested forest land shall be reforested, naturally or artificially, so as to result in a sustained yield of merchantable timber from that land; if artificial planting is required, silviculturally acceptable seedlings must first be available for planting at an economically fair price in the state; and

We request the language "so as to result in a sustained yield of merchantable timber from that land" be deleted, and it is my understanding the legislative legal services office has proposed some language that would repeal Section 41.17.060 (b)(4) and move that section to a new paragraph 8 in 41.17.060(c), and create a new section 41.17.060(d) that would state:

> (d) With respect to private land only, to the fullest extent practicable, harvest forest land shall be reforested, naturally or artificially. If artificial planting is required, silviculturally acceptable seedlings must first be available for planting at an economically fair price in the state.

The new paragraph 8 is appropriate Section (c) in 41.17 which refers to state and municipal forest land only.

This is something that should have been done when the Forest Practices Act was amended several years ago because in that review it was recognized that their would be specific stocking standards for reforestation in the ensuing regulations. Today article 5 of 11 AAC 95 contains these specific standards, and because these regulations have been promulgated and are now law this

change is more house keeping rather than substantive. The confusing reference to sustained yield has resulted in at least one instance of a threat of lawsuit against the Commissioner of Natural Resources supposedly not enforcing sustained yield management on a particular parcel of private land. Clearly this is not appropriate, nor legal for that matter, and its removal will be helpful to prevent the state, and private landowners from having to defend against a frivolous lawsuit.

During the Senate hearings on this bill quite a bit of testimony was given expressing concern over the way this bill would change the public's input into the planning process. In the past much of this input has been directed towards the protection of publicly owned nontimber resources, but it should be remembered that these plans were prepared before the existing Alaska Forest Resources and Practices Regulations were promulgated. These detailed regulations provide a great deal of protection to nontimber forest resources that the state planning processes have provided in the past with input from the public. So effectively the protection to these resources remains, it just comes from today's regulations instead of a lengthy and

expensive processes which has got to somehow be changed for successful development of state forest lands.

In closing, the concept of forest management agreements is a good one to make the supply available to those who can manufacture wood products, and generate revenue to the state of Alaska where appropriate. In some instances this may be for hardwoods, for instance in the Fairbanks area, and in other locations of the state it may be for other species as well. Flexibility such as this is necessary to create the jobs and realize the long term economic benefits associated with forest development here in Alaska.

Thank you for this opportunity to testify.

Ronald R. Wolfe

Chief Forester

April 21, 1994

Rep. Bill Williams
Chairman, House Resources Committee
House of Representatives for the State of Alaska
Juneau, Alaska

Dear Representative Williams:

Please pass SB-310. I strongly endorse a law that prohibits the export of whole logs from state lands. However, I realize that it is necessary to be able to enter into long term agreements for a sufficient log supply in order to eventually take advantage of a change in the law.

It is imperative to pass SB-310 today. The issue of in-state processing can be dealt with later. This bill and it's passage directly effects lives in Seward and the rest of the state.

Respectfully submitted.

Bert L. Wright
PO Box 2556
Seward, Alaska, 99664

Alaska State Legislature

Please enter into the record my testimony to the House Resources
committee name

committee on SB 310, dated 20 April 1994
bill/subject

I am presently employed as a wildlife biologist in Fairbanks. Back in the early 1970's I worked as a logger and commercial fisherman along the lower Columbia River in Washington state.

It must be obvious that this is a controversial bill. The issue of expanded logging in the Tanana forest was being addressed through a public forestry forum — with all interests represented - in Fairbanks the past couple of years. SB 310 is an effort to circumvent this ongoing public process. It is a rush to impose the interests of one group upon the majority of the public.

I have lived in an area where logging was king and other interests suffered. Long-term timber sales are ruining Alberta and British Columbia. Let us take time to do things right here in Alaska.

Signed: JOHN M. WRIGHT
Testifier

Self
Representing (Optional)

1991 St Bernard Dr., FAIRBANKS AK 99709
Address

Fax to House Resources 465-3793
465-6790

April 22, 1994

Re:SB 310

This is a bad bill.

1. It sells our logs cheaply.

2. It creates logging as a priority use to the detriment of other uses.

3. It is a serious detriment to tourism and will cost us jobs there.

4. It encourages loggers who have run out of logs elsewhere to come here and end up out of work here.

5. It does not require bonding thus encouraging fly-by-night operations.

6. It exempts up to a million board feet a year in a single region from any control.

7. Much state forested land is proximate to communities like Petersburg and many of us don't want the clear cut single use concept on our doorsteps.

DO NOT PASS SB 310.

Syd Wright
P.O. Box 624
Petersburg, Alaska 99833

Testimony prepared for teleconference hearing on CS SB 310 - April 15, 1994 before House Resources Committee, Bill Williams, Chairman.

Presented by Ginny HillWood, 1819 Muskox Trail, Fairbanks, AK 99709 - telephone 479-2754.

I don't pretend to have a Ph.D in Forestry, but neither have the Senator's who introduced SB 310; nor do those who chose to vote down most of the amendments that might have made a large-scale timber industry acceptable on our State Forest lands.

I have taken much time - my own time - during the past year to study forest management and timber harvesting practices elsewhere on this planet, particularly in the boreal forests of Canada and Scandinavia.

I've discovered that the extent of recent clear cutting of the Canadian boreal forests plus the amount slated for harvest may have more impact on climate changes and the oxygen/carbon balance vital for sustaining mammal life (which includes us humans) than the over-harvesting of the tropical and temperate zone trees already have had. Scandinavia has little old growth boreal forest left. Now they grow tree farms which do not produce a healthy self-sustaining forest ecosystem.

Another fact I learned about the Canadian experience was that clear cut boreal forests differ from fire-burned forests in re-vegetation. Fire does not usually harm the soil structure or the microflora. The heavy behemoths used today in large-scale operations compact the soil and remove the duff, both of which have a negative effect on re-growth.

I also found out that the popular opinion that large scale, long term Forest Management Agreements (FMAs) are good for local community economics, is a myth, in the long term. The

corporate raiders come in from afar or abroad, woo the Chambers of Commerce, the media, business leaders, politicians, and government agencies with promises of profits and jobs. Contracts are signed before realistic cost/benefit studies can be made.

Later audits show that the true costs of managing the contracts by the Forest Service were often more than the corporations paid for the logs. Most of the profits went afar in industry pockets, and most of the jobs, especially the skilled ones, went to trained personnel the corporations brought with them. Logging and mill operations are not very labor intensive in the high-tech processing plants utilized these days.

The public usually foots the bill for much of the infrastructure to lure the industry, and they also suffer the impact on schools, added social services, road damage by logging equipment, to say nothing about reduced access to forest lands for outdoor recreation and tourism.

And our representatives from our district don't see any reason for CS SB 310 to undergo scrutiny by the House and Senate Finance Committees!

Once long term large scale FMA contracts are signed, we are locked into the consequences. Our boreal forests are too special and precious, both economically and ecologically, for hasty, ill-conceived give-aways. We can do better than SB 310 as it now stands.

Conny Hill Wood

465-3763

Testimony for teleconference sponsored by the House Resources on CS SB 310 on April 20, 1994. which time didn't permit.

My name is Ginny Hill Wood, 1819 Muskox Trail, Fairbanks, Alaska 99709 - 479-2754. I have lived in Alaska since 1947.

Testimony as follows:

SB 310 is full of myths and errors. The substitute corrected few of them. Amendments which might have fixed it were turned down.

Here are a few of the false assumptions:

MYTH: That large-scale, 20-year contracts called Forest Management agreements (FMAs) are necessary to lure Big Industry to log our boreal forests, and that they will do it right -- just like the petroleum industry.

FACT: They will come, all right, but on their own terms. That's how it has been in our national forest, in the tropical forests, in the Pacific Northwest, and in the boreal forests of Canada.

FMAs have rarely benefitted local sustainable forest ecosystems in the long run.

More often, the public coffers have subsidized INDUSTRY profits. Local communities have suffered the impact costs.

MYTH: Local communities will gain jobs.

FACT: Out-of-work loggers from Pacific Northwest woods will swarm up here. Modern timber cutting and processing is NOT labor intensive. Jobs are few and very highly skilled. Industry will bring their own workers with them.

MYTH: The impact on forest ecology from clear-cutting

differs little from forest fires. Trees will regrow naturally.

FACT: Forest fires usually leave soils and micro-flora intact. But modern large logging equipment does NOT. Regrowth is not the same, species-wise. Tree farming is not yet proven in boreal forests, and would not recreate a complete forest eco-system.

MYTH: It will not cost the State Division of Forestry any more to manage large scale, 20-year FMA contracts than it now does to manage the present scale of timber harvesting.

FACT: If this is true, then they wouldn't be doing a very good job overseeing the process.

MYTH: CSSB 310 has nothing to do with the Finance Committee

FACT: If economics and a cost/benefit analysis isn't the crux of this matter, then you just don't get it!

MYTH: That environmentalists (Eco-Terrorists as some term them now) only want to hug trees and not cut them.

FACT: Environmentalists have always proposed that we scrap this bum bill, sit down together with existing local timber harvesters and processors, legislators, business men, and economists and professional foresters and through the Public Process come up with a bill that will work for a sustainable local economy, community directed, that also maintains a viable, mullti-use, forest ecosystem. It can be done.

Thank you.

Signed: Ginny Hill Wood

Ginny Hill Wood

operator, ,-

YOUNG

The STATE of Alaska contains 365 million acres of land.

There is 215 million acres under Federal ownership. This is 60% of our STATE. Most of this land is dedicated to Parks, habitats, and recreation for eco-tourism and other non-commodity uses.

There is 46 million acres of Native Land in this State.

There is 104 million acres of STATE land which is supposely dedicated to the use of all citizens of this STATE as directed by our STATE Constitution. Most of this land is being used for habitats and recreation uses!!

Most of this State has been locked up and is being used as one big National Park! Now the preservationists, the vocal minority who you are hearing today, want more to be tied up. How greedy can you get! The more they get the more they want. Is this in the best interest of all citizens of this STATE?

of the State!

The words you are about to hear ~~regarding~~ tell the situation we now have in Alaska. Please listen to the words carefully.

Play Audio for 1 min 40 seconds

Lets wisely use our renewable resources Let us not Lock up our STATE land any more than what it is!!

With oil wells going dry we need to wisely develope our renewable natural resources!!!

→ Wood fibre is the future of the forests

I support Senate Bill 310.

Thank you

Joe Young

TOK, Alaska

Post-it™ brand fax transmittal memo 7671	# of pages ▸ 2
To Rep. Williams	From Joe Young
Co. House Resources	Co.
Dept.	Phone # 883-5060
Fax # 465-3793	Fax #

We the undersigned:

Want the following conditions implemented in whole to Bill 310 to include

1. All State log sales or leases are to be utilized in domestic industry or consumption.

2. At no time shall State timber be shipped overseas in the round.

3. That all State logs for overseas use will be;

   a). Those logs that are lumbar grade must be made into finished lumber in the state of Alaska.

   b). Logs of lower grade must be chipped or processed in the state of Alaska.

NAME	ADDRESS	PHONE NUMBER
1. Robert E Wackerman	P.O. Box 3471 Seward AK.	224-2602
2. Jean Smith	PO Box 41 Seward AK	—
3. Ronald Lundgard	Po Box 2551 Seward Ak	
4. Mike D Warner	Po BOX 2196 Seward AK 99664	224-3930
5. Kern-Johnson	POB 3741 Seward	224-
6. Nelson owens	POB 3774 Seward	
7. [illegible]	PO 3456 SEWARD	
8. JEFF OSTBY	PO 1766 SEWARD	
9. Sally L. Winings	P.O. Box 1327 Seward	
10. Vincent Theodore	P o Box 2063 Seward	
11. Jay A. Bud	P.O. Box 1327 Seward	224-3601
12. [illegible] Dudy	P.O. Box 1865 Seward	224-2229
13. Tim W Owens	P.O. Box 41 Seward AK	224-5659
14. Robert N Kopperth	Po Box 826 Seward AK	
15. [illegible]	Po. Box 957 Seward AK	288-3167
16. Bernard H Ruckhardt	PoBox 965 Seward AK	—
17. [illegible]	Box 811 Seward	224-5795

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   b). Logs of lower grade must be chipped or processed in the state of Alaska.

NAME	ADDRESS	PHONE NUMBER
1. Norene D Bauler	P.O. Box 533 Seward	907-224-3410
2. Terry L. Moore	P.O. Box 1786 Seward 99664	907-224-5007
3. Rick Lewis	Po Box 331 Seward	4 8467
4. Steve Alexander	Po Box 3713 Seward	1-3410
5. Rodney Smith	P.O. # 331 SEWARD 99664	224-8467
6. Bobby W. Wise	P.O Box 1327 Seward AK 99664	224-3601
7. Randy K. Gillen	P.O. Box 678 Seward, AK	224-3365
8. Roger Swenson	P.O. Box 1652 Seward	224-7145
9. Linda Swenson	Box 1652 Seward	224-3173
10. Michael D. Rogers	Box 662 Seward	224-5718
11. Norm Beam	Box 2521 Seward	224-5718
12. Dan Wright	P.O. Box 1033 Seward	224-3566
13. Darren Booth	P.O. Box 102, Seward	224-5751
14. Marie Ketcher	P.O. Box 29. Seward	224-5973
15. Bradley D. Hostman	P.O. Box 3481 SEWARD	224-3231
16. John A. Mueller	P.O. Box 2555 Seward	224-5099
17. Steven Jones	P.O. BOX 41 Seward	224-5659

We the undersigned:

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   b). Logs of lower grade must be chipped or processed in the state of Alaska.

NAME	ADDRESS	PHONE NUMBER
1. Linda A Booth	PO Box 102 Seward AK 99664	224-5751
2. [illegible]	Box 1412 Seward AK 99664	—
3. [illegible]	Box 3701 Seward AK	224-8689
4. Valerie Marcus	Box 3701 Seward AK	224-8689
5. [illegible]	Box 2183 " "	224 7065
6. [illegible]	Box 1858 " "	224-3363
7. Kevin Walker	Box 1911 " "	224-5111
8. Fred R. George	P.O. Box 581 Seward AK	224-7245
9. [illegible]	P.O. Box 1055, Nome, AK	443-2717
10. [illegible] Bruce Hedrund	P.O. Box Seward AK	224 7181
11. Cornelia V. Daley CORNELIA V. DALEY	PO BOX 864 Seward AK	224-3589
12. Carol G. Souza	Box 73, Seward	224-3947
13. Terry J Lee	P.O. Box 987 Seward	224-5562
14. [illegible]	PO - 3787 Soldotna	223-[illegible]
15. Frank J. Smith	PO Box 8532 Nikiski	—
16. Richard E. Watts	P. O. Box 754 Seward	224-3805
17. [illegible]	" " 3594 "	224-2643

We the undersigned:

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   b). Logs of lower grade must be chipped or processed in the state of Alaska.

NAME	ADDRESS	PHONE NUMBER
1. [illegible]	P.O. Box 754 Seward	224-3805
2. Tom Girard	PO Box 1660 Seward	224 3698
3. [illegible]	PO Box 361 Kodiak	486-1792
4. James B Balloch	P.O.Bx. 1903 SEWARD, AK. 99664	———
5. Glenn Mc Cann	P.O. Box 1021 SEWARD AK 99664	224-3971
6. CARRIE McCANN	P.O. Box 1021, Seward AK 99664	224-3971
7. Lorette Smaridge	P.O Box 3365 Seward AK 99664	224-8444
8. John P. King	Po Box 8033 Chenega Bay AK 99574	573-5350
9. Jeanie Douglass	P.O. Box 482 Seward AK. 99664	224-7262
10. Jim Grimore	P.O. Box 854 Seward AK 99664	224-6478
11. Richard W. Strobel	P.O. Box 377 Seward, AK 99664	(907) 224-7221
12. WESLEY J. JONES	Box 2007 SEWARD, AK 99664	907-228-3664
13. SUSAN M. KAANTA	Box 224 SEWARD, AK 99664	(907) 224-7236
14. [illegible] Summer Groom	Box 5321 Seward, Ak 99664	(907) 224-2010
15. [illegible]	Box 33 Seward Ak 99664	(907) 224-3[illegible]
16. S.R. Reseline	Box 32 Seward, AK. 99664	(907) 224-3739
17. Dorcas M. Smith	Box 331 Seward, AK 99664	907 224-80[illegible]

We the undersigned:

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NAME	ADDRESS	PHONE NUMBER
1. Angela Marie Danforth	P.O Box 2895	224-5914
2. Kevin W Jackson	P.O Box 1878	224-5615
3. Russell Bennett	P.O Box 3151	224-8091
4.		
5.		
6.		
7.		
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16.		
17.		

Alaska State Legislature

Please enter into the record my testimony to the House Resources
committee name

committee on SB 310 , dated 3-30-94
bill/subject

I object to SB 310. Long term, 20 year FMA are not appropriate to address sustainable timber management and local economy. I build things out of wood, nice things, things that hopefully last a long time, log houses, timber frame houses, Birch Bark canoes, you might have seen the canoe I entered into an art show in Fairbanks last week in the Newspaper. It won 1. Prize and can score $4000. I used very little resources to build it and look it can make money. I make quality things, and so I'm committed to caring for the resources that I work with. I'm looking for quality wood, tall straight-grain trees free of knots. Those you cannot find everywhere, they take a long time to grow, and those are also the ones that would be targeted, eliminated by clearcutting. →

Signed: R. Hummelt
Testifier

Representing (Optional)

Address
2284 Railroad Drive
Fairbanks, Ak. 99709

I'm a user of the resource in question. One of the many diverse users. We are all users of diverse qualities of our forests, recreation, timber, firewood, fresh air, solitude, quietness, retreats from stress, paper products, that's why we ought to manage this resource accordingly and not just to make money, you can't eat it, you can eat fish and moose. How much is it going to cost the state to reverse the effects on wildlife* in the FMA's that would be taken out of the publics control no matter what, because once a company has established a base line and drawn more workers into the state, we'll surely start hearing the all to familiar "We want jobs" again, were is this going to lead us quickly, perhaps nowhere. Let's not be fools, before we make such decisions we need to be honest to ourselves and admit shortcomings for our own good.

Thank you all

R. Arnold

* See Expected Annual Expenditures pr FMA
Department of Fish and Game

We the undersigned took time out of our work and lives to testify against SB 310. Some of us have repeatedly done this, only to be turned away because time runs out. We anticipate that today, April 15, 1994, we will not have time to testify. We refuse to be silenced. These are our names:

Celia M. Hunter (Celia Hunter)

Ginny H. Wood (Ginny Wood)

Larry Landry (Larry Landry)

Eva Saulitis (Eva Saulitis)

Birch Pavelsky (Birch Pavelsky)

Larry Mayo (Larry Mayo)

Jan Dawe (Jan Dawe)

James B. Chumbley (Jim Chumbley)

Cristina Schneider (Cristina Schneider)

Sean McGuire

Sean McGuire

Douglas Yates (Doug Yates)

Sylvia J. Ward (Sylvia Ward)

Hillary Schaefer

Dorothy Simmonds (Dorech Simmonds)

(Kenneth R. Klopf)

Martha K. Raynolds (Martha Raynolds)

Nina Mollett (Nina Mollett)

Mike Davis

Carol Klopf

Mary Shields 455-6469

Suzann G. Speckman

Richard Chappell

Larry Rogers

Glynn Hoener

Glynn Hoener

Jack Schmid

Jack Schmid

Carol Kleckner

Carl Roland (CARL ROLAND)

Shannon V. Bigelow

David Stammers

Malinda Chase (MALINDA CHASE)

Tommy W. Peter (Tommy W. Peter)

Roger J. Sigh (Roger J. Sigh)

See Back Page →

(Debby Cabral)

MaryKatherine Romberg

Larry Landry

Toby Mollett

Logan A. Kreinheder

Julie Scott

Lane Thompson

MaryKatherine Romberg

Larry Landry

Toby Mollett

Logan A. Kreinheder

JULIE SCOTT

LANE THOMPSON

Alaska State Legislature

Please enter into the record my testimony to the House Resources committee name

committee on SB 310 bill/subject, dated 4 15 94.

AFC.

Add an amended not to alow Round log exporting of Logs off stat land and put in a Iron clad primary manufacture closes!" Dont alow foreign paper companes that call themself Alaska or US company's to round export Per any reason.

If add this amend Dont Pass 310

Signed: _____
Testifier

Self
Representing (Optional)

PO Box 102 Seward AK 99664
Address

224-5751
Phone No.

SAM BISHOP, E

Fairbanks Daily News-Miner, Sunday, April 17, 1994

FAIRBANKS
DAILY NEWS-MINER
"Printed first at All Things ... Neutral in None"
Established in 1903
CHARLES J. GRAY ... PAUL J. MASSEY
Publisher
SUE MILLER ... JACK KNEECE ... SAM BISHOP
Managing Editor ... Asst. Managing Editor ... Editorial Page Editor

Forest bill needs tempering

If Alaska is going to benefit from the long-term forest agreements proposed by some of our legislators, the agreements must be done right—economically and environmentally.

Some signs in Juneau indicate that goal may not be getting the support it deserves. The bill allowing the state to assign large tracts of forest land to single companies has bypassed the House Finance Committee, ostensibly because it would have no effect on state finances.

The assertion is questionable at best. First, forest management agreements will *earn* some money for the state through stumpage fees. Second, such agreements will *cost* the state because they will, if done right, require much more intensive forest inventories and oversight.

Better inventories are necessary both to protect the state and the forest.

Alaska should never find itself in the position faced by Alberta, Canada. It committed to huge forest management agreements years ago without proper inventories. Now it turns out there isn't enough wood on the land they assigned to the agreements, so the province is looking to its park land to meet its commitments.

More important, thorough inventories would be critical to the long-term health of our forest under management agreements. Scientists and our own intuitions tell us that truly sustaining the forest requires corridors of undisturbed land along streams and across watersheds to allow travel of beneficial animals, birds and insects. Old growth nodes must be left to act as "seed" areas for the plants, soil bacteria and fungus essential to healthy forests. Detailed inventories help make such ideas work.

Besides acknowledging the need for complete inventories, legislators ought to consider a few other changes to Senate Bill 310. It should create a public process that would set the maximum amount of acreage in forest management agreements at one time and the maximum amount to be placed in new leases in any one year. That would address concerns that a pro-industry administration will tie up too much of our best land, leaving local users with the dregs.

The current bill also lets the commissioner of natural resources commit the state to paying for much or all of the industry's roads, scaling services and reforestation. That would be costly work, but the bill only requires the commissioner to evaluate proposed management agreements for economic benefits to the state. We need a statement of liabilities, too.

Knowledge of those liabilities is particularly important given experiences in Canada, where some pulp mills with forest agreements have required outrageous subsidies. Critics of forest agreements suspect such subsidies are the only way Alaska will be able to compete with South American and Southeast Asian pulp mills.

If that's true, the public needs to know so it can hit the kill switch.

I'm a 20 year old Alaskan Native UAF student (continued)

first I want to acknowledge my Elders Sarah James & Howard Luke The Gwichin Athabascans
Opposition to HB 310 needs to organize against the representatives that support HB 310. Large Industry cannot dominate, control, even manipulate resources in AK and our representatives need to realize that. If the representatives do not represent our positions, we must do all that we can as concerned people to extract them, so that these situations do not occur reoccur
After a conversation w/ Rep. Steve Franks office I decided these things
1). Steve Frank is not receptive to the public at large and input thereof, which is a statement in itself about the lack of true concern Mr. Frank has for the people he represents What do you do when the people you elect do not listen to you? You vote them out of office.
2). There is an agenda that we Alaskans are not aware of. Why would An interior representative fight so hard for out of state industry? This Bill will not employ even a huge workforce that is advertised as.
I would encourage the legislative process to investigate Mr. Frank and his team to see what is driving them so hard for out of state industry. How will he benefit personally. I'd like to hear Steve "Wages Waiver" Frank's

3) The continuing concesus that Alaska is one large resource is now conveyed in the political arena by these representatives. Please remember, All Alaskans, that this land was once Native Lands and natives balanced their lifestyle with the land, w/out gobbling up beauty. removes

This is Alaska, the last frontier. When people come here and see No Washingtons vast clear cuts INVADE, their hearts will drop as soon as they realize that Alaska is no longer a frontier. Thank you mr. Frank taking away our beauty, and trying to mute our objections. I'm sure we've moused with thanks you in more than one way.

Dawn

Once again, it looks like all of us who want to testify against SB 310, here in Fairbanks, will not be able to speak. The names below are people in Fairbanks who oppose SB 310.

Page 1

Eva Saulitis (474-4584)
John Loquvam (455-9057)
Abby Cochran (474-7146)
Celia Hunter 479-2754
Jim Chumbley 452-6189
Laura Jacobs 455-6950
Betty Rollins 455-6614
(Dave Lacey) 474-8224
474-3982
(CRISTINA SCHNEIDER)
Sean McGuire 479-7134
Daniel Lum 456-8143
John Mueller 452-4078
Carl Roland 479-4869
Bill Arvey 479-6929
Glynn Hoerner 455-6890
Douglas Yates 479-8300
Byron Haley 456-4426
Sarah James 456-2329

Sylvia Ward 452-5021
Elizabeth (Putt) Clark 479-3761
MIKE Musick 479-5336
Jo Going 474-3774
Anne Rugglles 474-3755
Jon Miller 479-5629
Lonny Pagun 457-6714
Ronnie Roerbach 452-6476
Robert Ammiciht 479-8129
Debbi S. Miller 479-2189
LANE THOMPSON 479-6712
BIRCH PAVELSKY Message 456-0500
Birch Pavelsky
CONSTANCE STRICKS 455-6308
Roger Siglin 457-6612
John Wright 479-0194
CAROL KLECKNER 457-2454
Carol Klopf 457-8502
Ken Jessen 479-6354
Larry Mayo 479-2958
Dale Haggstrom 455-6242

SECOND PAGE TO FOLLOW

THURSDAY 04/21/94 AT 13:30

FAIRBANKS IS A SITE
SPONSOR: SENATE LABOR & COMMERCE — PURPOSE:PUBLIC HEARING
AGENDA: — TESTIMONY:LISTEN ONLY
SB 185 LIMITATIONS PERIOD FOR TAX ASSESSMENTS

THURSDAY 04/21/94 AT 17:00

FAIRBANKS IS A SITE
SPONSOR: SENATE RESOURCES — PURPOSE:PUBLIC HEARING
AGENDA: — TESTIMONY: 2 MINUTE LIMIT
BOARD OF FISHERIES CONFIRMATION HEARINGS:
KAY ANDREW, DICK BOWER, LARRY ENGEL
SPONSOR REMARKS:
PUBLIC TESTIMONY: 5 TO 6 PM. COMMITTEE MEMBERS QUESTIONS OF APPOINTEES: 6 TO 7 PM. ONLY PERSONS WHO HAVE NOT PREVIOUSLY TESTIFIED MAY DO SO AT THIS MEETING.

FRIDAY 04/22/94 AT 13:30

FAIRBANKS IS A SITE
SPONSOR: SENATE JUDICIARY — PURPOSE:PUBLIC HEARING
AGENDA: — TESTIMONY: 3 MINUTE LIMIT
HB 299 DRIVER'S LIC REVOCATION;ALCOHOL/DRUGS
HB 302 WORKERS COMP FOR RECREATIONAL ACTIVITIES
SPONSOR REMARKS:
TESTIMONY WILL BE TAKEN WITH A 3 MINUTE LIMIT.

FRIDAY 04/22/94 AT 18:00

FAIRBANKS IS A SITE
SPONSOR: ALASKA JUDICIAL COUNCIL — PURPOSE:PUBLIC HEARING
AGENDA: — TESTIMONY: 5 MINUTE LIMIT
RETENTION ELECTION OF VARIOUS JUDGES
JUDICIAL DISTRICT #1 (SITKA, WRANGELL, PETERSBURG, KETCHIKAN & JUNEAU) WILL BE ON LINE FROM 6-7 PM
JUDICIAL DISTRICT #2 (KODIAK, NOME & BARROW) WILL BE ON LINE FROM 7-7:30 PM
JUDICIAL DISTRICT #4 (FAIRBANKS & BETHEL) WILL BE ON LINE FROM 7:30-8 PM
JUDICIAL DISTRICT #3 (ANCHORAGE, SOLDOTNA HOMER, KODIAK, SEWARD AND MAT-SU) WILL BE ON LINE FROM 8-9 PM
SPONSOR REMARKS:
RESCHEDULED FROM 4/23 TO 4/22.

Page 2

Ginny Hice Coood + 479-2754

Jack Schmid 459-3118

TARIKA LEA 479-3820

Skip Lapscomb 479-6833

Gregory S McGuire 488-3520

CINDY M Gere 474-6666-3725

Richard G Hayden JR 479-0374

Paula Lotspeich 479-8753
Paula Lotspeich

LARRY LANDRY 479-4586

PAGE 2 of 2

Alaska State Legislature

Please enter into the record my testimony to the Resource Committee
committee name

committee on SB 310 , dated 4/20/94
bill/subject

What is going on here? First you try to away our wolves, now you're trying to take away our trees. The government was established to represent the people not the corporations. The people that live in Alaska are here because of Alaskas resources and how man has not yet destroyed them - like they have in the lower 48 & the rest of the world. Alaska has a delicate balance within the wildlife system & if you throw it off balance - you destroy it. We, the people of Alaska & the world will not stand by & let the financial - business world destroy our Earth. The moose, Fish, Geese, Owls, Lynx, Caribou, Soil, & water all depend on the healthiness of the land. This bill will destroy that healthiness, that balance, the land. Are the companies benefitting from the logging willing to suffer the financial consequences for the destruction of the land and the wildlife? If you want to really make money, keep Alaska intact. People come from all over the world to see our land.

Signed: [signature]
Testifier

Mother Earth & her children - Your Employer!
Representing (Optional)

1585 Broadway Rd North Pole Ak 99705
Address

Legislative Information Office

FAX Transmission

From: Marianna Keil
To: House resources
Company: Alaska State Legislature

Date: 4/25/94
Time: 8:30
FAX #:

Message:

A petition to reconsider amendment 35 to SB 310.

Charles Booth gathered these signatures this weekend. 2245751

VOICE: 224-5066 FAX: 224-5067

P.O. Box 1769, Seward, AK 99664

SB 310

8-LS1558\X.35
Dierdorff
4/20/94

AMENDMENT X.35

OFFERED IN THE HOUSE BY REPRESENTATIVE DAVIES

TO: CSSB 310(RES)

Page 6, after line 7:

Insert a new subsection to read:

"(h) The commissioner may not enter into a final agreement until the state receives from the federal government an exemption from federal law so that the state may require that timber harvested under the agreement be processed within the state."

Reletter the following subsections accordingly.

We the undersigned:

Want this amendment to be reintroduced and passed before passing SB 310!!!!

Shannon Skibenes	Shannon Skibenes	PO Box 1555	Seward, AK 99664 224-3037
Robert DiPiero	Robert DiPiero	P.O Box 3284	Seward, AK
Freda DiPiero	Freda DiPiero	PO Box 3284 ph# 224-2652	Seward, AK. 99664 224-2652
Chester Thorne	Chester Thorne	Box 894	Seward, AK. 99664
Carol Carter	Carol Carter	PO Box 901	Seward AK 99664
Vanessa Osborn	Vanessa Osborn	PO BOX 423	Seward AK 99664
Charles D. Forrest		Box 435	SEWARD AK
Linda Corbin	Linda Corbin	Bx 784	Seward, AK 99664
Troy H. Blatchford IV		BOX 1424	SEWARD, AK 99664
Mary M. Blatchford			

SB310

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We the undersigned:

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Fred H. Kroger	P.O. Box 581	Seward AK	224 7245 (message)
Marilyn M. Bengtson	P.O. Box 2701	SEWARD AK	224-5209 (FAX)
Derek K. Reed	PO 1336	" "	224 2226
Terence Fillingim	3524	Seward AK	7025
Kirsten Tibbett	3644 Knik Ave	Anchorage AK	99517 243 8598
Thelma L. WRIGHT	P.O. Box 376	SEWARD AK 99664	243-5709
Annetta Wright	P.O. Box 376	Seward AK 99664	243-5709
Victor Stotts	P.O. Box 2428	Seward, AK 99664	224 5677 Dorm
Eileen Filbert	3644 Knik Ave	Anchorage AK	2438598
Randy Sarber	P.O. Box 397	Seward AK 99664	224-5581
Terri Crosby	Box Box 2682	Seward AK	99664
Kelly T Crosby	P.O. Box 1786	SEWARD AK 99664	224-5074
Roger Swenson	Box 1652	Seward AK	99664 224-3173
Lydia Swenson	Box 1652	SEWARD, AK	99664 224-3173

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Robin J. Hoogland 224-3876
P.O Box 1805 Seward AK 99664
Harold T. Wright Box 1033 SEWARD AK 99664
Bernard Patterson PO Box 482 Seward AK 99664
Frank Kline PO Box 974 Seward, AK 99664
Glenn Coate Box 3715 Seward, Ak 99664
Barbara Pence Box 3715 Seward AK 99664
Daniel Murphy Box 843 Sward Ak 99664
DENNIS A. SOUZA BOX 73 SEWARD, AK 996664
Sonny J. Farrell P.O. Box 1525 Seward, AK 99664
David P. Souza Box 173 Seward, Ak 99664
Frank J. Smith P.O. Box 8532 Nikiski, AK
Donald Wilson 7800 Debarr Sp 32 Anch AK 99504 701-333-3079
Jay A. Reed P O Box 1277 Cordova AK 99574

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Mark Kroon	P.O. Box 2476	Seward	AK	99664
Robert Rapp	P.O. Box 283	Seward,	AK.	99664
Bruce P. Wienstock	P.O. Box 702	Seward	AK	99664
Helen A. Wienstock	Box 248	Seward	Ak	99664
Donna Davis	P.O. Box 104	Seward	AK	99664
Connie Ingram	PO Box 1806	Seward	Ak	99664
Mary Kay Tomcsak	19926 Tenada	Chugiak	AK	99567
Beth Ferguson	3704 Copper Cir	Anch.	AK	99507
Lee J. Ferguson	3704 Copper Cir.	Anch.	AK	99507
Louie R. Smarch jr.	P.O. Box 686	SEWARD,	AK.	99664
Hyden J. Marsh	P.O. Box 1331	SEWARD	AK	99664
Carol J. Marsh	P.O. Box 1331	Seward	Ak	99664
Bill Copenhagen	P.O. Box 275	Seward	AK	99664
Carrie McCann	P.O.B. 1021	Seward	AK	99664
Lola Johnson	Box 790	Seward	Ak	99664
[illegible]	POB 2453	[illegible]	AK	[illegible]

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We the undersigned:

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Steve Lemme (Steve Lemme) P.O. Box 1735 Seward, AK 99664
Tanya Lemme P.O. Box 2801 Seward, AK 99664
Mark Anderson Mark Anderson P.O. Box 2595 Seward AK 99664
Mike Groom Mike Groom PO Box 2066 Swd Ak 99664
Dino A. Bonifacio Dino A Bonifacio 6814 DeBarr Rd #16 Anchorage 99504
Clarence Conrad I 9811 Clothier Cr. Eagle River 99577
Don Sieger 10228 Sun Eagle Eagle River 99577
Steven A. Johnson Box 670070 Chugiak AK 99567
Don Bentley PO Box 242-285 4301 Arctic #B Anch. AK 99517
Dino Duby mile two NASH RD BX 1258 SEWARD AK. 99664
Lona Duby mile two NASH Rd. Box 1258 Seward AK 99664
MARK REISS 12239 E. Prince of Peace Eagle River, AK 99577

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We the undersigned:

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DeAnna Dee Hill	DeAnna Dee Hill	PoBox 1367 Seward AK
Rich Mervill	Rich Mervill	Box 3472 Seward 224-3223
Jim Colmore	Jim Colmore	P.O Box 854 Seward Ak.
Betty J Gilmore	Betty J Gilmore	pob854 Seward, AK 99664 224-8478
		Box 7885 Seward 99664
		P.O. BOX 1072 SEWARD AK 99664
Doug Settles	Doug Settles	P.O. Box 352 Seward 99664
Connie Barnard	Connie Barnard	Box 1431 Seward ak 99664
C. Locke McGinn	C. LOCKE McGINN	BOX 1021 SEWARD, ALASKA 99664
Raymond P Alfred	RAYMOND P Alfred	Pott Box 21521 Anki AK
Charles W Bates	CHARLES W. BATES	BOX 1328 SEWARD AK
Cynthia Wilbanks	Cynthia Wilbanks	Box 170 Seward AK
Howard Majores	Howard Majores	Box 71486 Fairbanks AK
Nancy Dilas	Nancy Dilas	1536 Slocum St #2 Fairbanks AK
		502 6TH AVE SEWARD AK 99664
	P.O. Box 1545	Seward AK 99664
	8510 Turk ct #2	Anch. AK 99504

SB 310

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4/20/94

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Karl Jan Bushek	KLC ROC	Seward, AK
Eleen Howard	Box 2183	Seward AK
Derek Mullikin	Derek W. Mullikin	Box 1961 Seward
M. Liz Scruggs	Po 3426	Seward AK 9966
D Chouinard	P.O. 2385	Seward AK 99664
[illegible]	P.O. 1656	Seward AK 99664
Bert Pp Vaught	P.O. 1267	Seward AK 99664 234-5656
Peter C Johnson	PO 2796	Seward AK 99664
Henry Alfredsen	Box 127	Seward AK 99664
[illegible]	HCR 64 Box 381	Seward AK 99664
Jeff Kabesta	P.O. Box 729	Seward AK 99664
Sandy Hillers	P.O. Box 678	Seward, AK 99664
Sandy Sandelin	P.O. Box 1013	Seward AK 99664
Stan [illegible]	P.O. [illegible]	[illegible]

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We the undersigned:

Want this amendment to be reintroduced and passed before passing SB 310!!!!

Virginia R. Wright
P.O. Box 3355

Joyce Sanders PO Box 1582 Seward 99664 224-8935
1905 Dora Way

David K. Campbell Po Box 1641 Seward 99664 224-5764
2600 Birch St.

Marvin D. Campbell P.O Box 3466 Seward 99664 224-3611
1903 Jesse Lee Dr.

Ann Wright P.O Box 1033 Seward 99664 224-3566

Paul E Sagen P.O Box 3562 Seward AK 99664 224-8939

Michael Sola P.O. Box 912 Seward, Ak 99664 224-3125
Mike Sola

Gail Sola PO Box 912 Seward Ak 99664 224-3125
Gail Sola

Peter C. Fitzmaurice P.O. Box 3052

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We the undersigned:

Want this amendment to be reintroduced and passed before passing SB 310!!!!

Charles R Booth	PO Box 102	Seward	AK 99664	224-5751
Kim Mayer	P.O. Box 3701	Seward	AK. 99664	224-8689
Patty A. Kramarsky	Atty A. Kramarsky,	Box 295,	Seward,	AK. 99664, 224-3418
	Pr Jim E. Lewis	Box 16065	"	" " 224-8097
	Beverly Clausen	Box 2081	"	" " 224-3816
Harold Baumgardner	P.O. Box 356	Seward,	AK. 99664	224-5324
Juliette J. Hayes	POBx 3614	Seward,	Ak	99664 224-5043
Linda Andrea	PO Box 3235	SEward	AK, 99664	224-2691
Groom	P.O. Box 3304	Seward	Ak, 99664	224-2069
Doreen Booth	P.O. Box 102	Seward	AK	99664 224-5751
Lloyd J. Welch	P.O. Box 1217	Seward	AK	99664 224-5736
Bette E. Welch	P.O. Box 1217	Seward	AK	99664 224-5736

SB 310

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Reletter the following subsections accordingly.

We the undersigned:

Want this amendment to be reintroduced and passed before passing SB 310!!!!

To: Rep. Bill Williams
House Resource Committee
State of Alaska

Dear Sir.

Please Pass SB 310, because it is very important to Seward and the entire State of Alaska.

Sincerely,
Summer L Groom
Box 3324
Seward, Ak 99664

4-21-94

To Rep. Bill Williams
House Resources Committee
House of Represevtatives for The State of Alask
Juneau, Alaska

Dear Sir

Please Pass S.B. 310 Without The STATE HAVING The ability To enter into long Term Timber contracts There is almost no chance That any interested partys would be able to invest in any type of wood processing Facility in Alaska.

The domestic Peaccessing portion of The Bill is also vital but could be Taken care of at a later date.

We AT Seward AND Throughout Alaska are counting on you and the committe

Jim Harris
P.O. Box 968
Seward, Alaska
99664

To Rep. Bill Williams
House Resources Committee
House of Representatives for the State of Alaska
Juneau, Alaska

Dear Sir

Please Pass SB 310 it is very important to the Economy of Alaska and the city of Seward.

Dan Anderson
PO Box 2602
Seward Alaska 99664

DEAR REPRESENTIVE WILLIAMS

I WOULD LIKE TO SEE SB 310 PASS [redacted] FOR REASON THAT ARE.

A. JOBS - UNEMPLOYMENT IS HIGH ENOUGH.

B. TAKE ADVANTAGE OF THE RESORCES WHILE THEY ARE STILL USEABLE.

B. D. HOSTMAN
SEWARD AK.

To Rep. Bill Williams
House Resource Committe
House of Representatives for the state of Alaska
Juneau, Alaska

to the House of Resource Committe
I about to be laid off in a couple of week here. I hope you pass SB 310 bill so I don't have to leave Seward, I been here for 14 years now in Seward a don't want to leave.

Kevin Jackson
Seward

4-21-94

To Rep. Bill Williams
House Resources Committee
House of Representatives for the Stat of Alas:
Juneau, Alaska

Dear Sir
I more here 4years ago for work
and now I'm trying to keep working
so I would Like it if you pass S/B 310

Thank you

Tim W Jones
Seward, Alaska

To Rep Bill Williams
House Resources Committee
House of Representatives For the State of
Alaska Juneau, Alaska

Dear Sir
please pass S.B. 310 it
is very important To The Economy
of Alaska And The City of Seward

I was Born in Seward and
plan living here The Rest of My
Life. We Need Jobs in Seward.
I would Like To See Seward Saw
mill Back in operation we all need
Jobs To make Seward progress in
Revenues And Benefit The people in
Seward and Other parts of Alaska.

Charles M Larson
P.O. Box 1552
Seward, Alaska
99664

Dear Rep Williams
Please Pass SB-3101 while we want
To Pass A Law That Will Ban The
Export of Whole Logs overseas.

Mitch McPeak
Seward AK.

To Whom it may Cocern
if this bill S.B. 310 passes,
it might just keep some of us
off of unemployment, or welfare.

T.J. Moon
Seward Alaska

Dear Repesentative Williams

Please PASS SB-3101 While we want to pass a Law thats Prohibpts exports of whole Logs from state Lands.

We want to pass a Law that Lets the state to Enter Long term contracts.

PASS SB-3101 Its important to my future in Seward.

Glenn Pearce
Box 3715
Seward, AK 99664

I want to see SB 310 passed as long as it contains provisions that prohibits Export of whole Logs. and pertains to beetle Kill trees only.

thank you

Bernard H Ruckhaeckt

To Rep Bill Williams
House Resources Committe
House of Representatives for the State of
ALASKA JUNEAU, ALASKA

Dear Sir:

I have worked in Seward Saw Mill four years building it, I have seen a major effort Producing lumber, and wood chips learned a future in operating, A DeBarker, running a saw mill.

Please pass SB 310 to keep logs in supply to keep us going, I put A lot of hours, in the saw mill and would like to see production to continue.

Vincent Theodore
P.O. Box 2063
Seward AK
99664

To Rep. Bill Williams
House Resources Commitee
House of Representatives
for the State of Alaska
Juneau, AK.

Dear Rep. Williams

Please help the State of Alaska and
The also The Town people of Seward.
We need S.B. 310 to pass so we
and many other Alaskan will have Work.
I moved to Alaska 12 years ago and love
The State and the people. We need this Bill
To pass so we can get the wood To our
mill, To stay Working Also it would make
other jobs for the other people in Alaska

Please help Us Pass Bill S.B 310
it would mean alot To us and many other
Alaskans.

Thank you

Sally R. Wenige
Box 1327
Seward, AK 99664

To Rep Bill Williams

IF you pass bill S.B. 310 it will
allowd the mill in seward To Stay
open for local Jobs here in Seward

P.J. Winkleman
Seward

from Seward, Alaska

To: Rep Bill William
House Resources Committee
House of Representatives
Juneau, Alaska State of Alaska

Dear Sir:

Please pass SB 310
it will help support the local
jobs here in Seward at the mill
It will also support the U.S.
government and protect our
lumber from being exported
(which is supporting another country)
support the U.S. for Christ
Sake.

Sincerely
Angela Danforth

To Rep Bill Williams

To the house of Resources Committee
The state of Alaska and City of Seward
need the Bill SB310 Pass to help
the economy and the Jobs of Workers
At SAWmill of Seward if this
will Band Sale of Round Logs To over Seas
This state and ALL the Rest of the
States need This To help folks
At home not thes States folks

hope they get A Lot
of good out of this so you
can help the home Boys

Delmer Owens
Po. Box 2774
Seward AK

To Rep. BILL Williams
House Resources Committee
House of Representatives for the State of Alask
Juneau, Alaska

Dear Sir

I was born and Raised in Seward, and am trying to stay home, and still work.
Please pass SB 310 so the Local sawmil will Be able to Stay open and continue to Supply Jobs for the Local economy

Jesse E. Sweatt
Box 811
Seward Alaska
99664

TO: REP WILLIAMS 4-21-94

S/B 310 WOULD BE AN IMPORTANT ELEMENT IN THE ALASKA FOREST MANAGEMENT PICTURE. WITHOUT IT I DON'T FEEL THAT WE CAN HAVE A VIABLE, LONG TERM, TIMBER PROCESSING BASE OF EMPLOYMENT. NOT USING OUR RESOURCES IN A WISE MANNER THAT BENEFITS THE PEOPLE AND ECONOMY OF THIS STATE WOULD BE A SHAME. LETTING IT ROT AND POSSIBLY CAUSE WILDFIRES SHOULD BE A CRIME.

IT IS WITH A STRONG SENSE OF URGENCY THAT I IMPLORE YOU TO EXHAUST EVERY AVENUE IN YOUR POWER TO HELP PASS THIS BILL.

THANK YOU

HAROLD GUTHRIE
SEWARD AK

APRIL 21, 1994

REPRESENTATIVE BILL WILLIAMS
Chairman, House Resources Committee
House of Representatives for the State Of Alaska
Juneau, Alaska

Mr. Williams,

Currently I am employed by Seward Forest Products. As you know we are shutting down shortly, due to I'm told, the purchase price of logs exceeding the sales pri · of lumber. This was because the overseas market was offering a higher dollar amount than we could afford to pay and still make a profit.

I would like to see SB310 passed, so that, even if our jobs now can't be kept, it would give another U.S. mill a chance to keep Americans employed. Are we going to sell all of our timber to overseas markets, so that in 10 years, or less, we have to buy back our own trees in lumber form from the same place we sold it to. This doesn't seem to smart to me.

Thank you for your time, please help Alaska take care of herself.

Sincerely,

Diccene M Smith

Diccene M. Smith
P.O. Box 331
Seward, AK 99664
224-0467

Rep. Bill Williams
House Resources Committee
House of Representatives for the State of Alaska
Juneau Alaska

Dear Sir:
I would like to see the passage of S.B. 310. Without the ability of wood products companies to enter into some kind of long term agreements it is very difficult for any interested parties to warrant the investment into any facilities in Alaska.

I would also like to see some sort of domestic processing action but this could be addressed at a later date.

I thank you for your time & hope you give it great consideration for the people of Seward & Alaska

Thank you
Larry W. Winn
Box 1327
Seward AK
99664

Sturnick-Dieterich
8118 McKenna Rd.
Hollandale, WI 53544

April 16, 1994

Dear Representative Bill Williams,

I lived in Alaska from 1981 to 1984 and hold a Master of Science Degree in Geology from the University of Alaska-Fairbanks, of which I am very proud. I now teach science in Wisc.

Today I write to <u>Oppose SB 310</u> and the CS (Committee Substitute). This legislation is flawed and contradicts Alaska's forest practices Act.

Even the CS amends the primary purpose of Alaska's forests, Large-scale, commercial logging will deplete forest resources and will NOT benefit Alaska's economy. The CS would exempt some very large timber sales from planning and public notice requirements. These bills also give the Commissioner of Nat. Res. too much latitude in timber sales contracts.

So take a lesson from the lower 48--
<u>OPPOSE S.B. 310</u> and the CS. Thank you,

MARK STURNICK

We the undersigned:

Want the following conditions implemented in whole to Bill 310 to include

1. All State log sales or leases are to be utilized in domestic industry or consumption.

2. At no time shall State timber be shipped overseas in the round.

3. That all State logs for overseas use will be;

   a). Those logs that are lumbar grade must be made into finished lumber in the state of Alaska.

   b). Logs of lower grade must be chipped or processed in the state of Alaska.

NAME	ADDRESS	PHONE NUMBER
1. Glenn Pearce	Box 3715	224-8616
2. Harold Baumgardner	Box 356 Seward, AK	224-5374
3 William J. Korsen	HCR 64 Box 312 Seward AK	224-3286
4. Mark Kosa	Box 2476 Seward	224-5656
5. JAMES L SEFTON	BOX 403 SEWARD	224-3789
6. Bill & Lehan Brigitte Chase	Box 2544 Seward	24-8765
7. [illegible]	POBOX 1184 Seward	224-3581
8. Betty Culver	POBox 654 Seward	224-8478
9. [illegible]	POB 297 SEWARD	224-5762
10. [illegible]	Box 951 Seward	224-[illegible]
11 [illegible]	Box 1545 "	" 5928
12 [illegible]	POB 1032 "	224 [illegible]
13. [illegible]	P.O Box 3364 Seward	
14. Carol Carter	P.O. Box 901 Seward	224-3513
15. [illegible]	PO Box 1731 Seward	224-3385
16. [illegible]	POB 735 Seward	224 3817
17. [illegible]	POB 1013 Seward	224-5710

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Darrell Merritt	Box 622 Seward		224-5540
Blaine Bardarson	Box 689		224-3140
Dean Bardarson	Box 689	Seward	"
Daryl Hollingsworth	Box 478	Seward AK	224-3961
James M. Shell	P.O. Box 2982	Seward, AK	224-8773
[illegible]	PO. Box 1415	Seward AK	"
[illegible]	[illegible] 3472	[illegible]	
(Atty-Kenai) Menefee	P.O. Box 673	Seward Alaska	224-7402
Ken Coughran	PO Box 521154	Big Lake AK	892-7480
Stephen Babin	P.O Box 241225	Anch., AK	277-3223
William T. Mott	P.O. Box 595	Palmer, AK	745-3967
Ken Klein	Po Box 2711	Palmer AK	745-7911
[illegible]	P.O Box 2674	Seward, AK	224-8048
Vern Leuken	Po Box 1542	Seward AK	224-7027
Willie Seme	Box 2914	Seward, AK	224-8164
David C. Dahl	Box 1421	Seward, Ak.	224-5531
Ray Tyree	Box 1722	Seward, AK	224-5531
Ken [illegible]	Box 326	Seward AK	224-5237
Kay Smith	Box 1067	Seward AK	N/A
Joseph Smith	" "	" "	"

We the undersigned:

Want the following conditions implemented in whole to Bill 310 to include

1. All State log sales or leases are to be utilized in domestic industry or consumption.

2. At no time shall State timber be shipped overseas in the round.

3. That all State logs for overseas use will be;

   a). Those logs that are lumbar grade must be made into finished lumber in the state of Alaska.

   b). Logs of lower grade must be chipped or processed in the state of Alaska.

574-58-4217 907-376-5068

557-77-9866

427-53-0125
PO 1821 SEWARD 99664
P.O. Box 2385 Seward AK 99664

108 Seward AK 99664
P.O. Box 381 Seward AK

Vote: No 310 If Those logs can be exported Round.

Vote: Yes 310 If No Log can be exported Round

Charles R. Booth
PO Box 102 Seward 99664
224-5751

4-21-94

TO REP. BILL WILLIAMS
HOUSE RESOURCES COMMITTEE
HOUSE OF REPRESENTAVIES FOR THE STATE OF ALASKA
JENEAU, ALASKA

DEAR SIR:

I AM PRESENTLY EMPLOYED AT SEWARD FORREST PRODUCTS IN SEWARD AK AND WOULD LIKE TO CONTINUE WORKING. PLEASE PASS S/B 310 SO THAT THE MILL CAN CONTINUE TO OPERATE AND SUPPLY MUCH NEEDED JOBS FOR THE COMMUNITY.

THANK YOU
Robert M Coppock

TO Rep Bill williams
House Resources committee
House of Representatives for the State of Alaska
Juneau Alaska

Dear Sir

If this Bill will pass we will
Both have to loose my job so please let
the SB 310 Bill pass because there
is not any other work here
Thank you
Dee

DEAR MR WILLIAMS

I HAVE 3 CH. LOREN AND A JOB PAYS A LOT MORE THAN WELFARE. I WOULD RATHER WORK THAN DRAW WELFARE.

THANK YOU

Silvia Jones

To Rep Bill Williams
House Resource Committe
House of Representives for The State of Alaska
Juneau, Alaska

Dear Sir.

I am about to Be Laid off From work at The Seward, Sawmill. I have lived here For 3 year's And watched Job's godown hill since I have been here since The Sawmill will be closing I will have to move. Please sir Pass SB 310 and save my Job.

Thank You

[redacted]
Seward, Ak 99664

Daily News-Miner

The Voice of Interior Alaska

FAIRBANKS, ALASKA, SUNDAY, APRIL 3, 1994 $1.25 per copy

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Opinion

SAM BISHOP, Editorial Page Editor: 456-6661 (Ext. 2741)

FAIRBANKS

Daily News - Miner

"Independent in All Things . . . Neutral in None"

Established in 1903

CHARLES E. GRAY, Publisher Emeritus · PAUL J. MASKEY, Publisher

AVE MATTSON, Managing Editor · JACK EHRECK, Asst. Managing Editor · SAM BISHOP, Editorial Page Editor

Back the forest agreements

Proposals to quadruple the rate of timber harvest in the Tanana Valley predictably brought protests during the past few years from a limited community of interested people in Fairbanks. But Sen. Steve Frank's proposal this winter to mandate the leasing of forest land to large corporations drew outrage from a much broader group.

The burgeoning protest reflected concern about specific language in the bill that undermined public comment opportunities, sustained yield principles and multiple-use mandates.

Many of those objections to SB 310 were on target. But when Sen. Frank pruned the bill to address many of the problems, the protests didn't die.

The bill brings up a philosophical debate that tends to evoke strong opinions. Should natural resources be managed in such a way that favors use by individuals and small companies or use by national and multinational corporations? Alaska has seen its share of such debate, dating back to the battles over corporate fish traps on our rivers.

We decided against the fish traps, but that doesn't mean we should decide against corporate use of our timber. It seems the debate should not be over big vs. small, but over costs vs. gains. And the gains from well-designed forest management agreements appear to outweigh the costs.

Shutting down the corporate fish traps helped Alaskans more than it hurt because our individual residents could still tap the full potential of the resource. But the individuals and small companies using the Tanana Valley forest today aren't tapping its potential benefits. And neither are the few big operators that we do attract—they just load the whole logs onto railroad cars in Nenana and ship them to Japan. They have no incentive to invest in the kind of processing plants here that would return value to Alaskans.

Forest management agreements, with the associated processing plants, would help us tap the economic value our forests possess. Such value, which will become more important as our oil wealth declines, not only will be found in jobs and income to the state but also in more stable habitat for some of our more edible wildlife such as moose and hares. The balance should be positive as long as the state charges market-based fees for the timber, refrains from dabbling in subsidies and sets aside plenty of forest land outside the agreements for other users. We can enforce those conditions through the public process.

The quest for economic value cannot eclipse our foresight and responsibility to the land, though. Forest management agreements must be done right and contain a public process to ensure that they are. Frank's original bill didn't meet those standards. It advocated a timber cutting concept called "variable periodic output" that seemed to allow the sustained yield principle to be ignored simply to boost the forest's productivity. That was particularly worrisome because the bill also apparently exempted the state from inventorying trees under forest management agreements. The combined effect could be disastrous for certain forest types and wildlife habitats.

The Tanana Valley's few million acres of commercial-level forest are not the productive gardens of the Pacific Northwest. So we must be extra careful with forest management agreements on them. We need detailed inventories by forest type. Cutting must adhere to the sustained yield ideal within each of those types, with consideration for losses to fire, disease and man's encroachment.

To a certain extent, we must trust that the Division of Forestry personnel will meet those goals. The revised SB 310 shouldn't prevent them from doing so. In fact, it may help them by creating the justification for inventory funding that they can't obtain now. And it offers a way that citizens can object if the goals are not met.

WALTER J. HICKEL, GOVERNOR

P. O. BOX 107005
ANCHORAGE, AK 99510-7005
PHONE: (907) 762-2501

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF FORESTRY

March 31, 1994

The Honorable Mike Miller
Chairman, Senate Resources Committee
Alaska Senate
Room 403, State Capitol
Juneau, Alaska 99801

Dear Senator Miller:

Representatives from the Governor's Office, the Department of Fish and Game, the Department of Commerce and Economic Development and the Department of Natural Resources have thoroughly reviewed Senate Bill 310 and the committee substitute for that bill. While there were a number of acute concerns identified when reviewing the original bill, the committee substitute answers those concerns and, in some instances, does a better job of answering those concerns than did the draft language offered to you after the review of the original bill.

We want to thank the Senate Resources Committee for its hearings on this resource issue. The process which resulted in the committee substitute was a useful one and the resulting committee substitute meets the objectives and concerns of the departments represented here.

Forest management agreements require adequate public involvement as a part of the process. Good public process involves the public at the very beginning and gives assurance that the public will affect the outcomes. Our belief is that the committee substitute for Senate Bill 310 does that. The two distinct public comment periods, together comprising not less than 120 days, are necessary for a process that could result in a contract that might last as long as 20 years. Separate from requirements for forest management agreements, we believe that the cap on the amount of timber that can be offered without having been in the 5 year harvest schedule, as provided in section 2 of the committee substitute, is important.

The Alaska Forest Resources and Practices Act and other state law apply to any state timber sale, with the tighter restrictions for state land than for other types of ownerships, including a timber sale using a forest management agreement. However, enforcement requires maintenance of adequate funding. Finally, using the AS38.04.910 definition of sustained yield for forest management agreements is proper.

Sincerely,

McKie Campbell
Deputy Commissioner
Department of Fish and Game

Chris Gates, Director
Division of Economic Development
Department of Commerce and
Economic Development

Tomas H. Boutin, State Forester
Division of Forestry
Department of Natural Resources

2. Because of the large scale and rapidity at which timber will be cut, and the fact that the FMA structure will make it more difficult to get meaningful fish and wildlife protection built into the sale agreements, more biologists will be required to review operating plans, negotiate ground rules, and to monitor operations in the field. Based on the Canadian experience, at least one staff biologist should be assigned full-time to monitor each FMA exceeding 500,000 acres (780 square miles).

3. The number of U.S. Forest Service (USFS) biologists working on a long-term, large-scale contract, such as the L&P Tongass contract, would probably be a good indicator of the amount of biological work required for a similar state FMA. As many as 23 USFS biologists may work on layout and monitoring operations on long-term timber contracts in the Sitka Ranger District alone.

4. Experience with Canadian FMAs indicates that one of the major problems is that government does not monitor FMA operations closely enough and is so slow in detecting violations that they often become large problems. Once problems have been identified, they have been slow in enforcing the terms of the agreement or environmental regulations. The State of Alaska needs to avoid this problem by having staff biologists monitoring operations in the field.

5. Based on information that at least two and possibly more major timber companies have been interested in the feasibility of constructing large mills in southcentral and interior Alaska to utilize cheap Alaskan timber it is assumed that they would move quickly to submit FMA proposals. Given the current interest in using state timber to stimulate local businesses and support by the Alaska Division of Forestry, it is estimated that there could be as many as three agreements in place by 1998.

6. A single oriented-strand-board (OSB) manufacturing plant requires up to 20 million board feet (bf) of timber per year to operate. Fibreform Wood Products, Inc. 1992 corporate proposal requested up to 115 million bf annually of mixed species (equal to the total estimated volume from the Tanana Valley State Forest). [Source: Dave Wallingford (DOF) memo to Bob Dick dated July 7, 1992.]

7. Merchantable quantities of mixed species timber volumes in interior Alaska's boreal forest range between 1,200 cubic feet (4,800 bf) to 2,500 cubic feet (10,000 bf) per acre. Timber volumes in the Dawson Creek, B.C. area average 1,200 cubic feet (4,800 bf) per acre. Maximum volumes in southcentral Alaska are 3,000 cubic feet (12,000 bf); average volumes range between 2,000 cubic feet (8,000 bf) to 2,500 cubic feet (10,000 bf) per acre. [Source: Cal Kerr (American North) letter to Dave Wallingford dated July 27, 1992].

8. To support a single oriented-strand-board manufacturing plant, up to 4,167 acres (or 6.5 square miles) of interiror Alaska's boreal forest would have to be harvested annually. Using only the highest yield forests, up to 2,000 acres (3.1 square miles) would have to be harvested annually.

9. To support the Fibreform proposal, up to 23,958 acres (or 37.4 square miles) of interior Alaska' boreal forest would have to be harvested annually. Using only the highest yield foerests, up to 11,500 acres (18 square miles) must be harvested annually.

10. Once south-slope hillsides have been harvested, most remaining merchantable timber within interior Alaska's boreal forest is located within riparian corridors less than 500 feet from streams and rivers.

11. To implement our AS 16 responsibilities, maintain an appropriate field presence, and fully coordinate with ADNR in the development of forest management plans, forest management agreements, and annual harvest plans, at a minimum, the annual costs detailed on the next page would be required in the region(s) in which FMAs were conducted.

Expected Annual Expenditures per Forest Management Agreement

Personnel		93.9
PFT HBIII ($5.2/mo)	62.4	
PPT Fish.Tech.III ($3.3/mo)	20.1	
PPT Clerk Typist III ($1.9/mo)	11.4	
Travel		3.0
Contractual		4.0
Supplies		2.0
		102.9

*Not adjusted for annual inflation

To: Rep. Bill Williams
House Resource Comm. Hee
State of Alaska

Dear Sir.

Please Pass SB 310, because it is very important to Seward and the entire State of Alaska.

Sincerely,
Summer L. Groom
Box 3321
Seward, Ak 99664

4-21-17

To Rep. Bill Williams
House Resources Committee
House of Represeva Tives For The State of Alask
Juneau, Alaska

Dear Sir

Please Pass S.B. 210 Without The State Having The ability To enter into long Term Timber contracts There is almost no chance that any interested parties would be able to invest in any type of wood processing Facility in Alaska.

The domestic Processing portion of the Bill is also vital but could be Taken care of at a later date.

We At Seward and Throughout Alaska are counting on you and the committe

Jim Harris
P.O. Box 968
Seward, Alaska
99664

TO Rep. Bill Williams
House Resources Committee
House of Representatives for the State of Alaska
Juneau, Alaska

Dear Sir

Please Pass SB 310 it is very important To the Economy of Alaska And The city of Seward

Dan Nelson
PO Box 2602
Seward Alaska 99664

DEAR REPRESENTIVE WILLIAMS

I WOULD LIKE TO SEE SB 310 PASS FOR REASON THAT ARE.

A. JOBS - UNEMPLOYMENT IS HIGH ENOUGH.

B. TAKE ADUANTAGE OF THE RESORCES WHILE THEY ARE STILL USEABLE.

B. D. HOSTMAN
SEWARD AK.

To Rep. Bill Williams
House Resource Committe
House of Representatives for the state of Alaska
Juneau, Alaska

to the House of Resource Committe
I about to be laid off in a couple of week here. I hope you pass SB 310 bill so I don't have to leave Seward, I been here for 14 years now in Seward a don't want to leave.

Kevin Jackson
Seward

4-21-94

To Rep. Bill Williams
House Resources Committee
House of Representatives for the State of Alas:
Juneau, Alaska

Dear Sir

I move here 4 years ago for work
and now I'm trying to keep working
so I would like it if you pass S/B 310

Thank you

Tim W. Jones
Seward, Alaska

To Rep Bill Williams
House Resources Committee
House of Representatives for the State of
Alaska Juneau, Alaska

Dear Sir

Please post S.B. 310 it
is very important To The Economy
of Alaska And The City of Seward

I was Born in Seward and
plan living here the rest of my
life. We need Jobs in Seward.
I would Like To See Seward Saw
mill Back in operation. We all need
Jobs To make Seward progress in
Revenues and Benefit The people in
Seward and other parts of Alaska.

Charles M Larson
P.O. Box 1552
Seward, Alaska
99664

Dear Rep Williams
Please Pass SB-3101 while we want
To Pass A Law That Will Ban The
Export of Whole Logs. Overseas.

Mitch McKevin
Seward AK.

To whom ~~it~~ may Cocern

if this bill S.B. 310 passes,
it might just keep some of us
off of unemployment, or welfare.

T.J. Moon

Seward Alaska

Dear Representative Williams

Please PASS SB-3101 While we want to pass AD LAW thats Prohibats exports of whole Logs From state Lands.

We want to pass A Law that Lets the state to Enter Long term contracts.

PASS SB-3101 Its important to my future in Seward.

Glenn Pearce
Box 3715
Seward, AK 99664

I want to see SB 310 passed as long as it contains provisions that prohibits Export of whole logs and pertains to beetle kill trees only.

thank you

Bernard H Ruckhaeckt

To Rep Bill Williams
House Resources Committe
House of Representatives for the State of
Alaska Juneau, Alaska

Dear Sir:

I have worked in Seward Saw Mill four years building it, I have seen a major effort producing lumber, and wood chips learned A fixture in Operating A DeBarker, running a Saw mill.

Please pass SB 310 to keep logs in supply to keep us going, I put A lot of hours in the saw mill and would like to see production to continue.

Vincent Theodore
P.O. Box 2063
Seward AK
99664

To Rep. Bill Williams
House Resources Committee
House of Representatives
for the State of Alaska
Juneau, AK.

Dear Rep. Williams

Please help the State of Alaska and
The also The Town people of Seward.
We need S.B. 310 to pass So We
and many other Alaskan will have Work.
I moved To Alaska 12 years ago and love
The State and the people. We need This Bill
To pass So we can get the wood To our
mill, To Stay Working Also it Would make
other jobs for the other people in Alaska

Please help Us Pass Bill SB 310
it Would mean alot To us and many other
Alaskans.

Thank You

Sally B. Wenger
Box 1327
Seward, AK 99664

To Rep Bill Williams

IF you pass bill S.B. 310 it will alowd the mill in seward To stay open for local jobs here in Seward

R. L. Winkleman
Seward

from Seward, Alaska

To: Rep Bill William
House Resources Committee
House of Representatives
Juneau, Alaska State of Alaska

Dear Sir:

Please pass SB 310
it will help support the local
jobs here in Seward at the mill
It will also support the U.S.
government and protect our
lumber from being exported
(which is supporting another country)
Support the U.S. for Christ-
Sake!

Sincerely
-Angela Dantorth

TO Rep Bill Williams

To the house of Resources Committee
The state of Alaska and City of Seward
need this BILL SB310 Pass to help
The Economy And The Jobs of Workers
At SAWmill of Seward if This
will Band Sale of Round Logs To over Seas
This state and ALL The Rest of the
States need This To help folks
At home not thes Slante.eys
Folks

hope you get A Lot
of good out of this so you
can help The home Boys

Delmer Owens
po. BOX 2774
Seward AK

To Rep. BILL Williams
House Resources Committee
House of Representatives for the State of Alask
Juneau, Alaska

Dear Sir

I was born and Raised in Seward, and am trying to stay home, and still work.
Please pass SB 310 so the Local Sawmil will Be able to Stay open and continue to Supply Jobs for the Local economy

Jess E. Sweatt
Box 811
Seward Alaska
99664

TO: REP WILLIAMS 4-21-94

S/B 310 WOULD BE AN IMPORTANT ELEMENT IN THE ALASKA FOREST MANAGEMENT PICTURE. WITHOUT IT I DON'T FEEL THAT WE CAN HAVE A VIABLE, LONG TERM, TIMBER PROCESSING BASE OF EMPLOYMENT. NOT USING OUR RESOURCES IN A WISE MANNER THAT BENEFITS THE PEOPLE AND ECONOMY OF THIS STATE WOULD BE A SHAME. LETTING IT ROT AND POSSIBLY CAUSE WILDFIRES SHOULD BE A CRIME

IT IS WITH A STRONG SENSE OF URGENCY THAT I IMPLORE YOU TO EXHAUST EVERY AVENUE IN YOUR POWER TO HELP PASS THIS BILL.

THANK YOU

HAROLD GUTHRIE
SEWARD AK

APRIL 21, 1994

REPRESENTATIVE BILL WILLIAMS
Chairman, House Resources Committee
House of Representatives for the State Of Alaska
Juneau, Alaska

Mr. Williams,

Currently I am employed by Seward Forest Products. As you know we are shutting down shortly, due to I'm told, the purchase price of logs exceeding the sales price of lumber. This was because the overseas market was offering a higher dollar amount than we could afford to pay and still make a profit.

I would like to see SB310 passed, so that, even if our jobs now can't be kept, it would give another U.S. mill a chance to keep Americans employed. Are we going to sell all of our timber to overseas markets, so that in 10 years, or less, we have to buy back our own trees in lumber form from the same place we sold it to. This doesn't seem to smart to me.

Thank you for your time, please help Alaska take care of herself.

Sincerely,

Diccene M. Smith

Diccene M. Smith
P.O. Box 331
Seward, AK 99664
224-8467

REP Bill Williams
House Resources Committee
House of Representatives for the State of Alaska
Juneau Alaska

Dear Sir:

I would like to see the passage of S.B. 310. Without the ability of wood products companies to enter into some kind of long term agreements it is very difficult for any interested parties to warrant the investment into any facilities in Alaska.

I would also like to see some sort of domestic processing action but this could be addressed at a later date.

I thank you for your time & hope you give it great consideration for the people of Seward + Alaska

Thank you.
Larry W. Winn
Box 1327
Seward AK
99664

Sturnick-Dieterich
8118 McKenna Rd.
Hollandale, WI 53544

April 16, 1994

Dear Representative Bill Williams,

I lived in Alaska from 1981 to 1984 and hold a Master of Science Degree in Geology from the University of Alaska-Fairbanks, of which I am very proud. I now teach science in Wisc.

Today I write to Oppose SB 310 and the CS (Committee Substitute). This legislation is flawed and contradicts Alaska's forest practices Act.

Even the CS amends the primary purpose of Alaska's forests, Large-scale, commercial logging will deplete forest resources and will NOT benefit Alaska's economy. The CS would exempt some very large timber sales from planning and public notice requirements, These bills also give the Commissioner of Nat. Res. too much latitude in timber sales contracts.

So take a lesson from the lo. 48--
OPPOSE S.B. 310 and the CS. Thank you,
MARK STURNICK MS

We the undersigned:

Want the following conditions implemented in whole to Bill 310 to include

1. All State log sales or leases are to be utilized in domestic industry or consumption.

2. At no time shall State timber be shipped overseas in the round.

3. That all State logs for overseas use will be;

   a). Those logs that are lumbar grade must be made into finished lumber in the state of Alaska.

   b). Logs of lower grade must be chipped or processed in the state of Alaska.

NAME	ADDRESS	PHONE NUMBER
1. Glenn Pearce	Box 3715	224-8616
2. Harold Baumgardner	Box 356 Seward, AK	224-5374
3 William J. Porter	HCR 64 Box 312 Seward AK	224-3286
4. Mark Knox	Box 2476 Seward	224-5656
5. JAMES L SEFTON	BOX 403 SEWARD	224-3789
6. Brigitte Lehman Brigitte Chase	Box 2544 Seward	24-8765
7. [illegible]	POBOX 1184 Seward	224-3581
8. Betty Culmore	POBox 854 Seward	224-8478
9. [illegible]	POB 297 SEWARD	224-5262
10. [illegible]	Box 951 Seward	224-[illegible]
11 [illegible]	Box 1545 "	" 5928
12 [illegible]	POB 1032 "	224 5918
13. [illegible]	P.O Box 3364 Seward	
14. Carol Carter	P.O. Box 901 Seward	224-3513
15. Marjorie McFadden	PO Box 1731 Seward	224-3285
16. [illegible] Seward	POB 735 Seward	224 3817
17. [illegible]	POB 1013 Seward	224-5710

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Dorsey Merritt	Box 622	Seward	224-5540
Blaine Bardarson	Box 689		224-3140
Dean Bardarson	Bx 689	Seward	"
Earl Hollingsworth	Box 478	Seward AK	224-3961
James M. Shea	P.O. Box 2982	Seward, AK	224-8773
[illegible]	PO. Box 1415	Seward AK	"
[illegible]	[illegible] 3472	[illegible]	
Art-Kent, Manager	P.O. Box 1673	Seward Alaska	224-7402
Ken Coughran	PoBox 521154	Biglake AK	892-7480
Stephen Balint	P.O Box 241225	Anch., AK	277-3223
William T. Mott	P.O. Box 595	Palmer, AK	745-3967
Ken Klein	Po Bx 2711	Palmer AK	745-7911
[illegible]	P.O Bx 2674	Seward AK	224-8048
Ken Leuken	Po Box 1542	Seward AK	224-7027
Richie Senne	Bx 2914	Seward, AK	224-8164
David C Dahl	Box 1421	Seward Ak.	224-5531
Ray Tyree	Box 1722	Seward Ak	224-5531
Ken York	Box 326	Seward AK	224-5237
Ray Smith	Box 1067	Seward AK	N/A
Joseph Smith	" "	" "	"

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   b). Logs of lower grade must be chipped or processed in the state of Alaska.

574-58-4217 907-376-5068

550-77-9866

427-57-0125

PO 1821 SEWARD 99664

P.O. Box 2355 Seward AK 99664

108 Seward AK 99664

P.O. Box 381 Seward AK

Vote: No 310 if Those logs can be exported Round.

Vote: Yes 310 If No Log can be exported Round

Charles R. Booth

POBox 102 Seward 99664

224-5751

TO REP. BILL WILLIAMS 4-21-94
HOUSE RESOURCES COMMITTEE
HOUSE OF REPRESENTAVIES FOR THE STATE OF ALASKA
JENEAU, ALASKA

DEAR SIR:

I AM PRESENTLY EMPLOYED AT SEWARD FORREST PRODUCTS IN SEWARD AK AND WOULD LIKE TO CONTINUE WORKING. PLEASE PASS S/B 310 SO THAT THE MILL CAN CONTINUE TO OPERATE AND SUPPLY MUCH NEEDED JOBS FOR THE COMMUNITY.

THANK YOU
Robert McGoppeck

TO Rep Bill williams
House Resources committee
House of Representatives for the state of Ak
Juneau Alaska

Dear Sir

if this Bill will pass we will
Baabl to keep my job so please let
the SB 310 Bill pass because there
is not any other work here
Thank you
Sincerely

DEAR MR WILLIAMS

I HAVE 3 CHILDREN AND A JOB PAYS A LOT MORE THAN WELFARE. I WOULD RATHER WORK THAN DRAW WELFARE.

THANK YOU

Ellen Jones

To Rep Bill Williams
House Resource Committe
House of Representatives for The State of Alaska
Juneau, Alaska

Dear Sir.

I am about to be laid off from work at The Seward Sawmill. I have lived here for 3 year's And watched Job's godown hill since I have been here since The Sawmill will be closing I will have to move. Please sir pass SB 310 and save my Job.

Thank You

Mark

Seward, Ak 99664

Legislative Information Office

FAX Transmission

From: Marianna Keil
To: House Resources
Company: Alaska State Legislature

Date: 4/25/94
Time: 8:30
FAX #:

Message:

A petition to reconsider amendment 35 to SB 310.

Charles Booth gathered these signatures this weekend. 224575/

VOICE: 224-5066 FAX: 224-5067

P.O. Box 1769, Seward, AK 99664

SB 310

8-LS1558\X.35
Dierdorff
4/20/94

AMENDMENT X.35

OFFERED IN THE HOUSE BY REPRESENTATIVE DAVIES

TO: CSSB 310(RES)

Page 6, after line 7:

Insert a new subsection to read:

"(h) The commissioner may not enter into a final agreement until the state receives from the federal government an exemption from federal law so that the state may require that timber harvested under the agreement be processed within the state."

Reletter the following subsections accordingly.

We the undersigned:

Want this amendment to be reintroduced and passed before passing SB 310!!!!

Shannon Skibenes	Shannon Skibenes	PO Box 1555	Seward, AK 99664 224-3037
Robert DiPiero	Robert DiPiero	P.O Box 3284	Seward, AK
Freda DiPiero	Freda DiPiero	PO Box 3284 ph# 224-2652	Seward, Ak. 99664 224-2652
Chester Thorne	Chester Thorne	Box 894	Seward, Ak. 99664
Carol Carter	Carol Carter	PO Box 901	Seward AK 99664
Vanessa Ossenga	Vanessa Ossenga	PO.BOX 423	Seward AK 99664
Charles D. Tarnet		Box 435	SEWARD AK.
Linda Corbin	Linda Corbin	Box 784	Seward, AK 99664
Craig H. Blatchford SR Cindy M. Blatchford		BOX 1424	SEWARD, AK 99664

SB310

8-LS1558\X.35
Dierdorff
4/20/94

AMENDMENT X.35

OFFERED IN THE HOUSE BY REPRESENTATIVE DAVIES

TO: CSSB 310(RES)

Page 6, after line 7:

Insert a new subsection to read:

"(h) The commissioner may not enter into a final agreement until the state receives from the federal government an exemption from federal law so that the state may require that timber harvested under the agreement be processed within the state."

Reletter the following subsections accordingly.

We the undersigned:

Want this amendment to be reintroduced and passed before passing SB 310!!!!

Fred K. Heorger	P.O. Box 581	Seward AK	224 7245 (message)
Marilyn M. Bergdoll	P.O. Box 2201	SEWARD AK	224-5709 (FAX)
Dearl K. Reed	PO 1336	" "	224 2226
Denise Fellmann	3524	Seward AK	7025
Kirsten Kilbert	3644 Knik Ave	Anchorage AK	99517 243 5598
Tina L. WRIGHT	P.O. Box 376	SEWARD AK 99664	243-5709
Annetta Wright	P.O. Box 376	Seward AK 99664	243-5709
Victor Hultz	P.O. Box 2428	Seward, AK 99664	224 5697 DAYS
Eileen Filbert	3644 Knik Ave	Anchorage AK	2438598
Randy Sy Kaden	P.O. Box 397	Seward AK 99664	224-5581
Ted A Crosby	Box Box 2682	Seward AK	99664
Ted T Crosby	P.O. Box 1186	SEWARD AK 99664	224-5074
Lois Swenson	Box 1652	Seward AK 99664	224-3173
Lydia Swenson	Box 1652	SEWARD, AK 99664	224-3173

SB310

8-LS1558\X.35
Dierdorff
4/20/94

AMENDMENT X.35

OFFERED IN THE HOUSE
TO: CSSB 310(RES)

BY REPRESENTATIVE DAVIES

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Robin L. Hoogland 224-3876
P.O Box 1805 Seward AK 99664
Harold T. Wright Box 1033 SEWARD AK 99664
Penny L Patterson PO Box 482 Seward AK 99664
Frank Kline PO Box 974 Seward, AK 99664
Glenn Crane Box 3715 Seward, Ak 99664
Barbara Pearce Box 3715 Seward AK 99664
Daniel Murphy Box 843 Seward Ak 99664
DENNIS A. SOUZA BOX 73 SEWARD, AK 996604
Frank J. Hill P.O. Box 1525 Seward, AK 99664
David C. Souza Box 73 Seward, AK 99664
Frank A. Smith P.O Box 8532 Nikiski AK
Donald Wilson 7800 Debarr St #32 Anch AK 99504 907-333-3079
Jay A. Reed P.O Box 1277 Cordova AK

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Mark Bowen	P.O. Box 2496 Seward AK	99664
Robert Rapp	P.O. Box 283 Seward, AK	99664
Bruce P. Tibbetts	P.O. Box 702 Seward AK	99664
Helen A. Tibbetts	Box 248 Seward Ak	99664
Donna Davis	PO Box 104 Seward AK	996604
Connie Lyons	PO Box 1806 Seward Ak	99664
Mary Kay Tomczak	19926 Tenada Circle Ak. Ak	99567
Bob Tibbetts	3704 Copper Cir Anch AK	99507
Lori Tibbetts	3704 Copper Cir Anch AK	99507
Louie R. Smarch Jr.	P.O. Box 686 SEWARD, AK.	99664
Helen M. Smarch	P.O. Box 1331 SEWARD AK	99664
Larry J. Tabb	P.O. Box 1331 Seward AK	99664
Bill Carpenter	RR Box 275 Seward AK	99664
Stacie McCann	P.O.B. 1021 Seward AK	99664
Linda Johnson	Box 790 Seward Box	99664
[illegible]	PO Box 2453 [illegible] AK	[illegible]

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Steve Lemme (Steve Lemme) P.O. Box 1735 Seward, AK 99664
Tanya Lemme P.O. Box 2801 Seward, AK 99664
Mark Anderson Mark Anderson P.O. Box 2595 Seward AK 99664
Mike Groom Mike Groom P.O Box 2066 Swd Ak 99664
Pierre A Boulerau (Pierre A Boulerau) 6811 DeBarr Rd 4916 Anchorage 99504
Clarence Seward I 9811 Clothier Cir. Eagle River 99577
Don Sieger Don Sieger 10928 Sw Eagle Rd Eagle River 99577
Steven A. Johnson Box 670070 Chugiak Ak 99567
[illegible] 243-285 4301 Aero #B Anch AK 99517
David Dubay mile two NASH RD BX 1258 Seward AK 99664
Lona Dubay mile two NASH Rd. Box 1258 Seward AK 99664
MARK REISS 12239 E. Prince of Peace Eagle River, AK 99577
Mark C Reiss

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DeAnna Dee Hill	DeAnna Dee Hill	PoBox 1367 Seward AK
Rich Mevill	Rich Mevill	Box 3472 Seward 224-3423
Jim Colmore	Jim Colmore	P.O Box 854 Seward AK
Betty J Gilmore	Betty J Gilmore	pob 854 Seward, AK 99664 224-8478
		POBox 2885 Seward 99664
		P.O. Box 1072 SEWARD AK 99664
Doug Sellers	Doug Sellers	P.O. Box 352 Seward 99664
Carl E Bernardini	CARL E BERNARDINI	Box 1431 Seward ak 99664
C Locke McCann	C. LOCKE McCANN	BOX 1021 SEWARD, ALASKA 99664
Raymond P Allred	RAYMOND P. ALLRED	Po# B31521 ANCH AK
Charles W Faires	CHARLES W. FAIRES	POB 1328 SEWARD AK
Cynthia W Wilbanks	Cynthia Wilbanks	Box 178 Seward AK
Howard Majors	Howard Majors	Box 71486 Fairbanks AK
Nancy Dylas	Nancy Dylas	1936 Stacia St #2 Fairbanks, AK
Dan Lanquist		502 6th Ave Seward AK 99664
Doris Castillo	P.O. Box 1545 Seward	AK 99664
	8510 Turf ct #2	Anch. AK 99504

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Kay Jan Bushek	KPU Rec	Seward, Ak
Chas. Heard	Box 2183	Seward AK
Derek Mullikin	Derek W. Mullikin	Box 1961 Seward
M. Ec Scruggs	Po 3426	Seward AK 9966
D Chouinard	P.O. 2385	Seward AK 99664
[illegible] Seward	P.O. 1156	Seward AK 99664
Robert P Caldwell	P.O. Box 1252	Seward AK 99664 234-3556
Esther C Wadsworth	PO 2796	Seward AK 99664
Henry A Erickson	Box 132	Seward, AK 99664
[illegible]	HCR 64 Box 381	Seward AK 99664
Jim Kabisto	P.O. Bx 774	Seward AK 99664
Sandy K Miller	P.O. Box 678	Seward, AK 99664
Donald Sanderson	P.O. Box 1013	Seward AK 99664
Stan P. [illegible]	P.O. Box 421	[illegible]

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Virginia R. Wright
P.O. Box 3355

Lloyd Sandy PO Box 1582 Seward 99664 224-8925
1905 Dora Way

David K. Campbell Po Box 1641 Seward 99664 224-5764
2600 Birch St.

Warren D. Campbell P.O. Box 3466 Seward 99664 224-3611
1903 Jesse Lee Dr.

Ann Wright P.O Box 1033 Seward 99664 224-3566

Paul E Hayes P.O Box 3562 Seward, Ak 99664 224-8939

Michael Sule P.O. Box 912 Seward, Ak 99664 224-3125
Mike Sule

Gail Slo PO Box 912 Seward Ak 99664 224-3[illegible]
Gail Sule

[illegible] Peter C. Fitzmaurice P.O. Box 3052 [illegible]

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Charles R Booth	POBox 102	Seward Ak 99664	2245751
Kirk Magee	P.O.Box 3701	Seward AK. 99664	224-8689
Patty A. Kramansky	Atty A. Kramansky,	Bx 295, Seward, AK. 99664	224-3418
Jim E. Lewis	Box 1665	" " "	224-8097
Beverly Clausen	Box 2081	" " "	224-3816
Harold Baumgardner	P.O. Box 356	Seward, AK. 99664	224-5304
Laletta J Hays	POBx 3614	Seward, Ak 99664	224-5043
Linda Andrea	PO Box 3235	SEward AK, 99664	224-2691
Groom	P.O. Box 3384	Seward Ak 99664	224-2069
Doreen Booth	P.O. Box 102	Seward AK 99664	224-5751
Lou J. Welch	PO Box 1217	Seward AK 99664	224-5736
Bette Welch	PO Box 1217	Seward AK 99664	224-5736

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Alaska State Legislature

Please enter into the record my testimony to the Resource Committee
committee name

committee on SB 310, dated 4/20/94
bill/subject

What is going on here? First you try to away our wolves, now you're trying to take away our trees. The government was established to represent the people not the corporations The people that live in Alaska are here because of Alaskas resources and how man has not yet destroyed them - like they have in the lower-48 & the rest of the world. Alaska has a delicate balance within the wildlife system & if you throw it off balance - you destroy it. We, the people of Alaska & the world will not stand by & let the financial - business world destroy our Earth. The moose, Fish, Geese, Owls, Lynx, Caribou, Soil, & water all depend on the healthiness of the land. This bill will destroy that healthiness, that balance, the land. Are the companies benefitting from the logging willing to suffer the financial consequences for the destruction of the land and the wildlife? If you want to really make money keep Alaska intact, people come from all over the world to see our

Signed: [signature]
Testifier

Mother Earth & her children - Your Employer!
Representing (Optional)

1585 Broadway Rd North Pole Ak 99705
Address

Once again, it looks like all of us who want to testify against SB 310, here in Fairbanks, will not be able to speak. The names below are people in Fairbanks who oppose SB 310.

Eva Saulitis (474-4584) (Page 1)

JOHN LOMAVAM (455-9057)

Abby Cochran (474-7146)

Celia Hunter 479-2754

Jim Chumbley 452-6189

Laura Jacobs 455-6950

Betty Rollins 488-6614

(Dave Lacey) 474-8224

474-3982

(CRISTINA SCHNEIDER)

Sean McGuire 479-7134

Daniel Lum 456-8143

JONIT MUELLER 452-4078

Carl Roland 479-4869

Bill Arvey 479-6929

Glynn Hoerner 455-6890

Douglas Yates 479-8300

Byron Haley 456-4426

Sarah James 456-2329

SECOND PAGE TO FOLLOW

Sylvia Ward 452-5021

Elizabeth (Putt) Clark 479-3761

MIKE MUSICK 479-5336

Jo Going 474-3774

Anne Ruggles 474-3755

Jon Miller 479-5629

Lonny Paquin 457-6714

Ronnie Roseberg 452-6476

Robert Ammiliatt 479-8129

Debbi S. Miller 479-2189

LANE THOMPSON 479-6712

BIRCH PAVELSKY message 456-0500

Birch Pavelsky

CONSTANCE STICKS 455-6308

Roger Siglin 457-6612

JOHN WRIGHT 479-0194

CAROL KLECKNER 457-2454

Carol Klopf 457-8502

Ken Jessen 479-6354

Larry Mayo 479-2958

Dale Haggstrom 455-6242

(Page 2)

Cindy Hiee Coood - 429 - 2754

Jack Schmid 459-3118

TARIKA LEA 479-3820

Skip Lipscomb 479-6833

Gregory S McGuire 488-3520

Cindy M Gere 474-6666-3725

Richard G Hayden JR 479-0374

Paula Lotspeich 479-8753
Paula Lotspeich

LARRY LANDRY 479-4586

PAGE 2 of 2

I'm a 20 year old Alaskan Native VA student from Nuiqsut

first I want to acknowledge my Elders Sarah James & Howard Luke Itti Monks

Opposition to HB 310 needs to organize against the representatives that support HB 310. Large Industry cannot dominate, control, even manipulate resources in AK and our representatives need to realize that. If the representatives do not represent our positions, we must do all that we can as concerned people to extract them, so that these situations do not occur reoccur

After a conversation w/ Rep. Steve Franks office I deduced these things

1) Steve Frank is not receptive to the public at large and input thereof, which is a statement in itself about the lack of true concern Mr. Frank has for the people he represents. What do you do when the people you elect do not listen to you? You vote them out of office.

2) There is an agenda that we Alaskans are not aware of. Why would an interior representative fight so hard for out of state industry? This Bill will not employ even a huge workforce that is advertised as.

I would encourage the legislative process to investigate Mr. Frank and his team to see what is driving them so hard for out of state industry. How will he benefit personally. Is his name Steve "Wagers Maker" Frank?

3) The continuing concesus that Alaska is one large resource is now conveyed in the political Arena by these representatives. Please remember, All Alaskans, that this land was once Native Lands and natives balanced their lifestyle with the land, w/out gobbling up beauty. resources

This is Alaska, the last Frontier. When people come here and see Washingtons vast clear cuts INVADING their hearts will drop as soon as they realize that Alaska is no longer a frontier. Thank you mr. Frank taking away our beauty, and trying to mute our objections. Im sure I were most with thanks you in more than one way.

Sincerely,

Alaska State Legislature

Please enter into the record my testimony to the House Resources
committee name

committee on SB 310 , dated 3-30-94
bill/subject

I object to SB 310. Long rim, 20 year FMA are not appropriate to adress sustainable timber management and local economy. I build things out of wood, nice things, things that hopefully last a long time, log houses, timber frame houses, Birch Bark canoes, you might have seen the canoe I entered into an art show in Fairbanks last week in the Newspaper. It won 1. Prize and can score $4000. I need very little resources to build it and look it can make money. I make quality things, and so I'm committed to caring for the resources that I work with. I'm looking for quality wood, ~~long~~ tall straight-grain trees free of knots. Those you cannot find everywhere, they take a long time to grow, and those are also the ones that would be targeted, eliminated by ~~the~~ clearcutting. →

Signed: R. Hummicht
Testifier

Representing (Optional)

Address
2284 Railroad Drive
Fairbanks, Ak. 99709

We the undersigned took time out of our work and lives to testify against SB 310. Some of us have repeatedly done this, only to be turned away because time runs out. We anticipate that today, April 15, 1994, we will not have time to testify. We refuse to be silenced. These are our names:

Celia M. Hunter (Celia Hunter)

Ginny W. Wood (Ginny Wood)

Larry Landry (Larry Landry)

Eva Saulitis (Eva Saulitis)

Birch Pavelsky (Birch Pavelsky)

Larry Mayo (Larry Mayo)

Jan Dawe (Jan Dawe)

James B. Chumbley (Jim Chumbley)

Cristina Schneider (Cristina Schneider)

Sean McGuire (Sean McGuire)

Douglas Yates (Doug Yates)

Sylvia J. Ward (Sylvia Ward)

Hillary Schaefer

Doreen Simmonds (Doreen Simmonds)

(Kenneth R. Klopf)

Martha K. Raynolds (Martha Raynolds)

Nina Mollett (Nina Mollett)

Mike Davis

Carol Klopf

Mary Shields - 455-6469

Suzann G. Speckman (Suzann G. Speckman)

Richard Chapell

Larry Pagen

Glynn Hoener (Glynn Hoener)

Jack Schmid (Jack Schmid)

Carol Kleckner

Carl Roland (CARL ROLAND)

Shannon K Bigadike

David Stammis

Malinda Chase (MALINDA CHASE)

Tommy W. Peter (Tommy W. Peter)

Roger J. Siglin (Roger J. Siglin)

See Back Page →

Alaska State Legislature

Please enter into the record my testimony to the House Resources
committee name

committee on SB 310, dated 4 15 94.
bill/subject

APC

Add an amended not to alow Round log exporting of Logs off stat land and put in a Iron clad primary manufactuer closes!" Don't alow foreign paper companies that call themself Alaska or US company's to round export for any reason.

If add this amend Dont Pass 310

Signed: _____
Testifier

Self
Representing (Optional)

PO Box 102 Seward AK 99664
Address

224-5751
Phone No.

9/86 Legislative Information Office

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SUE SATTLER
Managing Editor
JACK KNEECE
Asst. Managing Editor
SAM BISHOP
Editorial Page Editor

Forest bill needs tempering

If Alaska is going to benefit from the long-term forest agreements proposed by some of our legislators, the agreements must be done right—economically and environmentally.

Some signs in Juneau indicate that goal may not be getting the support it deserves. The bill allowing the state to assign large tracts of forest land to single companies has bypassed the House Finance Committee, ostensibly because it would have no effect on state finances.

The assertion is questionable at best. First, forest management agreements will *earn* some money for the state through stumpage fees. Second, such agreements will *cost* the state because they will, if done right, require much more intensive forest inventories and oversight.

Better inventories are necessary both to protect the state and the forest.

Alaska should never find itself in the position faced by Alberta, Canada. It committed to huge forest management agreements years ago without proper inventories. Now it turns out there isn't enough wood on the land they assigned to the agreements, so the province is looking to its park land to meet its commitments.

More important, thorough inventories would be critical to the long-term health of our forest under management agreements. Scientists and our own intuitions tell us that truly sustaining the forest requires corridors of undisturbed land along streams and across watersheds to allow travel of beneficial animals, birds and insects. Old growth nodes must be left to act as "seed" areas for the plants, soil bacteria and fungus essential to healthy forests. Detailed inventories help make such ideas work.

Besides acknowledging the need for complete inventories, legislators ought to consider a few other changes to Senate Bill 310. It should create a public process that would set the maximum amount of acreage to be covered in agreements at one time and the maximum amount to be placed in new leases in any one year. That would address concerns that a pro-industry administration will tie up too much of our best land, leaving local users with the dregs.

The current bill also lets the commissioner of natural resources commit the state to paying for much or all of the industry's roads, scaling services and reforestation. That would be costly work, but the bill only requires the commissioner to evaluate proposed management agreements for economic benefits to the state. We need a statement of liabilities, too.

Knowledge of those liabilities is particularly important given experiences in Canada, where some pulp mills with forest agreements have required outrageous subsidies. Critics of forest agreements suspect such subsidies are the only way Alaska will be able to compete with South American and Southeast Asian pulp mills.

If that's true, the public needs to know so it can hit the kill switch.

We the undersigned:

Want the following conditions implemented in whole to Bill 310 to include

1. All State log sales or leases are to be utilized in domestic industry or consumption.

2. At no time shall State timber be shipped overseas in the round.

3. That all State logs for overseas use will be;

   a). Those logs that are lumbar grade must be made into finished lumber in the state of Alaska.

   b). Logs of lower grade must be chipped or processed in the state of Alaska.

NAME	ADDRESS	PHONE NUMBER
1. Robert L Wardlow	P.O. Box 3471 Seward AK.	224-2602
2. [illegible]	PO. Box 41 Seward AK	
3. Ronald [illegible]	PO Box 2551 Seward Ak	
4. [illegible]	Po BOX 2196 Seward AK 99664	224-3930
5. [illegible]	POB 3741 Seward	224-
6. [illegible]	POB 3774 Seward	
7. [illegible]	PO 3456 SEWARD	
8. JEFF OSTBY	PO 1786 SEWARD	
9. Sally K. Winings	P.O. Box 1327 Seward	
10. Vincent Theodore	P O Box 2063 Seward	
11. Jay A. Bud	P.O. Box 1327 Seward	224-3601
12. [illegible]	P.O. Box 1865 Seward	224-2229
13. Jim W Jones	P.O. Box 41 Seward AK	224-5659
14. Robert N Longworth	PO Box 826 SEWARD AK	
15. [illegible]	P.O. Box 953 SEWARD AK	288-3167
16. Bernard H Ruckhardt	PO Box 4665 SEWARD AK	—
17. [illegible]	Box 811 Seward	224-5795

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NAME	ADDRESS	PHONE NUMBER
1. Norene D Bauls	P.O. Box 533 Seward	907-224-3410
2. Terry L. Moore	P.O. Box 1786 Seward 99664	907-224-5007
3. Rudy Arnold	Po Box 331 SEWARD	224 8467
4. Steve alexander	Po Box 3713 Seward	224-3410
5 Rodney Smith	P.O. # 331 SEWARD 99664	224-8467
6. Barry W. Wi	P.O Box 1327 Seward AK 99664	224-3601
7. Randy K. Gilleon	P.O. Box 678 Seward, AK	224-3365
8. Roger Swenson	P.O Box 1652 Seward	224-7145
9. Diana Swenson	Box 1652 Seward	224-3173
10. Michael D. Rogers	Box 622 Seward	224-5718
11. Jean Bloom	Box 2521 Seward	724-5718
12. Dan Wright	P.O. Box 1053 Seward	224-3566
13. Doreen Booth	P.O. Box 102 Seward	224-5751
14. Marie Abelher	P.O. Box 29. Seward	224-5973
15. Bradley D. Hostina	P.O. Box 3481 SEWARD	224-3231
16. John A. Mueller	P.O. Box 2555 Seward	224-5074
17. Steven Jones	P.O. Box 41 Seward	224-5659

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NAME	ADDRESS	PHONE NUMBER
1. [illegible]	PO Box 102 Seward AK 99664	224-5751
2. [illegible]	Box 142 Seward AK 99664	—
3. [illegible]	Box 3701 Seward AK	224-8689
4. [illegible]	Box 3701 Seward AK	224-8689
5. [illegible]	Box 2183 " "	224 7065
6. [illegible]	Box 1258 " "	224-3363
7. [illegible] KEVIN WALKER	Box 1911 " "	224 [illegible]111
8. [illegible]	P.O. Box 581 Seward AK	224-7245
9. [illegible]	P.O. Box 1055, Nome, AK	443-2717
[illegible] BRUCE HOLLAND	P.O. Box Seward AK	224 7181
11. [illegible] CORNELIA V. DALEY	PO Box 868 Seward AK	224-3589
12. [illegible]	Box 73, Seward	224-3947
13. [illegible]	PO Box 2067 Seward	224-5362
14. [illegible]	PO - 3787 Soldotna	229-[illegible]30
15. [illegible]	PO Box 8532 Nikiski	—
16. [illegible]	P. O. Box 754 Seward	224-3805
17. [illegible]	" " 3594 "	224-2643

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1.	[illegible]	P.O. Box 754 Seward	224-3805
2.	Tom Gerard	PO Box 1656 Seward	224 3698
3.	[illegible]	PO Box 361 Kodiak	486-1792
4.	James B. [illegible]	P.O.BX. 1903 SEWARD, AK. 99664	
5.	Glenn [illegible]	P.O. Box 1021 SEWARD, AK 99664	224-3971
6.	CARRIE McCANN	P.O. Box 1021, Seward AK 99664	224-3971
7.	Loretta Smaridge	P.O Box 315 Seward AK 99664	224-8444
8.	John P. Rink	Po Box 8833 Chenega Bay AK 99574	573-5350
9.	Jessie Doubless	P.O. Box 482 Seward AK. 99664	224-7262
10.	Jim Colmore	P.O. Box 854 Seward AK 99664	224-8478
11.	Richard W. Strobel	P.O. Box 377 Seward, AK 99664	(907) 224-7221
12.	WESLEY J. JONES	BOX 2007 SEWARD, AK 99664	907-224-3664
13.	SUSAN M. KAANTA	BOX 224 SEWARD, AK 99664	(907) 224-7236
14.	[illegible] Summer Grove	Box 3324 Seward, AK 99664	(907) 224-20[illegible]
15.	[illegible]	Box 33 Seward AK 99664	(907) 224-3[illegible]
16.	S.A. Kessler	Box 32 Seward, AK. 99664	(907) 224-3739
17.	Dorcas M. Smith	Box 331 Seward, AK 99664	907 224-8[illegible]

We the undersigned:

Want the following conditions implemented in whole to Bill 310 to include

1. All State log sales or leases are to be utilized in domestic industry or consumption.

2. At no time shall State timber be shipped overseas in the round.

3. That all State logs for overseas use will be;

   a). Those logs that are lumbar grade must be made into finished lumber in the state of Alaska.

   b). Logs of lower grade must be chipped or processed in the state of Alaska.

NAME	ADDRESS	PHONE NUMBER
1. Angela Marie Danforth	P.O Box 2895	224-5914
2. Kathy W Jackson	P.O Box 1878	224-5615
3. Russell Kinnard	P.O Box 3151	224-2091
4.		
5.		
6.		
7.		
8.		
9.		
10.		
11.		
12.		
13.		
14.		
15.		
16.		
17.		

YOUNG

The STATE of Alaska contains 365 million acres of land.

There is 215 million acres under Federal ownership. This is 60% of our STATE. Most of this land is dedicated to Parks, habitats, and recreation for eco-tourism and other non-commodity uses.

There is 46 million acres of native land in this State.

There is 104 million acres of STATE land which is supposedly dedicated to the use of all citizens of this STATE as directed by our STATE Constitution. Most of this land is being used for habitats and recreation uses!!

Most of the State has been locked up and is being used as one big National Park! Now the preservationists, the vocal minority who you are hearing today, want more to lock up. How greedy can you get! The more they get, the more they want. Is this in the best interest of all citizens of this STATE?

The words you are about to hear ~~are terrible to~~ put to the situation we now have in Alaska. Please listen to the words carefully.

Play Audio for 1 min 40 seconds

Lets wisely use our renewable resources Let us not Lock up our STATE land any more than what it is !!

With oil wells going dry we need to wisely develope our renewable natural resources !!!

→ Wood Fibre is the Future of the Industry

I support Senate Bill 310.

Thank you

Joe Young

JOK, Alaska

Post-it™ brand fax transmittal memo 7871 | # of pages ▸ 2

To Rep. Williams	From Joe Young
Co. House Resources	Co.
Dept.	Phone # 883-5060
Fax # 465-3793	Fax #

Testimony prepared for teleconference hearing on CS SB 310 - April 15, 1994 before House Resources Committee, Bill Williams, Chairman.

Presented by Ginny HillWood, 1819 Muskox Trail, Fairbanks, AK 99709 - telephone 479-2754.

I don't pretend to have a Ph.D in Forestry, but neither have the Senator's who introduced SB 310; nor do those who chose to vote down most of the amendments that might have made a [redacted] timber industry acceptable on our State Forest lands.

I have taken much time - my own time - during the past year to study forest management and timber harvesting practices elsewhere on this planet, particularly in the boreal forests of Canada and Scandinavia.

I've discovered that the extent of recent clear cutting of the Canadian boreal forests plus the amount slated for harvest may have more impact on climate changes and the oxygen/carbon balance vital for sustaining mammal life (which includes us humans) than the over-harvesting of the tropical and temperate zone trees already have had. Scandinavia has little old growth boreal forest left. Now they grow tree farms which do not produce a healthy self-sustaining forest ecosystem.

Another fact I learned about the Canadian experience was that clear cut boreal forests differ from fire-burned forests in re-vegetation. Fire does not usually harm the soil structure or the microflora. The heavy behemoths used today in large-scale operations compact the soil and remove the duff, both of which have a negative effect on re-growth.

I also found out that the popular opinion that large scale, long term Forest Management Agreements (FMAs) are good for local community economics, is a myth, in the long term. The

corporate raiders come in from afar or abroad, woo the Chambers of Commerce, the media, business leaders, politicians, and government agencies with promises of profits and jobs. Contracts are signed before realistic cost/benefit studies can be made.

Later audits show that the true costs of managing the contracts by the Forest Service were often more than the corporations paid for the logs. Most of the profits went afar in industry pockets, and most of the jobs, especially the skilled ones, went to trained personnel the corporations brought with them. Logging and mill operations are not very labor intensive in the high-tech processing plants utilized these days.

The public usually foots the bill for much of the infrastructure to lure the industry, and they also suffer the impact on schools, added social services, road damage by logging equipment, to say nothing about reduced access to forest lands for outdoor recreation and tourism.

And our representatives from our district don't see any reason for CS SB 310 to undergo scrutiny by the House and Senate Finance Committees!

Once long term large scale FMA contracts are signed, we are locked into the consequences. Our boreal forests are too special and precious, both economically and ecologically, for hasty, ill-conceived give-aways. We can do better than SB 310 as it now stands.

Conny Hill Wood

HB 103

Testimony for teleconference sponsored by the House Resources on CS SB 310 on April 20, 1994. which Time didn't permit.

My name is Ginny Hill Wood, 1819 Muskox Trail, Fairbanks, Alaska 99709 - 479-2754. I have lived in Alaska since 1947.

Testimony as follows:

SB 310 is full of myths and errors. The substitute corrected few of them. Amendments which might have fixed it were turned down.

Here are a few of the false assumptions:

MYTH: That large-scale, 20-year contracts called Forest Management agreements (FMAs) are necessary to lure Big Industry to log our boreal forests, and that they will do it right -- just like the petroleum industry.

FACT: They will come, all right, but on their own terms. That's how it has been in our national forest, in the tropical forests, in the Pacific Northwest, and in the boreal forests of Canada.

FMAs have rarely benefitted local sustainable forest ecosystems in the long run.

More often, the public coffers have subsidized INDUSTRY profits. Local communities have suffered the impact costs.

MYTH: Local communities will gain jobs.

FACT: Out-of-work loggers from Pacific Northwest woods will swarm up here. Modern timber cutting and processing is NOT labor intensive. Jobs are few and very highly skilled. Industry will bring their own workers with them.

MYTH: The impact on forest ecology from clear-cutting

differs little from forest fires. Trees will regrow naturally.

FACT: Forest fires usually leave soils and micro-flora intact. But modern large logging equipment does NOT. Regrowth is not the same, species-wide. Tree farming is not yet proven in boreal forests, and would not recreate a complete forest eco-system.

MYTH: It will not cost the State Division of Forestry any more to manage large scale, 20-year FMA contracts than it now does to manage the present scale of timber harvesting.

FACT: If this is true, then they wouldn't be doing a very good job overseeing the process.

MYTH: CSSB 310 has nothing to do with the Finance Committee

FACT: If economics and a cost/benefit analysis isn't the crux of this matter, then you just don't get it!

MYTH: That environmentalists (Eco-Terrorists as some term them now) only want to hug trees and not cut them.

FACT: Environmentalists have always proposed that we scrap this bum bill, sit down together with existing local timber harvesters and processors, legislators, business men, ~~and~~ economists and professional foresters and through the Public Process come up with a bill that will work for a sustainable local economy, community directed, that also maintains a viable, mullti-use, forest ecosystem. It can be done.

Thank you.

Signed: Ginny Hill Wood

Ginny Hill Wood

April 21, 1994

Rep. Bill Williams
Chairman, House Resources Committee
House of Representatives for The State of Alaska
Juneau, Alaska

Dear Representative Williams:

Please pass SB-310. I strongly endorse a law that prohibits the export of whole logs from state lands. However, I realize that it is necessary to be able to enter into long term agreements for a sufficient log supply in order to eventually take advantage of a change in the law.

It is imperative to pass SB-310 today. The issue of in-state processing can be dealt with later. This bill and it's passage directly effects lives in Seward and the rest of the state.

Respectfully submitted.

Bert L Wright
PO Bx 2556
Seward, Alaska, 99664

Alaska State Legislature

Please enter into the record my testimony to the House Resources
committee name

committee on SB 310 , dated 20 April 1994
bill/subject

I am presently employed as a wildlife biologist in Fairbanks. Back in the early 1970's I worked as a logger and commercial fisherman along the lower Columbia River in Washington state.

It must be obvious that this is a controversial bill. The issue of expanded logging in the Tanana forest was being addressed through a public forestry forum — with all interests represented - in Fairbanks the past couple of years. SB 310 is an effort to circumvent this ongoing public process. It is a rush to impose the interests of one group upon the majority of the public.

I have lived in an area where logging was king and other interests suffered. Long-term timber sales are ruining Alberta and British Columbia. Let us take time to do things right here in Alaska.

Signed: JOHN M. WRIGHT
Testifier

self
Representing (Optional)

1991 St Bernard Dr., FAIRBANKS AK 99709
Address

Fax to House Resources 465-3793
465-6790

April 22, 1994

Re:SB 310

This is a bad bill.

1. It sells our logs cheaply.

2. It creates logging as a priority use to the detriment of other uses.

3. It is a serious detriment to tourism and will cost us jobs there.

4. It encourages loggers who have run out of logs elsewhere to come here and end up out of work here.

5. It does not require bonding thus encouraging fly-by-night operations.

6. It exempts up to a million board feet a year in a single region from any control.

7. Much state forested land is proximate to communities like Petersburg and many of us don't want the clear cut single use concept on our doorsteps.

DO NOT PASS SB 310.

Syd Wright
P.O. Box 624
Petersburg, Alaska 99833

TESTIMONY OF RONALD R. WOLFE, CHIEF FORESTER

KLUKWAN FOREST PRODUCTS

TO THE HOUSE RESOURCES COMMITTEE

ON CSSB 310

Good morning, my name is Ronald R. Wolfe and I am the Chief Forester for Klukwan Forest Products, and I would like to offer testimony today in support of the Committee Substitute bill SB 310, which amends Title 38, and Title 41 to make the establishment of Forest Management Agreements possible. Considering the budgetary difficulties facing the State of Alaska, and the desperate need to diversify Alaska's economy, this bill offers a welcome alternative means to stimulate some long term forest development.

Klukwan Forest Products is a wholly owned subsidiary of Klukwan Incorporated, a Southeast Alaska Native Corporation, and holds the unique distinction of harvesting its own timber as well as purchasing timber from the widest variety of Alaska timber owners. KFP has purchased timber from the federal government, the University of Alaska, other Native Corporations in

Southeast and Southcentral Alaska, and it has even purchased a little timber from the state of Alaska, which heretofore has not been able to put up very much timber for sale. CSSB 310 offers an alternative to the existing way the state sells timber, which really hasn't been very successful, so that long term benefits can be attained. This is particularly true for the boreal forests of Interior and Southcentral where the lack of infrastructure frustrates forest resource development, but we at KFP think it may have application elsewhere as well. The main benefit is a reliable supply for industry to make capital investments, and if this is allowed to occur Alaska's forest industry will be allowed to expand and improve. A reliable supply of raw materials is an absolute necessity for industry to obtain financing to build manufacturing facilities and necessary infrastructure, or invest corporate assets into such a venture.

Now, having offered support for this Bill, I would ask the House Resources Committee to amend the Alaska Forest Resources and Practices Act by remove a confusing reference to sustained yield with respect to reforestation in section 41.17.060 (b)(4). The section currently states:

> (4) to the fullest extent practicable, harvested forest land shall be reforested, naturally or artificially, so as to result in a sustained yield of merchantable timber from that land; if artificial planting is required, silviculturally acceptable seedlings must first be available for planting at an economically fair price in the state; and

We request the language "so as to result in a sustained yield of merchantable timber from that land" be deleted, and it is my understanding the legislative legal services office has proposed some language that would repeal Section 41.17.060 (b)(4) and move that section to a new paragraph 8 in 41.17.060(c), and create a new section 41.17.060(d) that would state:

> (d) With respect to private land only, to the fullest extent practicable, harvest forest land shall be reforested, naturally or artificially. If artificial planting is required, silviculturally acceptable seedlings must first be available for planting at an economically fair price in the state.

The new paragraph 8 is appropriate Section (c) in 41.17 which refers to state and municipal forest land only.

This is something that should have been done when the Forest Practices Act was amended several years ago because in that review it was recognized that their would be specific stocking standards for reforestation in the ensuing regulations. Today article 5 of 11 AAC 95 contains these specific standards, and because these regulations have been promulgated and are now law this

change is more house keeping rather than substantive. The confusing reference to sustained yield has resulted in at least one instance of a threat of lawsuit against the Commissioner of Natural Resources supposedly not enforcing sustained yield management on a particular parcel of private land. Clearly this is not appropriate, nor legal for that matter, and its removal will be helpful to prevent the state, and private landowners from having to defend against a frivolous lawsuit.

During the Senate hearings on this bill quite a bit of testimony was given expressing concern over the way this bill would change the public's input into the planning process. In the past much of this input has been directed towards the protection of publicly owned nontimber resources, but it should be remembered that these plans were prepared before the existing Alaska Forest Resources and Practices Regulations were promulgated. These detailed regulations provide a great deal of protection to nontimber forest resources that the state planning processes have provided in the past with input from the public. So effectively the protection to these resources remains, it just comes from today's regulations instead of a lengthy and

expensive processes which has got to somehow be changed for successful development of state forest lands.

In closing, the concept of forest management agreements is a good one to make the supply available to those who can manufacture wood products, and generate revenue to the state of Alaska where appropriate. In some instances this may be for hardwoods, for instance in the Fairbanks area, and in other locations of the state it may be for other species as well. Flexibility such as this is necessary to create the jobs and realize the long term economic benefits associated with forest development here in Alaska.

Thank you for this opportunity to testify.

Ronald R. Wolfe

Chief Forester

UCIDA

UNITED COOK INLET DRIFT ASSOCIATION
P.O. Box 389 • Kenai, Alaska 99611 - 0389
(907) 283-3600 • FAX (907) 283-3306

April 19, 1994 SENT BY TELEFAX

Representative Bill Williams,
Chair, House Resources Committee
State Capitol, Room #128
Juneau, AK. 99801-1182

SUBJECT: CS SB310 (RES)
UCIDA POSITION: Opposed

Dear Representative Williams,

United Cook Inlet Drift Association (UCIDA) represents the 585 salmon drift permit holders in Upper Cook Inlet. Some 350 permit holders are current members of our association. UCIDA is also active at the state and federal levels as a member of the Executive Committee of United Fishermen of Alaska (UFA).

UCIDA would like to inform you of our strong opposition to CS SB310 (RES). This legislation constitutes little more than a give away of our timber resources for short term gain at the expense of other uses and users of our renewable resources.

Section 2: Exempts sales under 500,000 board feet from the current public review process which requires that a sale be on the Timber Sale Schedule for two years.

Section 3: Authorizes Forest Management Agreements (FMA). This allows the Commissioner the authority to circumvent the public process and determine that timber harvesting is the best use of the state's forest resources. Other uses will be sacrificed to short term profits for operators. More specific concerns with FMA are as follows:

- No legislature has adequately funded reforestation or implementation of the Forest Practices Act.
- DNR decides where and what size FMA's will be.
- Public comment occurs only after FMA bids are received.
- There is no provision that the state not lose funds (Please see enclosed Guest Editorial, Peninsula Clarion, 4/19/94). FMA's clearly can create a state subsidized industry not supported by the public.
- Contrary to the claim of many sponsors, FMA's can NOT guarantee local industry. There is no longer a primary processing law in Alaska. The holder of a FMA is free to sell timber to the highest bidder.

Section 4 (c)(3): Requires, for state and municipal forest lands, that they be administered for the **expansion** (emphasis ours) of harvest activities. This can only be at the expense of other non-extractive uses. At the very least, without definitions of "business, activities; and life styles that are dependent upon or derived from forest resources" this amendment will create endless litigation and is ripe for abuse.

Section 5: Much as Section 4, creates a defacto preference for harvest activities, the new language of this section clearly tries to establish a preference for "development of commercial forest land," while merely "perpetuating personal, commercial, and other beneficial uses".

Section 6: This section allows the Commissioner to restrict the public uses of land and resources in order to carry out the "resource giveaway" proposed in preceding Sections. Further, "forest growth at a high level of productivity" and "the interests of private landowners" are mandated to be taken into account. However, these interests may at times be inconsistent with other public uses.

I would appreciate it if a copy of our comments could be distributed to the rest of the House Resources Committee members.

In conclusion, UCIDA requests that you not support this attack on the public process and uses other than timber harvests.

Sincerely,

Theo Matthews

Theo Matthews
Administrative Assistant

CC Representative Phillips
Representative Davis
Representative Navarre
Senator Little
Senator Salo
Commissioner Carl Rosier, ADF&G
Alaska Environmental Lobby, Inc.
Alaska Outdoor Council
Alaska Sportfishing Association
United Fishermen of Alaska

PENINSULA CLARION
TUESDAY, APRIL 19, 1994 Soldotna/Kenai, Alaska
50 cents newsst

UCIDA
PO BOX 389
KENAI AK 99611

What others say

To agree on trees, bring everyone aboard

If Alaska is going to benefit from the long-term forest agreements proposed by some of our legislators, then the agreements must be done right — economically and environmentally.

Some signs in Juneau indicate that goal may not be getting the support it deserves. The bill allowing the state to assign large tracts of forest land to single companies has bypassed the House Finance Committee, ostensibly because it would have no effect on state finances.

The assertion is questionable at best. First, forest management agreements will earn some money for the state through stumpage fees. Second, such agreements will cost the state because they will, if done right, require much more intensive forest inventories and future oversight.

'Alaska should never find itself in the position faced by the Canadian province of Alberta. It committed to huge forest management agreements years ago without proper inventories.'

Better inventories are necessary both to protect the state and the forest.

Alaska should never find itself in the position faced by the Canadian province of Alberta. It committed to huge forest management agreements years ago without proper inventories. Now it turns out there isn't enough wood on the land they assigned to the agreements, so the province is looking to its park land to meet commitments.

More important, thorough inventories would be critical to the long-term health of our forest under management agreements. Scientists and our own intuitions tell us that truly sustaining the forest requires corridors of undisturbed land along streams and across watersheds to allow travel of beneficial animals, birds and insects. Old growth nodes must be left to act as "seed" areas for the plants, soil bacteria and fungus essential to healthy forests. Detailed inventories help make such ideas work.

Besides acknowledging the need for complete inventories, legislators ought to consider a few other changes to SB310. It should create a public process that would set the maximum amount of acreage to be covered in agreements at any one time and the maximum amount to be placed in new leases in any one year. That would address concerns that a pro-industry administration will tie up too much of our best land, leaving local users with the dregs.

The current bill also lets the commissioner of natural resources commit the state to paying for much or all of the industry's roads, scaling services and reforestation. That would be costly work, but the bill only requires the commissioner to evaluate proposed management agreements for economic benefits to the state. We need a statement of liabilities, too.

Knowledge of those liabilities is particularly important given experiences in Canada, where some pulp mills with forest agreements have required outrageous subsidies. Most critics of forest agreements suspect such government subsidies are the only way Alaska will be able to compete with large pulp mills in South America and Southeast Asia.

If that's true, then the public needs to know so it can hit the kill switch.

– Fairbanks Daily News-Miner

ABC MECHANICAL SERVICES

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MEMBER:
- AMERICAN SOCIETY FOR NONDESTRUCTIVE TESTING
- AMERICAN WELDING SOCIETY
- NATIONAL HOT ROD ASSOCIATION

P.O. BOX 211291
ANCHORAGE, ALASKA 99521
(907) 248-4341
1-800-770-WELD
TOLL FREE ALASKA

DATE: April 12, 1994

TO: Representative Williams
Chair, House Resources Committee

FROM: Dane Wagner

RE: SB310

FAX: 465-3793 No. of Pages 1

We have attended meetings, written letters, and made phone calls to no avail -- why don't you listen to the majority of Alaskans when they say they do not want a bill such as SB310. Throw it in the trash and do something constructive for a change.

I talk to people all over this state daily and I have not talked to ANY who are in favor of a ridiculous idea like SB310. We are being labeled as environmentalists. You would become one over night if I showed up in your back yard with a chain saw. Who are you going to call for help? Wake up and realize what you are doing to many peoples dreams and ambitions.

Why don't you start by replanting all of the devastated areas on southeast alone, see how many years it takes before a harvestable tree crop is ready! The legislators are entrusted by the people to make responsible decisions and that is what we expect!

I vote independent but I follow most of the Republican party lines - but not this one and neither do my friends - all most all of them are in the business community.

This plan is <u>obviously</u> a short term profit for some one in Juneau. Once again Alaskans are being short changed.

Sincerely,

Dane Wagner

DATE: 13 APRIL 94

TO: REPESENTATIVE WILLIAMS
CHAIR - HOUSE RESOURCES COMMITTEE

FROM: REID WAGNER

RE: SB 310

FAX: 465-3793 NO. OF PAGES 1

I HAVE FOLLOWED THIS BILL FROM ITS ONSET, LISTENED TO PROS AND CONS AND AM STILL AMAZED HOW MANY LEGISLATORS EVIDENTLY HAVE A PERSONAL INTREST IN THIS BOON-DOGGLE, IT MUST BE A HIGHLY PROFITABLE PROGRAM TO THEM NOW AND IN THE FUTURE, IT CERTAINLY IS NOT IN THE BEST INTRESTS OF ALASKA OR ITS PEOPLE.

THE BILL TALKS ABOUT RENEWABLE RESOURCES BEING USED, HOW MANY CENTURIES CAN ALASKANS WAIT FOR THIS TO HAPPEN ONCE FORESTS ARE GONE. YOU GUYS HAVE TO BE DREAMERS OR TOTALLY DERANGED WHEN SUPPORTING THIS BILL. STATE FACTS NOT MORE LEGISLATIVE SMOKE.

I VOTE INDEPENDENT AND HAVE FOR 35 YEARS

THANK YOU

REID WAGNER
BOX 237
ELMENDORF AFB AK 99506

Alaska State Legislature

Please enter into the record my testimony to the House Resources
committee name

committee on SB 310 , dated 4-15-94
bill/subject

The Anchorage Fish and Game Advisory committee opposes SB 310.

The section which turns management of State forest land over to private logging companies would certainly reduce the possibility for input from other users such as hunters and other recreationists, and tourism businesses.

The role of ADF+G must much stronger than simply advisory, as the bill's language presents now.

This bill places lower value on intact wildlands for wildlife habitat and non-motorized recreation, and classifies timber production as best use. It weakens the principle of multiple use which should be the foundation for state resource policy.

Reforestation of logged land by whichever species will provide merchantable timber does not consider the value of successional stages as wildlife habitat.

Signed: _____
Testifier

Erik Williamson Reg G/S representing
Representing (Optional) Anchorage F+G Advisory Committee

12720 Lupine Rd Anc. AK 99516
Address

345-7678
Phone No.

9/86 Legislative Information Office

April 24, 1994
HC 62 Box 5080
Delta Junction, AK
99737

House Resources Committee
Alaska State Legislature
Capitol Buulding Room 124
Juneau, Alaska
99801

Dear Committee Memoers:

I am extremely concerned over the debate of SB 310 in the House. My family has lived off the Alaska Highway near the Robertson River about 30 miles west of Tok for 13 years. My husband, Hank, and I built our home with logs cut and peeled from our property. We both have Bacnelor of Science degrees in Forestry from the University of Montana in Missoula. My forestry work experience included 4 years of seasonal employment with US Forest Service in Montana and Idaho marking timber sales, conductiong stand inventories and checking utilization compliance on sales. I then received a permanent professional position with USFS and was in charge of stand inventories. I quit my job in order to return to school to finish requirements for an Education degree - which in turn brought us to Alaska. My husband has also worked for USFS in various positions, has been a logger and log house builder in the Upper Tanana Valley for 6 years.

Wood is an integral part of Alaskans' lives - we heat with it, build our homes with it, create furniture and carvings from it, cook with it. Wood is a valuable resource and in this day and age an ideal raw material, being renewable and recyclable. Interior Alaska is blessed with miles and miles of boreal forest - important to all of us for recreation, wildlife habitat, subsistence, tourism, hunting and trapping, firewood and lumber from local sawmills. How can some politicians believe that these interests will not be adversely affected by SB310? Will the employment and revenue generated by the big business timber industry offset the loss to small sawmills and subsistence users? Will our small locally-owned logging businesses be able to compete with outside industry interests? Can the forest resource supply us with a long-term sustained yield, faced with out-of-state money and 20 year FMAs? I think not. There are some good growing sites in the interior with relatively short rotations possible, however much of our forested land will prove difficult to regenerate. How can a living, ever-changing resource that is affected by so many factors and is such an integral part of Alaska's web of life be efficiently and properly managed by 20 year contracts? 20 years is a long time - alot can change in that time span. Access will be another major stumbling block - winter logging is an option but still requires roads. Why do the supporters of this bill feel that it is necessary to provide the "fullest possible access to, and use of" Alaska's natural resources? Who will pay for this road building and reforestation? Can Alaska afford to follow in the footsteps of USFS in subsidizing the logging industry with deficit sales at a time when that industry is having hard times all over the US? Why is the state ignoring sound multiple-use doctrine that fulfills needs of many types of users as well as protects the natural habitat, in favor of commercial timber being the

primary purpose of forest land?

A bill of this magnitude requires careful consideration - there are so many variables associated with Alaska's forests. Too many questions remain unanswered concerning this bill. Much more is at stake than just trees here.

I am afraid too many people are seeing dollar signs in their eyes and have not been informed as to the real costs and risks associated with this bill's passage. Please, for all Alaskans, vote NO on SB310.

Thank you for your time and effort.

Sincerely,

Mary Timm

Mary Timm

Alaska State Legislature

Please enter into the record my testimony to the House Resources
committee name

committee on SB 310 , dated 4/20/94
bill/subject

The lead sponsors of SB 310, Senator Frank and Representative Wilson refuse to allow much of the public the opportunity to testify, thereby dismissing our testimony as unimportant, and their testimony as superior to the people.

As the Greeks knew, hubris is followed by Nemesis.

I sent you a proposed amendment to set a limit on timber harvest in the Tanana Valley.

If the proponents really don't plan large scale logging why is there no limit?

As it stands, SB 310 is badly flawed.

Either take the time this year or table it until next year.

Signed: Lane Thompson (LANE THOMPSON)
Testifier

Self
Representing (Optional)

PO Box 80365 Fairbanks, Alaska 99708
Address

April 19, 1994

Lane Thompson
P.O. Box 80368
Fairbanks, Alaska 99708
479-6712

To: John Davies, Bill Williams, Steve Frank
Subj: Amendment to SB 310

I am a civil engineer who started work in Fairbanks as a surveyor in 1950. My wife and I have raised four children here.

I would like to see SB 310 defeated because it appears that the primary intent of its language is to undertake the deforestation of the Tanana Valley so that a few may profit. Since its powerful backers make it unlikely that SB 310 will be defeated, I ask, as a small concession to the many who oppose this bill, that the SB 310 sponsors at least set a limit on the total tree harvest in the Tanana Valley resulting from the FMA section of SB 310.

Since other logging will be taking place outside State FMAs, the limit proposed below is larger than I think desirable for a sustainable forest industry. However, in order to avoid having no limits at all, the proposed limit has been set deliberately at a level believed to be acceptable to the proponents of SB 310. The last four items of the proposal are to prevent cheating on the limit and to restrain giveaways of forest resources under FMAs.

Therefore, I propose that the following Paragraph (o) be added to 38.05.122. Section 3:

(o) Any person who signs a Forest Management Agreement under this section or any person who utilizes any temporary or permanent roads, bridges, factories or other facilities constructed in conjunction with such an agreement for the transport or processing of timber, shall be subject to the following provisions:

(1)Be it provided that the total

(a)the aggregate annual timber harvest on State Forest lands within the Tanana Valley drainage plus

(b)the aggregate annual timber harvest on all those other State, Federal, University, Mental Health, Native and private lands within the Tanana Valley drainage which have utilized any temporary or permanent roads, bridges, factories or other facilities constructed in conjunction with any State of Alaska FMAs in the Tanana Valley drainage,

shall not exceed 6,000 acres per calender year, of which no more than 1,000 acres shall be white spruce.

(2) Any proposed change to the above total aggregate acreage shall be preceded by statewide public notice and public hearings starting at least one year prior to the decision to implement such change.

(3) Allocation and reallocation among landowners of areas to be harvested under this section shall be coordinated under the provisions of this section and, prior to final allocation, provision shall be made for full public disclosure and provision made for a public comment period the same as stipulated in Paragraph (c) of this section.

(4) Failure to observe harvest restrictions as determined in (1) and (2) above shall result in State enforced denial of access to roads, bridges, factories or other facilities constructed in conjunction with this section for the transport or processing of timber.

(5) Timber harvesting in excess of the allocations provided for under this section shall be penalized by compensation to the State of Alaska for double the rail head or factory value of the excess timber. Should any disputes or violations among any parties arising from allocations or reallocations, or any other cause which involves provisions of a State FMA or the use of the roads, bridges, etc. listed in (1) above, result in claims for compensation being decided against the State of Alaska; said claims shall not be compensated through the harvest of additional acres of trees above the limits set in (1) above.

TANANA CHIEFS CONFERENCE, INC.
122 FIRST AVENUE
FAIRBANKS, ALASKA 99701-4897
PHONE (907) 452-8251 FAX (907) 451-8938

April 20, 1994

Hon. William K. Williams
Chairman
House Resources Committee
State Capitol, Rm 128
Juneau, Ak. 99801

Re: SB 310

Dear Chairman Williams:

Today, TCC conducted a teleconference with the member villages affected by pending SB 310. After reviewing the current status of the bill, the villages remain opposed to passage of SB 310. The villages recommend that the bill be held over the interim tc allow education and consensus building within the Interior on the scope and direction of forest product development. It is fairly evident that both supporters and opposition to the bill have mutually engaged in rampant disinformation regarding the planned dev lopment of the forests. In the current political environment, passage of the bill will only serve to further polarize the Interior public opinion and foment further conflict. The result is a repeat of the Southeast Alaska experience of logging by litigation.

As you know, we continue to believe that absent a meaningful value added processing requirement, the bill fails to provide economic benefit for the Interior communities. Sen Frank indicated yesterday that he continues to have substantial legal concerns over the ability of the State to enact a meaningful value added requirement. We have proposed language that would allow such requirements contingent upon the Congress enacting legislation authorizing the State impose a value added requirement. This may

be putting the cart before the horse. Delaying consideration of the bill until next year would allow time for the state to seek the necessary federal legislation.

Consequently, TCC's position regarding SB 310 remains unchanged, and we would urge the committee to refer the matter to a subcommittee for the interim.

Sincerely,
TANANA CHIEFS CONFERENCE, INC.

Michael J. Walleri
General Counsel

TANANA CHIEFS CONFERENCE

COMMENTS ON

CSSB 310 (RES)
FOREST MANAGEMENT AGREEMENTS

[April 5, 1994]

The Tanana Chiefs Conference cannot support the passage of SB 310 in its current form. The original bill was flawed from public process, environmental and industry perspectives. It undermined established public input and planning processes; employed questionable environmental standards; and failed to address the needs of the industry. The bill as reported out of the Senate Resources Committee reinstated public input and planning processes, and strengthen the environmental standards necessary to protect subsistence, but failed to address the needs of the industry needed to promote sustained economic development of a forest products industry in Interior Alaska. If the bill merely promotes the harvest and export of round timber without support for the development of value added processing and coordinated forest industry management, it will add nothing to the Interior forest products industry and further the economic control of Alaskan natural resources by outside interests.

VALUE ADDED PROCESSING

The bill's prime sponser rightfully asserts that the current Interior industry practice of cutting trees for round log export merely harvests the investment principal contained in our forest. True economic development will only occur with the introduction of timber processing into the Interior, such as the development of particle board, pelletizing or similar plants. to process our natural resources. Unfortunately, this bill does not address these concerns. While the prime sponser has expressed strong support for value added processing, he has expressed equally strong concerns over the legally of such requirements. Rather than avoid the issue, however, the legislature should seek to resolve the underlying problem.

The controversy focuses upon the US Supreme Court decision in *South-central Timber Dev. v Wunicke*, 467 US 82 (1984), which

invalidated the former Alaskan in-state processing requirements. This holding acknowledged that federal policy in Alaska also requires in-state primary processing, but invalidated the method used by the State to achieve the same result. The Court's opinion, however, did not prohibit other means available to the State to promote in-state processing. The Court made specific suggestions as to how the State could constitutionally encourage in-state processing. Specifically, the Court noted that Alaska could

1) obtain express Congressional authorization.

2) choose to sell its timber only to companies who maintain active primary processing plants in Alaska.

3) provide a directly subsidize the primary processing industry with discounts on timber sales or cash grants

4) pay to have state timber processed and enter the market only to sell processed timber.

The clearest solution to the problem is to for the State to provide for value added processing contingent upon obtaining Congressional authorization, and than seek Congressional authorization. The fact that federal policy currently supports the practice on federal timber sales suggests that such an authorization would merely allow the State to do the same thing that the federal government does now. Other alternatives would include the restriction of FMA's to contractors that maintain processing plants in the State, or providing discounts to such contractors.

Any of these methods may be used to promote value added processing. The concept of forest management agreements (FMA's) has merit, however, the failure to address the value added issue transforms what otherwise might be a good concept into an illusionary symbolic act.

COORDINATED TIMBER DEVELOPMENT

The bill should authorize the State to coordinate timber sale offerings and FMA management with adjacent landowners who wish to participate in the FMA. A possible major advantage of an FMA is to integrate management of an entire forest system irrespective of property ownership. In Alaska State, federal and Native property

lines generally transect naturally defined forest boundaries. An FMA provides sufficient flexibility to coordinate land management and timber harvest activity between diverse land owners. ANILCA authorized coordinated land management from the federal perspective, but State participation regarding timber management has not been authorized by the State Legislature.

Coordinated management can provide substantial economic and environmental advantages. On the economic side, coordinated timber offerings allow participants to take full advantage of economies of larger scale. From the sellers perspective, coordinated sale offerings allow all landowners to achieve higher market benefit. Additionally, coordinated sale offerings and management allow participating owners to reduce administrative costs and to share such costs with adjacent operations. On the environmental side, coordinated management would permit an operator to manage an entire forest unit and avoid conflicting operating practices. In the past environmental damage has been exacerbated from uncoordinated timber harvest activity.

The bill should authorize the Department to coordinate with willing adjacent land owners in construction sale offerings, cost sharing, and timber management activities related to the FMA.

DT: 4/20/94
FR: Jim Sykes
TO: House Resources Committee
RE: Testimony on SB310

My name is Jim Sykes, my residence is northeast of Talkeetna in the Susitna Forest.

I believe you are headed for dangerous legal territory with this bill, and quite frankly I don't see the need for it. We do Comprehensive plans, coastal zone management plans and community plans to prioritize likely uses. I chaired a long community planning process for the 300 square miles of the Chase Comp Plan. Our forest is one of multiple uses, like most forests. This bill creates an unnecessary conflict with the already established planning process and prioritizes trees for commercial timber harvest. The proposed amendment to Section 5 should be stricken.

You should also be aware that where plans are in conflict, it triggers a higher level of review before industry can proceed. For example, if the federal government wants to do something that goes along with a management plan, only an Environmental Assessment may be required. If the project is in conflict with a plan, the National Environmental Policy Act kicks in and a full Environmental Impact Statement is required. This bill could actually create that kind of conflict.

Worse than that SB310 gives the DNR Commissioner almost god-like authority to develop whatever long term forest management agreements she or he feels like. It definitely shuts out the public process, where there is already not enough citizen participation. If you don't have an example of what an FMA is going to look like, you shouldn't pass legislation giving full

authority to the DNR Commissioner to figure it out in the absence of public process.

3B 3

The worst part of this proposed system is that we are basically paying people to cut down our trees and cart them off. We lose in two ways--getting only 10 cents in return for every dollar spent, and the resource is gone. Former State Forester Ted Smith testified before the Chase Comp Plan committee that the Susitna Forest could not be profitable without subsidies for roads and bridges. It's time for the state to wise up and quit being the sucker for anything that sounds like economic development. We have to ask who benefits while the state pays.

Section 2 c is one of those "One-size-fits-all" kinds of laws that won't work. Exempting a sale of a half million board feet in Southeast Alaska might be 20 acres, in my forest it might be 200 acres. Timber sales should be made on an as needed permit basis for sales lasting up to 5 years in length. All timber sales should have extensive public input from communities most affected before they are considered.

Several years ago the values of tourism, recreation and remote uses were figured to have a yearly financial benefit greater than cutting down and selling the entire Susitna Forest. We have a multiple-use forest where recreation is the primary benefit along with local loggers who historically cut from 500-1500 acres a year.

In summary, there is no need for this legislation. I urge you in the strongest terms not to pass it. If I were Governor, I would veto it. If it becomes law and I become Governor, I will work to repeal it in the next session.

I thank you for your time, and hope you will make a wise decision.

If it ain't broke, don't fix it!

Jan Lyhus

Alaska State Legislature

Please enter into the record my testimony to the HOUSE RESOURCES
committee name

committee on SB 310 (CSSB310), dated 3/30/94
bill/subject

I Hereby request that the public hearing on this bill be extended and rescheduled. The public has been shut out, wrongfully shut out.

I OPPOSE Bill SB310 based on lack of public process, economics, bad public policy, citizen rights, & environmental questions. There's NO need for this Bill!

Signed: James L. Lyken
Testifier

Representing (Optional)

PO Box 68 Talkeetna 99676
Address

Msg 278-7436
Phone No.

Susitna Valley Association
9600 Slalom Drive • Anchorage, Alaska 99516 • (907) 346-1943

POSITION PAPER

April 10, 1994

CSSB 310: AN ACT RELATING TO TIMBER HARVESTING ON STATE LANDS

The Susitna Valley Association, a coalition of 69 organizations, plus over 4400 individual and business members, opposes CSSB 310. This position paper will address SVA's concerns regarding forest management agreements, as well as the proposed exemption of "small sales" from the Five-Year Timber Sale Schedule.

Forest Management Agreements (FMAs). The public in southcentral resoundingly opposed a large negotiated sale for the Susitna Valley six years ago. That proposal is similar to what is in this bill. The people again opposed various forms of the concept in the legislature from '87 though '90. We continue to oppose it as presented in SB 310.

Several surveys conducted in the Matanuska-Susitna Borough reveal that large-scale timber harvesting and long-term contracts, such as required for forest management agreements, are not popular concepts among over 90 percent of the Borough's resident population. SVA has enclosed a paper which summarizes those surveys.

The paper also provides a brief overview of the Susitna Forestry Guidelines project which involved thousands of people over several years. According to DNR, participants "strongly opposed expanded logging operations" for the Valley, and "cited the importance of the recreation and tourism industry to the Valley's economy and quality of life".

SVA expects, after listening to earlier testimony on SB 310, the response will be similar elsewhere in the state to FMAs being used to manage state multiple use forest lands.

In regards to SB 310, one of its major flaws is that it does not provide for public participation in deciding where the FMAs will be located. That decision will be made by the commissioner, or by a timber company requesting a specific area. The first opportunity for public "comment" is <u>after</u> an area is identified and proposals are received.

Even though SB 310 does require the commissioner to consider certain multiple use values in arriving at a decision, it has been SVA's experience that DNR does not have the data base or personnel to adequately evaluate or represent many of the non-timber uses of the forest land. SVA sees this as a serious gap in the credibility of the process, particularly for an area such as the Susitna Valley which has a complex remote recreation and related tourism economy.

SB 310 gives far too much authority to the commissioner in negotiating the terms of an FMA. Those negotiations, including decisions involving roads, reforestation, facility development, and silvicultural practices, will be made between the commissioner and the contractor outside of public or legislative purview. The general public, including

(over)

impacted businesses, local communities, recreationists, and property owners, appear to have no opportunity for input into these decisions until the FMA area comes up for renewal in 20 years.

There is no question that forest management agreements, once in place, advance timber harvesting as the priority use of the land. They close the door on other forest dependent uses and values that may be even more important economically and culturally than logging. They remove the necessary checks and balances so important in managing, rather than exploiting, our resources. They are expensive. In Canada expenses have run two to three times income, requiring long-term financial committment on the part of the governing body. FMAs are not likely to be the answer to Alaska's fiscal problems.

The exemption of "small sales" from the Five-Year Timber Sale Schedule. If the intent of the proposed amendment in Section 2 of the bill is to allow flexibility for Division of Forestry, but still ensure that the bulk of the sales goes through the plan process, then the amendment is flawed for the Susitna Valley. It would exempt a full 67% of our sales from the current Five-Year Timber Sale Schedule.

A half-million board feet is not considered "small" in the Valley. While that volume may equate to only about 20 acres in southeastern, in the Su Valley where our so-called "commercial forest lands" average only 2549 board feet per acre, that equates to 200 acres. If the sale is for selective harvest, it can impact many times that area. These are substantial harvests in an area that has over 17,000 private properties, 52 remote lodges, and numerous small communities diffused throughout the area; not to mention a recreation and tourism economy that generates over $15 million annually, and which has invaluable fish and wildlife habitat.

This proposed amendment is "broke" and needs fixing.

In conclusion SB 310 appears to accommodate a small group, primarily of outside corporate interests, who's sole purpose is to make money from cutting our trees. And, they've told you maybe they can make it work, but only if you give them full control over huge enough blocks of the forest land, and only if you commit the land to them with logging as the priority use for a long and indefinite period of time.

In support of responsible resource management and development, and in support of existing businesses that are dependent on an intact forest, SVA asks that you reject this bill. Thank you.

Loisann G. Reeder, President
Mike Bronson, President, Wasilla Chapter
Roberta Sheldon, President, Talkeetna Chapter

Susitna Valley Association 9600 Slalom Drive Anchorage, AK 99516 346-1943
Susitna Valley Association, Wasilla Chapter P.O. Box 2176 Palmer, AK 99645
Susitna Valley Association, Talkeetna Chapter P.O. Box 292 Talkeetna, AK 99676

Susitna Valley Association
9600 Slalom Drive · Anchorage AK 99516 · 346-1943

THE PUBLIC HAS REPEATEDLY VOICED OPPOSITION TO LARGE-SCALE TIMBER HARVESTING IN THE SUSITNA VALLEY

Senate Bill 310

1987 SUSITNA VALLEY TIMBER SALE PROPOSAL

The administration proposed a large-scale negotiated timber sale, similar to a forest management agreement, on 200,000 acres in the middle of the Susitna Valley. The public overwhelmingly and soundly rejected the sale. The sale was ultimately withdrawn, and the Susitna Forestry Guideline Project was initiated (details below).

PUBLIC OPINION SURVEY, Matanuska-Susitna Borough Forest Management Program; Databank Mat-Su, for Matanuska-Susitna Borough; July 1989.

General. Random phone dialing survey of 250 Mat-Su Borough residents. 19 residents were from the Susitna Valley (Talkeetna - 11; Willow - 8), with the rest from Wasilla, Palmer, and Big Lake.

Large or small scale? Only 6 percent favored large operations. 79.2 percent of those interviewed wanted the Borough to build upon the small logging operations that currently exist in the borough, rather than attract large national or international operations.

Long term Forest Management Agreements? Only 4.4 percent favored the longer contracts conducive to Forest Management Agreements. Almost 60 percent of respondents preferred short-term timber contracts of 5 years or less.

Summary. Among the most emphatic points made by respondents, according to the researchers, was that timber development and processing which might occur should be small-scale, utilizing local labor, and be done in an environmentally sound manner. Further, that timber harvesting should be done utilizing fairly short-term contracts and that there be no clearcutting.

ISSUE QUESTIONNAIRE; Rep. Curt Menard; February 1990.

General. Questionnaire published in the Frontiersman, a Wasilla newspaper. 860 respondents. Questions were on a variety of issues, including one on timber harvesting.

Timber Harvesting. Only 9.8 percent of the respondents supported "large scale" timber harvesting. 58 percent approved, basically, of nothing larger than is presently being cut. Another 32 percent would accept "moderate scale", but "moderate" was not defined.

(over)

SUSITNA FORESTRY GUIDELINES PUBLIC COMMENTS, Susitna Forestry Guidelines Project; Department of Natural Resources; Adopted December 1991.

General. Was a 4 year project. 2000 people, including 1200 property owners in the planning area, requested to be on the project mailing list. Hundreds of people attended meetings which were held in Talkeetna, Trappers Creek, Skwentna, Alexander, Willow, Wasilla, Palmer, and Anchorage. The project's Citizens' Advisory Committee consisted of 81 organizations, businesses, and local governments.

Review and Analysis of Comments on the Public Review Draft. (DNR, May 1991; 130 pages of comments, single-spaced) "**SCALE OF LOGGING** Keep it small, keep it near existing roads, emphasize recreation: Many comments supported small-scale logging, harvests near the road system, and harvesting for personal or commercial use. However, they strongly opposed expanded logging operations and new access into remote areas. Many of the comments cited the importance of the recreation and tourism industry to the valley's economy and quality of life."

At the final public meeting, 4,100 signatures of individuals who "are opposed to large-scale timber sales in the Susitna Valley", and who support the premise that "forest management agreements are inappropriate means of administering our public lands", were submitted by the Susitna Valley Association. These are on file with DNR.

Response to Public Comments. (DNR, May 1991) "**THE BIG ISSUES Scale, Location, And Timing of Logging And New Roads.** Almost half the comments received were concerns about the scale of logging and extent of new roads. Most said that logging should be small-scale, local operations, near existing roads, and that new roads into remote areas were unwanted. Many were concerned that logging would harm remote recreation."

Dated: March 22 1994

Susitna Valley Association 9600 Slalom Drive Anchorage, AK 99516 346-1943

Susitna Valley Association, Wasilla Chapter P.O. Box 2176 Palmer, AK 99645

Susitna Valley Association, Talkeetna Chapter P.O. Box 292 Talkeetna, AK 99676

To: Bill Williams
Chairman of House Resources
FAX 465-3793

I am opposed to the passage of SB 310 as it is currently written. Amending the primary purpose of the State forests from mulitiple use to commercial timber development and creating the proposed long-term FMAs, I think will prove to be not only short sighted but, ultimately, detrimental to both the economy and natural resources of the State. The proposed long-term contracts and attendant obligations do not allow sufficient flexibility to react to changing conditions in, e.g. public values on land usage, critical habitat demands, or world market needs.

If such a bill is to be passed, the State must require that the contract period be reduced to no more than 5 years, that FMA harvest levels be adjustable to changing conditions, that FMA contractors be required to be responsible for scaling, road construction, reforestation and restoration of their areas, that fines and penalties be established for contract and regulatory violations, that overseeing agencies such as DNR and Fish & Game be funded sufficiently to monitor compliance, and, finally, that provisions exist for local hire.

After considering the issues and ramifications of SB 310, I feel that it is ill-conceived, panders to special interests, and attempts to support a bloated budget. As written, this bill's passage would demonstrate both negligence and irresponsibility on the part of our legislators to the people of the State. Alaska is still a very special place in terms of the extent of its wilderness areas and natural resources and the heritage this can offer our children. I feel it is encumbant on all of us to develop and nurture a proper relationship to this environment, and that it not be plundered for potential short-term gain. I think this bill violates that trust.

Sincerely,

Constance Stricks
PO Box 81437
Fairbanks, AK 99708

Alaska State Legislature

Please enter into the record my testimony to the House Resources
committee name

committee on SB-310, dated 20 April 1994
bill/subject

I am opposed to SB-310 as written since I believe that the multiple-use management as stated in the current Sec. 41.17.200 should be retained. I believe that this Bill unnecessarily limits other economic development and recreational uses of forest lands by making them subservient to timber harvesting.

I also have reservations ~~about~~ the proposed possible twenty year lengths of contracts since the forests under consideration are varied (about fifteen per cent white spruce and the rest approximately equally divided between hardwood-spruce and hardwood stands) and could probably be more efficiently and responsibly managed and harvested in shorter, possibly renewable, contracts

I am a 30 yr resident of Fairbanks vicinity and am an exploration geophysicist. Thanks you for your consideration.

Signed: Kenneth R. Stoll
Testifier

Self
Representing (Optional)

1191 Eastwood Lane Fairbanks, Alaska 99712
Address (907) 457-8502

To: Troy 1 page
Fm: Thyas

BOD

Statement of Support for SB-310 Which Would Authorize Forest Management Agreements
by John L. Sturgeon, President Koncor Forest Products
March 1, 1994

Koncor Forest Products Company is a native owned company that has been involved in forest management in Alaska since 1977. Koncor currently has forest management activities in Southeast Alaska, Prince William Sound and the Kodiak area. These activities generate in excess of 300 full time jobs in Alaska with annual revenues in excess of $60 million.

Koncor believes that the forests of Interior and Southcentral Alaska hold great potential for the development of a sustainable medium size forest products industry. Due to the lack of timber supply worldwide, markets for Alaskan forest products are very strong and expected to stay that way for the foreseeable future. This is critical since in past years timber markets for Interior type timber were not high enough nor stable enough to attract sufficient capital to develop infrastructure.

Since it is generally agreed that strong timber markets are here to stay the next most important component needed to develop an Interior timber industry is a steady, reliable supply of raw material. If investors can be assured of this steady reliable supply of raw material they will be willing to invest in the construction of infrastructure. This infrastructure would include the construction of processing facilities, mainline roads, rail loading facilities and the purchase of modern timber harvesting machinery. This infrastructure could be built without the need of government support in the form of loans or loan guarantees. This can be accomplished by the private sector if they have access to a long term, reliable supply of timber, assuming the timber is sold at market price and government regulations don't suffocate the industry. The forest management agreements that would be allowed under SB-310 would provide the basis for securing the needed long term reliable supply of timber.

While this legislation would provide an avenue toward the management of Alaska State forest lands, it would not do so at the detriment of the forest environment. The State of Alaska would still retain control of the land and the practices undertaken. However, this would result in much less cost to State government. Koncor believes that the Forest Practices Act and provisions of this legislation would result in protection of fish, wildlife, and other public resources.

The legislation still provides for public comment and comments by all public agencies. In no way would this legislation lock anyone out of the process. It would also not damage any of the other important industries which rely on the forest environment.

Alaska State forest lands are in need of careful management activities if we are to protect wildlife, watersheds and the economic values they contain. If we do not soon start the management of our State forest lands, the chance of some natural disaster, such as wildfire or the spruce bark beetle, destroying these values, will continue to increase.

In summary, Koncor supports SB-310 because it is a practical means to encourage the development of Alaska Interior forests. Forest management agreements, which would be authorized by this legislation, would provide the key component to building a strong forest industry in Alaska. These key components are a steady reliable supply of timber at market prices.

Alaska State Legislature

Please enter into the record my testimony to the _____
committee name

committee on S.B. 310 , dated 15 April 1994
bill/subject

This bill is the first time I've ever felt motivated enough to figure out how to give testimony, and actually follow through. I am not a regular member of the AK Northern Environmental Center - I am a longtime resident of Fairbanks and the Tanana Valley, and I love it here. I am in opposition to this bill. I used to live in Oregon and I know how the big timber companies operate. They will say now that they will only harvest a limited amount timber, but after 20 years, after people and their families have become dependent on logging at a certain rate, they will say they need more timber. They will pit jobs against quality of life. They will get their way until there is no harvestable timber left, and then they will leave - leaving people and their families with no work and bitter feelings. PLEASE don't let this (over)

Signed: Susan A. Steinacher
Testifier

myself
Representing (Optional)

1610 Jones Rd. Fairbanks, AK 99709
Address

happen to our community. The big timber companies are not in our best interest. Please rethink how to proceed with logging in the Tanana Valley.

I propose that you consider subsidizing the start-up of small local owned logging companies and mills. The price of lumber has risen dramatically. We can supply our framing, general construction, and log home construction, at a lower cost using local labor, local lumber, and locally owned companies that are investing in the long term, renewable resources of the Tanana Valley - not just for their children, but for their children's children, and on indefinitely. PLEASE DO NOT BRING THE BIG TIMBER COMPANIES INTO OUR VALLEY - WE CAN DO MUCH BETTER FOR OURSELVES AND OUR FUTURE WITHOUT THEM. I challenge you to be innovative, to think small, and to think forever.

Thank you.

Alaska State Legislature

Please enter into the record my testimony to the House Resource
committee name

committee on SB 310 (bill/subject), dated 4.15.94

STATE AGENCIES ADMINISTERING PUBLIC RESOURCES SHOULD BE ACTING AS COORDINATORS + PLANNING ADVISERS TO LOCAL POPULACE (OWNER/OPERATORS, SUPPORT SERVICES, AND RESIDENTS IN THE REGION). DEVELOPMENT IS NECESSARILY SLOW AND AT SMALL SCALE TO BEGIN WITH IF LOCAL CONTROL BY THOSE AFFECTED IS TO BE MAINTAINED. GROWTH FROM SMALL BEGINNINGS WILL TAKE PLACE IF PUBLIC AGENTS FOSTER THESE LOCALLY CONTROLLED EFFORTS TO DEVELOP.

THIS BILL IS AN EXAMPLE OF STATE AGENCIES (+ THE LEGISLATORS) ASSUMING THAT THE PROCESS OF EXPLOITING RESOURCES FOR MONEY (IN THE NAME OF "THE PUBLIC") IS THEIRS TO EXERCISE. I OPPOSE THIS OPERATING PREMISE.

ENSURE THAT LEGISLATION DIRECTS RESOURCE AGENCIES TO PROVIDE PLANNING + ACTION SUPPORT TO THE LOCAL SMALL-BUT-GROWING OWNER/OPERATORS AND THOSE IN THEIR REGION TRYING TO LIVE WITH THE RESULTS.

Signed: David Stannard
Testifier

SELF-EMPLOYED OWNER/OPERATOR (LOCAL BUOYANCY) ADDING VALUE TO LOCAL RESOURCES (CERAMIC)
Representing (Optional)

1009 O'CONNER
Address FBKS 99701

OPEN LETTER TO ALL
MEMBERS OF COMMITTEE
H. Resource

Dear Editor:

You would expect a group made up of Scientists, professional Wildlife managers, and Conservative enforcement officers, to be correct, logical, and precise. But if you read Saturday's Compass (3/26/94 Anchorage Daily News) you would be as perplexed as I was. The policy of the Wilderness Society is anything but correct, logical or precise. At best it is an emotional (retorical) statement. I can't believe professionals would be associated with the likes. Caribou/Reindeer ranching is now practiced and only for a specific race of people. "Land occupied by ranched or herded game, is land from which free ranging wildlife is excluded." Ask these boys and girls why they aren't working to ban natives from using millions and millions of acres for Caribou raising. The policy seems to be - NO white Alaskans

Again and again the word unscrupulous is used. A word I'm ~~personally~~ familiar with and atribute to this type of misinformation. I mainly atributed it to some current and former state personel. Just recently Fish and Games Commission's

Wayne Reglin attempted to misinform the public about Doug Welton and his intentions. Doug has been an ardent supporter for moose farming. An honest Joe trying to make and enhance his living. A darn hard worker, self employed and not wealthy ie. he's typical of the majority of us. I'd love to see Wayne and his overpaid buddies work for themselves, where holidays and vacations aren't ~~paid~~ paid days off

"Game ranching poses the risk of spreading disease and parasites" and the paragraph goes on to cite tuberculosis. I should inform these professionals that our state is tuburculosis free. I'll address the reference to meat only with their discredited DEC's competence. Talk to the people doing time for illegal meat sales. There will always be someone who will break the law, that doesn't mean driving 56 miles an hour is right

The public should contemplate the philisophical implications of reducing the status of wild species to privately owned domestic livestock.

This is a room with No walls. For, bison, elk mink, muskox, Deer, Caribou (limited only to natives), are all domesticated animals. When you see them in the "free ranging Condition" does the fact that they are domesticated cause your philisophical feelings of "wild" to change? I guess the wildlife Society has already answered that.

It's ironic that we consumptive users pay nonconsumptives to control us. Maybe English Common law ~~never~~ left. still exisits

Respectfully,

Robert Shumaker
P.O. Box 3712
Palmer, AK 99645
746-4453

TO: Bill Williams, House Resource Committee April 20, 1994

FROM: Peter Shepherd, 1012 Galena St. Fairbanks, AK 99709

SUBJECT: SB 310

I support SB310 and urge it's passage in the House.

Various anti-development groups and preservationist activists are attempting to derail this bill. Their objectives are largely personal opinion and reflections of an ideological bent towards "nature knows best". I suggest these groups have co-opted ADF&G (Habitat Division) participation in an attempt to block or impede this bill. The ADF&G estimates of annual expenditures are misleading, inaccurate, and intellectually dishonest, reflecting shoddy unprofessional work.

The so called "public outcry" against this bill has been led by the Northern Environmental Center and Boreal Forest Council of Fairbanks. These groups have spared little expense to impune the authors of this bill as well as to seek it's defeat. Suggestions that the entire Tanana Valley would be denuded of trees, small log processing operations would be eliminated, vast clear cuts imposed on the forests, and demands for fiber would outstrip forest sustainability are a few examples of their fear mongering tactics.

My professional opinion, as a retired wildlife biologist, is that enactment of SB 310 will permit and encourage maximum use of Interior forests without deleterious effects on wildlife or other forest uses. Indeed this bill compliments the recently signed into law SB77 habitat improvement requirements. Statehood gave us lands for an economic base, development of these resources on these lands is a constitutional mandate. Neglect of this potential, based on emotional retoric, will not benefit or insure a healthy economy.

Peter Shepherd

474-4685

Please FAX to H. Resources.

April 20 testimony House Resources SB 310
Rep Williams and committe

Hello. My name is Mary Shields I am a 29 year resident of Fairbanks. I work in tourism and I am an author. Everyday in the summer, visitors tell me how precious Alaska's natural beauty is. They tell me to be sure we don't make the same mistakes made other places outside. I tell them I will and I take my responsibility seriously. That is why I am here today.

Thankyou for listening to me. Unforunately many people went home this morning and do not that the hearing is reopened. I hope you will schedule and publizie an evening hearing so working people can speak to you. Also many of us contributed in raising air fares to send 3 of Fairbanks ' finest and most creative minds down to you; Dr. Jan Dawe, Dr. Glen Juday and Dr. Colin Reed. I hope you will make time in your busy schedules to talk with them and learn from their expertise.I realize you are nearing the end of the session...you are stressed to the max and you must be very tired.

Please don't make foolish mistakes in your weariness. We the people will have to live with those mistakes forever.

The people in the Tanana Valley did not ask for large -scale timber development and we do not want it. That you could go ahead , after the overwhelming testimony across the state this morning is alarming.
And believe me the alarm is being heard clearly around Fairbanks.

I urge you to oppose SB 310 for the following reasons, and I will keep it simple.

1. The people living in the Tanana Valley have told you we don't want it.
This is very important to us, this is our home. We can put up with cold,dark and long winters, but we can't put up with living in the middle of a clear-cut. We don't have mountains, or tides or glacier nearby. We have trees.

2. There is no local-hire provision. Fairbanks would have a hard time supporting new families who mlove to town from other depressed logging communitiesout-of-state. Please hold the bill until you can get a waiver than will protect against ou-of-state migration to take the jobs.

3. FMA's have been disasterous everywhere else they have been tried with only 1 or 2 exceptions. DOF can't even manage the present 1000 A.harvest without wasting a lot of the trees. If you doubt me, let me show you the Left Fork sales..and show you pictures of what a mess that is. Seeing current practices is what caused me to get active to stop more of the same BAD management. Management is more than just cutting down trees, although DOF seems to ignore this.

4. Some of the best foresters in North America, (Jerry Franklin, Gray Jones, Chad Oliver,) recently visited Fairbanks. They all said the management must start from the people up. SB 310 is coming from a few at the top down, and it is headed for disaster. Last Friday Senator Frank admitted that he did't have a personal knowledge of how FMA's work or don't work. But he thought there were people who thought they worked. I'm sorry but that just not good enough. We have to live with these things and we expect a lot more homework on the part of our legislators.
Why is Senator Frank pushing so hard for this bill when his district is so opposed to it?

5. We don't have the economic or biological data to know it is worth the risk. We need a cost/benefits anaylsis before we give it all away along with all future options.
5. There is no local hire provision. Fairbanks would have a hard time supporting new families who move to town from other depressed logging communities.

6. REAL value-added processing would provide lots of job using few trees. Small local business will be squeezed out if the jumbotron, international industries are attracted by cheap "raw material" Competitive bids would bring much higher stumpage prices than the FMA system. The state really can't afford to give our resources away, and I hold your committee responsible for this protection.

CHANGE is coming , no mistake. But let's work together to invite change that will make our lives better. Yes we need jobs, but the people are not willing to pay the price of locking up our forest for the next 20 years.

Slow down...use your common sense....and hold off on this bill until we really know the costs and benifits in terms of all jobs using the forest, of clean air and water,and healthy habitat for people and wildlife.

Please attend or have your aides attend the nest FORESTRY FORUM, in Fairbanks April 29-30 Herb Hammmond, a well known forest ecologist, will share the experiences of British Columbia and try to help us learn from their mistakes.
The people want to have community control of our forest. The 5 year plans and guidelines like the Susitna Valley has, are better ways to go. The public process must be respected. Public comments and not just to be given, they are to be listened to and worked with. We can not afford to divide our communities even more than SB 310 has already done. Fairbanks is a small town. We need to live together and work together to assure our best future

Mary Shields
po box 80961
Fairbanks 99708
455-6469 phone and fax

Mary Shields

FAX TO Representative Bill Williams, House Resources Chair, 465-3793

April 15, 1994

Dear Rep. Williams,

I'm a lifelong Alaskan and I operate a business in Fairbanks with my father. I'm very familiar with Alaska's boom and bust economy, and I certainly favor a diversified economy. Although we're not opposed to logging, my family and I have grave concerns about SB310 as it now stands. I hope you'll address our concerns before you pass SB310 out of the House Resources committee.

First, reassure us that only a limited acreage of our total state forest will be committed to the long-term contacts, so our economy can remain diversified (and parts of the forest landscape will remain aesthetic). Be sure that the proposed Forest Management Agreements mesh with local communities' land use plans.

Promise us that the state is going to make money, and that our local smaller-scale loggers won't get shut out of the deal. Assure that there will be no state subsidization of this industry. (There will certainly be a cost to the state to conduct this business.)

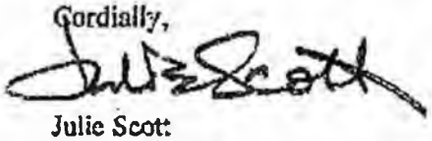
Show us that the companies will find it economic to build processing plants here. Reassure us that somehow, local hire can be mandated. Assure that out-of-state loggers won't come here seeking employment, only to eventually end up on our unemployment rolls. (My friends from Southeastern Alaska tell me that more than half of the people currently working in the timber industry aren't Alaska residents.)

I've read the bill that the Senate passed, and it doesn't address these concerns. Since we are venturing into new territory here, let's proceed with caution. At the very least, give the state an "out" by changing the language of the bill to shorten the length of the contracts. And if it's unconstitutional to mandate in-state processing and local hire can't be mandated, maybe SB310 needs to be reworked altogether.

I'm concerned that you haven't been hearing from a representative cross-section of Alaskans because we're busy with our lives, and testifying on legislation isn't a familiar process to us. But believe me, this bill is being discussed in many circles. Just in the last couple weeks I've heard opposition from people at the athletic club, at my quilt guild meeting, in our office and at a neighborhood potluck. People are opposed to the bill (although not to resource development in general). As it stands now, this bill is not the optimum vehicle for developing our timber industry.

Thank you for considering these points as you address this legislation

Cordially,



Julie Scott
PO Box 80435
Fairbanks, AK 99708
FAX (907) 479-4329

Alaska State Legislature

Please enter into the record my testimony to the House Resources committee name

committee on SB 310 Land Resources bill/subject dated 4-14-94.

(1) Feel timber should not be cut at all if we have to subsidize the effort.

(2) We should not sell any timber abroad unless its outside of a 200 mile radius of a mill. Anything within that radius should go to the mill or not be cut. Should get feds to adopt a similar rule.

(3) No clear cuts should be allowed if visible from a main tourism thoroughfare such as the Seward Highway, Exit Glacier Road, Resurrection Bay etc.

Signed: Michael Sela MICHAEL SELA
Testifier

Representing (Optional)

Box 912 Seward
Address

224-3125
Phone No.

9/93 Legislative Information Office

April 20, 1994

House Resource Committee
Alaska State Legislature

I am a lifelong Fairbanks resident. I work in the visitor industry. This letter is the testimony I offered this morning to the House Resource Committee on SB310.

First I want to register my disappointment in the way your committee has handled the public hearings on 310. On Friday April 15th, at no time did you ever acknowledge the people gathered statewide to offer testimony on SB310. Further you have decreed today that you have only 2 hours time to offer all of us, & only 2 minutes per person. Clearly many voices will not be heard by your ears. Rest assured we will not be silenced by filabustering myopia. This is our home. What we say is worth your time. We hired you; we can fire you.

That stated, allow me to speak my opposition to SB310.

Consider <u>why</u>, after decades of non-interest the forests of remote Alaska are suddenly interesting and potentially profitable to the timber technocrats. Plain and simple: this industry has destroyed its resource base everywhere else.

Also consider that people are spending millions of dollars every year to visit Alaska. They come here because we have what they want, what they no longer have: intact wilderness, standing & never-logged forests, wild & healthy populations of endemic species. If we destroy what we have, these people will take their dollars elsewhere.

The price of Alaska will only rise as everyone else continues to live beyond the capacity of their homelands. We must not cave in to pressure to irrevocably develop & destroy our forests.

We Alaskans must preserve what we have— manage it locally, sustainably, on a small scale for modest gain. You do not have the right to invite these rude outside profiteers to my home. I don't want them here.

Eventually the intact forests of Alaska will be worth <u>more</u> than all the timber ever produced the world over.

Oppose SB 310. Allow community councils to draft consensus forestry management proposals for considerations next legislative session.

Sincerely,

CRISTINA SCHNEIDER
P.O. BOX 80883
FAIRBANKS, AK 99708

Alaska State Legislature

Please enter into the record my testimony to the HOUSE RESOURCES committee/ name

committee on SB 310 bill/subject, dated 4/15/94.

Thank you for the opportunity to testify.
I would like to register my objections to SB 310. I am very concerned about the proposed changes in state forest policy which would make timber harvest a priority on state lands. State lands should be available and managed in a way that provides multi-use capabilities for the citizens of Alaska. I ask that if this bill is passed, which I believe it should not be, that you require FMA's be consistent with municipal land use plans, that you include provisions for penalties and fines for contract & regulatory violations, that you FULLY FUND DNR and ADF&G so that they can adequately monitor the FMA's. I also feel that such legislation must make the contractor responsible for ALL costs to the state related to administering, monitoring, and enforcing an FMA. I would also like to see the state require that value be added to timber. Public resources should benefit the public so lumber should be milled in Alaska and the FMA should include a local hire provision as well.
I hope you will consider my recommendations and again I thank you for the opportunity to testify.

Signed: Krista Rogerson KRISTA ROGERSON
Testifier

Self
Representing (Optional)

Box 1386 VALDEZ AK 99686
Address

(907) 835-3788
Phone No.

9/86 Legislative Information Office

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To Rep Williams	From Valley L.I.O.
Co.	Co.
Dept.	Phone # 835-3111
Fax # 465-3793	Fax #

Alaska State Legislature

Please enter into the record my testimony to the Resources
committee name

committee on SB 310, dated 4/15/94
bill/subject

I would like to add my voice to chorus of those I have heard speaking in opposition to SB 310. My participation in public forums, as reader of the newspaper and as a citizen of this state, has left me with the lasting impression that a majority of those affected (local residents) by this bill are opposition to it. In a representative Democracy it is your obligation to represent the will of the people. Please fulfill that obligation and dispense with this harmful piece of legislation the reasons are plentiful and are more economic than ecological Thank you very much.

Signed: Carl Roland CARL ROLAND
Testifier

Representing (Optional)

2382 Olivia Lane, Fairbanks AK
Address

Alaska State Legislature

Please enter into the record my testimony to the House Resources
committee name

committee on SB 310 , dated April 15, 1994
bill/subject

I am primarily a recreational user of the Tanana Valley State Forest and my winter's supply of firewood is harvested there by either myself or local folks who cut firewood for a living. As a resident of Fairbanks, I am here to share serious concerns I have regarding Senate Bill 310. While the bill continues to undergo revision due to intense public pressure, it is still seriously flawed in that it does not honor existing multiple use.

The root of my concern is that SB310 places the priority for use of our forest on developing commercial, large scale logging operations rather than managing for existing multiple use such as subsistence hunting + fishing, recreation, and small scale logging operations. SB310 takes land away from users such as myself and gives it away to big timber corporations from outside our State. I urge you to honor the diversity of use in our state forest and kill Senate Bill 310 in the House.

Signed: Mary Katherine Romberg
Testifier

Representing (Optional)

P O B 81444 Fairbanks, AK 99708
Address

CARL ROSENBERG
1832 WOLVERINE LANE, FAIRBANKS 99708
479-3077

Dear Senator,

I am a woodworker and energy consultant. I am concerned about SB 310. I am concerned about the long term FMA's and the lack of public involvement. There has not been a valid forum for public input and for consideration of what the public wants for it's lands. I am concerned about closing out small, local, responsible, long term users of our timber resources. I do not support locking up our forests. I do not want to stop efficient utilization of our resources.

New jobs do not only come from resource extractive businesses, but can be replaced with those in resource conservation. I am an example of that. Energy conservation and weatherization jobs have been shown to be one of the best investments a community can make. The money stays in the community, and results of the work last a long time.

I have personally viewed the incredible waste by large scale timber harvest practices, in interior Alaska and Southeast. It is our responsibility to utilize our resources carefully, wisely and efficiently. Large scale resource extraction works in opposition to these ideals. Large scale timber development means large scale waste. I have seen it repeatedly throughout the state.

Short term financial boom end long term bust. I support local businesses that use our resources wisely and are locally responsible. It is time our legislators start listening to their constituency. We want long term, sustainable solutions.

Sincerely,

Carl Rosenberg

Alaska State Legislature

Please enter into the record my testimony to the _____
committee name

committee on SB 310 . dated April 20, 1994
bill/subject

This is the thiRD time I took off from work, came to the LIO on time for a hearing and was not allowed to testify. I am infuriated. I oppose 310. It is not in the STATE'S interest. FMA's have not worked in Alberta, in Southeast & in Scandinavia. The Republican majority is intent on cramming this down our throats Despite overwhelming public opposition. We need to go back to a public process system if indeed the forest Practices Act needs amending AT ALL.

Not one person I know supports this bill. It should be killed or AT the very least TABled until a comprehensive inventory & public Hearings are conducted.

Signed: Ronnie Roserberg
Testifier

Representing (Optional)

841 Ninth Av. Fairbanks AK 99701
Address

Alaska State Legislature

Please enter into the record my testimony to the House Resources Comm.
committee name

committee on SB 310, dated 4-20-94
bill/subject

It is correct to distinguish the Alaska boreal forest from forests both in other portions of Alaska & in the lower 48 however there are lessons which we can learn from large-scale, long-term intensive logging in these regions (FMA's).

The relatively low quality of our forests & their poor proximity to major markets implies that state gov't. would have to provide a large financial commitment (eg. providing infrastructure, absolving the FMA holder of responsibility to replant, tax abatements, etc) to attract companies to apply for FMA contracts. Further the state would have to evaluate & monitor impacts of such contracts on fish & wildlife populations & on watersheds.

Timber production is not the only value of forests. There are, among other uses, also fish & wildlife, recreational, life style aesthetic values which must be considered. For short periods, large-scale, intensive cutting may benefit a few spp. of wildlife. But, if the goal of forest mgt. in Alaska (as stated in SB 310) is intensification of commercial output & includes regeneration of merchantable species (not likely to be willow), it seems that wildlife values, among others, will be lost.

Twenty year contracts do not allow us as a state to respond to changes in technology, information re forest ecology, economics or societal values. (over)

Signed: Anne Ruggles
Testifier

Representing (Optional)

POB 82950 Fairbanks Alaska 99708
Address

Afognak Logging

A DIVISION OF

Kodiak Lumber Limited

(907) 224-3130 Box 610 Seward, Alaska 99664

April 19, 1994

Representative Bill Williams
Chairman, House Resources Committee
State Capital, Room 128
Juneau Ak. 99801

Please support SB310 as good public policy to create jobes and protect forest health. We must manage our State lands because we cannot count on the Federal government to manage theirs. Forest Management Agreements will still have the protections of the Forest Practices Act, including stream buffers.

Sincerely,

Albert Schafer

Albert Schafer
President

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Northern Timber Corporation

P.O. BOX 1120
HAINES, ALASKA 99827-1129
TEL (907) 766-2821
FAX (907) 766-2822

March 4, 1994

The Honorable Mike Miller, Chair
Senate Resources Committee
State Capitol, Room 423
Juneau, Alaska 99801

Re: SB310

Dear Senator Miller:

This note is written to express our support for SB310, and am optimistic that it will become law which will further benefit Alaskans.

I live in Haines which is surrounded by State forests only to see inter-agency and special interest problems destroy a valuable resource. It's disappointing that the Spruce Bark Beetle has become the "harvester" of the Chilkat Valley.

Sincerely,

NORTHERN TIMBER CORPORATION

Roger J. Schnabel
President

S/j

cc: AFA - Troy Reinhart

\SB310

Alaska State Legislature

Please enter into the record my testimony to the Resource Committee
committee name

committee on SB 310 . dated 4/20/94
bill/subject

This bill seems to pave the way for a give away or export of this valuable state resource. Judging from the track record of other PMA's elsewhere, they seem mainly to facilitate resource extraction.

This resource will only grow more valuable with time, and selling a long term contract for these resources at todays prices is to the detriment of the state. Especially if the state must make expenditures to facilitate this.

I oppose SB 310

Signed: Jack Schmid
Testifier

Representing (Optional)

P.O. Box 84244 Fairbanks AK 99708-4244
Address

Fairbanks Industrial Development Corporation

April 20, 1994 VIA FAX

Representative Bill Williams, Chair
House Resources Committee

Dear Representative Williams:

Here is further testimony in support of SB 310.

Timber industry development in the Tanana Valley has been getting a bum rap lately. Perhaps some facts will shed a different light on the subject.

First, there are 29.2 million acres of land in the Tanana Valley. Of this, 22.7 million acres, or 77%, are closed to forest industry development because they are in parks, preserves, refuges, wilderness, recreation, special use or military withdrawal categories (both State and Federal). What is left is private, State and Borough land, 1.4 million acres (State owned) of which is classified by the State Division of Forestry as suitable for sustained yield forest harvest.

Of this total, the current estimate of the maximum amount which could be harvested each year on a sustained yield basis is 16,000 acres. Over a 20 year time frame, this represents only 1.1% of the total land in the valley.

As a practical matter, the actual harvest is likely to be much less than the maximum. A good example is found in the operations of the Slave Lake Pulp Corporation, a company operating under a 20 year forest management agreement (FMA) in northern Alberta. The company produces about 110,000 metric tons per year of bleached chemi-thermo-mechanical pulp, logging only about 4,000 acres per year to meet this output. The mill cost $182 million (C) to build and employs 78 people, with another 55 working in the woods. Couple this operation with companies like Bob Zachel's Alaska Birch Works, (*News-Miner*, March 28, 1994), and we would have excellent utilization of the resource, while creating even more jobs.

515 Seventh Avenue, Suite 320, Fairbanks, Alaska 99701 (907) 452-2185 Fax: (907) 456-1896

Some people have suggested that most of the jobs would be taken by unemployed woods and millworkers from the Pacific Northwest. I think not. UAF's Tanana Valley Campus, Hutchinson Career Center and the Fairbanks Private Industry Council each fulfill a training role in supporting our local workforce. Vocational/technical courses and on-the-job training would be provided and most of the jobs would go to Fairbanksans.

Incidentally, the Slave Lake Pulp FMA has been in effect since 1990, with clear benefits to both the Province of Alberta and the company.

On other issue, opponents of SB 310 have been particularly vocal, suggesting in print and at hearings on the bill that they represent the majority view on the subject. I wonder. A State-wide poll, conducted last year by the Alaska Forest Association indicates that:

- More than half of Alaskans (55%) assign high importance to producing wood and paper products from Alaska's forests.
- Nearly three fourths (71%) assign high importance to job creation from Alaska's forests.
- When given a choice for forest management emphasis in the future, Alaskans prefer economic development (44%), over preservation (25%) and status quo (27%).

The poll has a statistical accuracy of plus or minus 5%.

As I have suggested on a number of occasions, we need the investment which new industry will bring, along with new, full-time, year-around jobs, so that we can build our local tax base -- thereby providing the essential funds to pay for the services we expect from local government. We must recognize that the State can no longer be relied upon to contribute toward paying these expenses. Vote in favor of SB 310.

Respectfully submitted,

Ronald L. Ricketts
Executive Director

RLR/lpm