

SJR

37

SENATE COMMITTEE REPORT

First Committee of Referral

DATE: 2/12/96

FURTHER:

Date of 5-Day Notice: 2-29-96
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 3-12-96

The Resources Committee considered SJR 37

Urging the United States Congress to give an affirmative expression of approval to a policy authorizing the state to regulate, restrict, or prohibit the export of unprocessed logs harvested from its land and from the land of its political subdivisions and the University of Alaska.

and recommends:

- be replaced with _____ CS _____ (_____)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to the _____ Committee

Senate Bill:

- same title
 - new title
- House Bill:**
- same title
 - technical title
 - new: SCR# _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>[Signature]</i>	✓				
<i>[Signature]</i>					
<i>[Signature]</i>	✓				
<i>[Signature]</i>	✓				
<i>[Signature]</i>	✓				
CHAIR: <i>[Signature]</i>	✓	CHAIR:			

NEW FISCAL NOTE(S):

Department	Date	Zero	Fiscal
Resources Committee	3/1/96	✓	

PREVIOUS FISCAL NOTE(S):*

Department	Date	Zero	Fiscal

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

WITBERENS
(one tool to help the dea. + balance) po
not ml to always be viewed as a total ban
no equal on mlrc

9-LS1693VA

SENATE JOINT RESOLUTION NO. 37

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - SECOND SESSION

BY SENATOR TORGERSON

Introduced: 2/12/96

Referred: Resources

A RESOLUTION

1 **Urging the United States Congress to give an affirmative expression of approval**
2 **to a policy authorizing the state to regulate, restrict, or prohibit the export of**
3 **unprocessed logs harvested from its land and from the land of its political**
4 **subdivisions and the University of Alaska.**

5 **BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

6 **WHEREAS** Alaska had, by regulation, imposed a primary manufacturing requirement
7 **applicable to timber harvested from state-owned land that is destined for export from the state;**
8 **and**

9 **WHEREAS** that regulation was permissive, allowing the director of the division of
10 **land to require that primary manufacture of forest products be accomplished within the state;**
11 **and**

12 **WHEREAS**, considering the Commerce Clause of the United States Constitution, in
13 **Southcentral Timber Development, Inc. v. Wunnicke, 467 U.S. 82, 81 L.Ed.2d 71, 104 S.Ct.**
14 **2237 (1984), the United States Supreme Court determined that the state's regulation could not**
15 **be given effect; while the court found evidence of a clearly defined federal policy imposing**
16 **primary manufacture requirements as to timber taken from federal land in Alaska, it**

1 determined that the existing Congressional sanction reached only to activities on federal land
2 and concluded that the state's assertion of Congressional authorization by silence to allow a
3 state to regulate similar activities on nonfederal land could not be inferred; and

4 **WHEREAS** since the Wunnicke decision, Congress has, in the Forest Resources
5 Conservation and Shortage Relief Act of 1990, extended an existing ban on unprocessed log
6 exports from federal land in the 11 contiguous Western states to cover timber harvested from
7 nonfederal sources in those states; the extension of the ban on unprocessed log exports in
8 those states collectively does not affect Alaska; and

9 **WHEREAS** the principal purposes, stated or assumed, in the 1990 Congressional Act
10 for extending the ban on unprocessed log exports in the contiguous Western states -- the
11 efficient use and effective conservation of forests and forest resources, the avoidance of a
12 shortfall in unprocessed timber in the marketplace, and concern for development of a rational
13 log export policy as a national matter -- are equally valid with respect to the significant timber
14 resources held by this state, its political subdivisions, and its public university; and

15 **WHEREAS** the state cannot act to regulate, restrict, or prohibit the export of
16 unprocessed logs harvested from land of the state, its political subdivisions, and the University
17 of Alaska without a legislative expression demonstrating Congressional intent that is
18 unmistakably clear;

19 **BE IT RESOLVED** that the legislature of the State of Alaska urges the United States
20 Congress to give an affirmative expression of approval to a policy authorizing the state to
21 regulate, restrict, or prohibit the export of unprocessed logs harvested from its land and from
22 the land of its political subdivisions and the University of Alaska.

23 **COPIES** of this resolution shall be sent to the Honorable Al Gore, Jr., Vice-President
24 of the United States and President of the U.S. Senate; the Honorable Bob Dole, Majority
25 Leader of the U.S. Senate; the Honorable Tom Daschle, Minority Leader of the U.S. Senate;
26 the Honorable Newt Gingrich, Speaker of the U.S. House of Representatives; the Honorable
27 Dick Armey, Majority Leader of the U.S. House of Representatives; the Honorable Richard
28 Gephardt, Minority Leader of the U.S. House of Representatives; to the Honorable Ted
29 Stevens and the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young,
30 U.S. Representative, members of the Alaska delegation in Congress.

Alaska State Legislature

Committee Chair
Community & Regional Affairs

Committee Vice-Chair
Labor & Commerce

Committee Membership
Legislative Council



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Session Address:
State Capitol, Room 427
Juneau, AK 99801-1182
(907) 465-2828; fax 465-4779

Senator John Torgerson

SPONSOR STATEMENT

SJR 37 - Primary Manufacturing of Publicly Owned Timber

This resolution urges Congress to provide the authority necessary for the State of Alaska to regulate, restrict or prohibit the export of unprocessed logs from State Lands, Municipal Lands, and the University of Alaska Lands.

In 1984, the Supreme Court ruled that Alaska's Primary Manufacture laws were in conflict with the Commerce Clause of the United States Constitution, where the requirement of in-state manufacture placed an unauthorized restriction of the free trade between states.

In 1990, Congress adopted the Forest Resources Conservation and Shortage Relief Act, which in part authorized eleven Western States an exemption to the Commerce Clause. This exemption has led these states to restrict the purchase of timber to only entities that are operating within their borders.

Alaska was not included in this legislation, therefore authorizing other states to come to Alaska and purchase our raw materials and "export" them from Alaska to their own state. However, Alaska's manufacturers are restricted from going to any of the other states in search of raw timber to run our facilities.

When authorized by congress, primary manufacturing of our timber resources will create value added jobs within the State. We will be using our raw materials to provide jobs for Alaskans.

(JT: maj: SJR 37: 2/29/96)



ALASKA CENTER *for the* ENVIRONMENT

519 West 8th Avenue, Suite 201 • Anchorage, Alaska 99501
(907) 274-3621 • fax: 274-8733

March 8, 1996

Senate Resources Committee
Alaska State Legislature
State Capitol (MS 3100)
Juneau, AK 99801-1182

Re: SJR 37

Dear Committee Members:

We just faxed to you a letter on SB 180 that includes an expression of support for SJR 37, a resolution urging the Congress to authorize the state to regulate, restrict or prohibit the export of unprocessed timber logged on state lands. We believe that this resolution is sufficiently important, however, that we wanted to submit a brief separate letter on it for your consideration and your files.

We do not support timber industry job creation at all costs because of the adverse effects logging can have on a wide variety of other very important forest resources and uses. However, in those situations where it is appropriate to undertake commercial logging on the public lands in the first place, we very much support the concept of adding high value to timber rather than exporting round logs, or chips, out of the state (or region), and consequently exporting processing jobs as well.

Yet without Congressional action the state appears to be prevented from regulating or prohibiting these exports. SB 180, for example, might be unconstitutional unless the Congress acts. Senator Torgerson's resolution, and further activity in support of it, is essential if we are to stem the export of these processing jobs. We urge you to support SJR 37.

Sincerely,

A handwritten signature in cursive script that reads "Cliff Eames". The signature is written in dark ink and is positioned above the typed name.

Cliff Eames
Issues Director

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. SJR 37

Revision Date: Initial Dept. Affected: _____
 Title: Primary Manufacturing of Publicly Owned Timber BRU: _____
 Component: _____
 Sponsor: Senator Torgerson
 Requester: Senate Resources Committee COMPONENT SERIAL NO. _____

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 100	FY 01	FY 02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL EXPENDITURES	-0-	-0-	-0-	-0-	-0-	-0-
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

Estimate of any current year (FY96) cost: \$ -0-

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

This resolution will have no fiscal impact on state departments.

Prepared by: Senate Resources Committee Phone: 465-4907
 Division: _____ Date: _____
 Approved by ~~Commissioner~~ Chairman, Senator Loren Leman Date: 3/7/96
 Agency: _____

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