

HB

162

<target><bill>HB 162</bill><subject>HB
162</subject><comm>HFIN26</comm></target>

SARAH PALIN
GOVERNOR

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STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 25, 2009

The Honorable Mike Chenault
Speaker of the House
Alaska State Legislature
State Capitol, Room 208
Juneau, AK 99801-1182

Dear Speaker Chenault:

Under the authority of Article III, Section 18, of the Alaska Constitution, I am transmitting a bill establishing the Southeast State Forest and relating to the Southeast State Forest. This legislation is one important piece of our overall strategy to revitalize the timber industry and expand wood energy in Southeast Alaska.

This bill designates approximately 25,291 acres of state land as the Southeast State Forest. These lands are presently used for timber harvest, but they are designated "General Use" land, and there is no certainty that they will continue to be available for forest management in future decades. Establishing a Southeast State Forest enables the division of forestry in the Department of Natural Resources to manage this land to increase long-term timber supply for local processors and wood energy needs, provide near-term jobs in thinning, and retain the land in state ownership for multiple uses.

In Southern Southeast (SSE) Alaska, demand for state timber exceeds supply. Most SSE timber is on federal land, but federal timber sales have declined drastically. Local mills now depend heavily on state timber for survival. The state is committed to finding long-term solutions through cooperative efforts to increase economically feasible federal timber sales, and maximizing the sustainable supply of timber from the small state timber base.

Second-growth stands that have been thinned have higher volumes per acre, less impact on wildlife, and shorter rotations. However, thinning is a long-term investment, and is only cost-effective if the land will continue to be available for forest management. A Southeast State Forest will retain the land for long-term forest management, and provide 8 - 10 jobs annually during the thinning season.

HOUSE BILL NO. 162

The Honorable Mike Chenault
February 25, 2009
Page 2

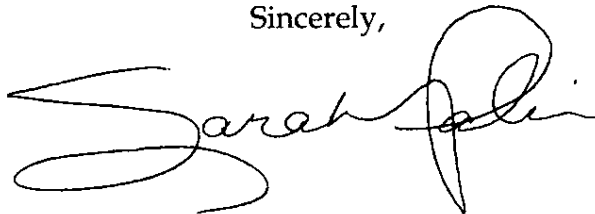
The proposed Southeast State Forest includes 20 parcels totaling approximately 25,291 acres. Parcels are General Use lands on Prince of Wales (8,708 acres), Tuxekan (200 acres), Kosciusko (2,680 acres), Heceta (2,010 acres), Revilla (324 acres), and Gravina islands (5,878 acres), and on the mainland at Crittenden Creek and Bradfield Canal (5,490 acres).

This land would be managed under the State Forest statutes located at AS 41.17.200 - 41.17.230. It would continue to be open for multiple use, including wildlife harvest and recreational activities. Current Department of Natural Resources area plans will continue to direct management until a specific plan, involving interagency and public review, for the forest is adopted. Of these designated lands, approximately 655 acres will be offered for harvest in the near term (within the next two years). The remainder will be scheduled for harvest later, in accordance with the adopted management plan.

Because the City and Borough of Wrangell has not yet selected its full municipal entitlement, and some of the designated lands fall within its municipal boundaries, the bill provides that selections may still be made from those lands. If new municipalities are recognized, this bill will not affect their entitlement amounts, but will prevent these designated lands from being selected.

This bill is an important part of Alaska's effort to maintain timber as part of the southeast economy. I urge your prompt and favorable action on this measure.

Sincerely,

A handwritten signature in black ink, appearing to read "Sarah Palin". The signature is fluid and cursive, with a large loop at the end of the last name.

Sarah Palin
Governor

HOUSE BILL NO. 162

FISCAL NOTE

STATE OF ALASKA
2009 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: HB 162
 (H) Publish Date: 3/2/09

Identifier (file name): 0012-DNR-FOR-02-09-09 Dept. Affected: Natural Resources
 Title Southeast State Forest RDU Resource Development
 Component Forest Management & Development
 Sponsor Rules Committee
 Requester Governor Component Number 435

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information					
		FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
OPERATING EXPENDITURES							
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Supplies	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	0.0	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	0.0
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CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0	0.0
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1037 GF/Mental Health	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Interagency Receipts	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2009) cost: 0.0

POSITIONS

Full-time	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Part-time	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Temporary	0.0	0.0	0.0	0.0	0.0	0.0	0.0

ANALYSIS: (Attach a separate page if necessary)

This bill establishes a 25,291-acre State Forest in Southern Southeast Alaska by redesignating certain state-owned parcels. A timber management plan would be developed to actively manage the parcels for higher timber volumes per acre, shorter rotations and less impact on wildlife. This would involve thinning young second-growth stands; a long-term investment not justified for undesignated lands.

Implementation of this bill will not require new positions or funding. The bill will have no short-term impact to the revenue stream, but will provide for long-term increases in forest productivity and subsequent increased timber revenues.

Prepared by: Chris Maisch, Director
 Division Division of Forestry
 Approved by: Tom Irwin, Commissioner
Natural Resources

Phone 451-2660
 Date/Time February 9, 2009
 Date February 9, 2009

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

SARAH PALIN, GOVERNOR

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JUNEAU, ALASKA 99811-1000
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March 2, 2009

Sectional Analysis

HB 162

Establishing the Southeast State Forest and relating to the Southeast State Forest; and providing for an effective date

This bill would establish a new Southeast State Forest (SESF). The SESF would be managed as part of the State Forest System under AS 41.17.200-.230. Lands in the State Forest would continue to be open for multiple uses, including wildlife habitat and harvest and recreational activities. The State Forest designation would not affect the Wrangell Borough municipal entitlement, nor would it affect calculation of entitlement acreage for future municipalities in southeast Alaska.

Section 1 - Southeast State Forest.

Legal descriptions. Section 1, subsections (a) and (d) provide legal descriptions for the lands to be designated as the Southeast State Forest (SESF). Designated lands include 20 parcels totaling approximately 25,291 acres (see chart) on Prince of Wales, Tuxekan, Kosciusko, Heceta, Revilla, and Gravina islands, and on the mainland at Crittenden Creek. These parcels are an important part of the state timber base, but are classified as General Use land, which may be sold in the future. Legislatively designating a State Forest would ensure that some land will remain available for long-term forest management, and enable thinning to increase timber volumes. Designated lands exclude areas identified as important sites for future state land disposals.

Management plan and transportation corridor. Subsection (b) directs DNR to prepare a management plan for the Southeast State Forest. Under AS 41.17.230 a management plan is required within three years after a State Forest is established. State Forest management plans must consider and permit multiple uses, include recreation and tourism, mining, use of fish and wildlife, and other traditional uses, unless the Commissioner issues a site-specific written finding that a use is incompatible with one or more other uses. Public, interagency, and Board of Forestry review is required prior to adoption of a State Forest management plan. As in other state forests, Subsection (c) states that the DNR Commissioner may also establish transportation corridors within the State Forest.

Municipal entitlements. Subsection (e) clarifies the relationship of the Southeast State Forest to current and potential municipal entitlements. State Forests can affect the amount of land a municipality is entitled to select, and the land

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available for selection. The amount of land a municipality may select is based on the maximum total acreage of vacant, unappropriated, unreserved (VUU) land in the borough boundaries within two years after the date of incorporation (AS 29.65.030). Municipal selections are limited to VUU land. Land classified as General Use land is VUU land, but State Forests are not.

The SESF is designed to have no impact on Wrangell Borough land selections. The amount of land that Wrangell Borough may select is already fixed by its date of incorporation, and this bill specifies that the Wrangell Borough may select State Forest land within the borough boundary. Three parcels in the SESF are within the Wrangell Borough boundary.

If new municipalities are incorporated before June 30, 2019, the SESF will not affect the amount of land that they can select. The bill specifies that State Forest lands that were VUU land before establishment of the State Forest will be included in the calculation of the entitlement acreage. However, parcels in the SESF may not be selected. If municipalities form after 2019, the amount and location of their entitlement would be based on the VUU land at that time.

Section 2. Regulations. This section authorizes DNR to immediately adopt regulations to implement the bill.

Section 3. Effective date for regulations. Under Section 3 the authority to adopt regulations (Section 2) takes effect immediately.

Section 4. Effective date for State Forest. Section 4 provides for an effective date of July 1, 2008.

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

BOARD OF FORESTRY

SARAH PALIN, GOVERNOR

550 West 7th Avenue, Suite 1450
Anchorage, AK 99501

April 3, 2009

Representative Bill Stoltze, Co-chair
House Finance Committee
State Capitol, Room 515
Juneau, Alaska 99801-1182

Dear Representative Stoltze,

The Alaska Board of Forestry is pleased to convey its support for HB 162 to establish a Southeast State Forest. The Board of Forestry provides a forum to discuss and resolve issues on forest practices and management of forests on state land (AS 41.17.947(b)). Board members represent diverse constituencies – the timber, fishing, and mining industries, Native Corporations, professional foresters and fish and wildlife biologists, and environmental and recreational organizations.

The Board of Forestry was briefed on the concept of a Southeast State Forest at the November 12, 2008 Board meeting, and on the specifics of HB 162 at the March 18-19, 2009 Board meeting. HB 162/SB127 would establish a 25,291-acre state forest consisting of 20 parcels in southeast Alaska. This land is currently part of the state timber base, but susceptible to future changes in land use designations. Dedication to long-term management helps provide for long-term forest management to support the southeast timber industry and ensure continued multiple use. It also secures a land base suitable for thinning to increase the volume of second-growth timber and reduce impacts on wildlife habitat.

I am pleased to report that on March 18, 2009 the Board unanimously voted to support passage of House Bill 162.

Sincerely,



Chris Maisch, State Forester
Chair, Alaska Board of Forestry

Alaska Board of Forestry

- ♦ Ron Wolfe, Alaska Native Corporations
- ♦ Rick Rogers, Forest Industry Trade Association
- ♦ Wayne Nicolls, Non-governmental Professional Forester
- ♦ Rob Bosworth, Environmental Organization
- ♦ Erin McLarnon, Recreation Organization
- ♦ Mark Vinsel, Commercial Fisherman's Organization
- ♦ Jeff Foley, Mining Organization
- ♦ Matt Cronin, Non-governmental Professional Fish/Wildlife Biologist

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STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES
OFFICE OF THE COMMISSIONER

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April 10, 2009

Representative Bill Stoltze, Co-Chairman
House Finance Committee
State Capitol, Room 515
Juneau, Alaska 99801

Re: House Bill 162 – Establishing the
Southeast State Forest

Dear Representative Stoltze,

Please accept this request for your consideration to schedule HB 162 before the House Finance Committee at your earliest convenience.

This bill would establish a new Southeast State Forest (SESF) in Southeast Alaska. The SESF would be managed as part of the State Forest System under AS 41.17.200-.230. Designated lands include 20 parcels totaling approximately 25,291 acres on Prince of Wales, Tuxekan, Kosciusko, Heceta, Revilla, and Gravina islands, and on the mainland at Crittenden Creek. Lands in the State Forest would continue to be open for multiple uses, including wildlife habitat and harvest and recreational activities. Legislatively designating a State Forest would ensure that some land will remain available for long-term forest management, and enable thinning to increase timber volumes.

The bill is supported by the Alaska State Forest Association, the Southeast Conference, and Resource Development Council along with recreation groups and surrounding land owners. Attached are a Sectional Analysis, DNR's zero fiscal note and background materials and maps.

If you have any questions regarding the bill, feel free to contact Melanie Lesh, Special Assistant, Department of Natural Resources' and Legislative Liaison at 465-4730, or Marty Freeman, the Forest Resources Program Manager at 269-8473.

Sincerely,



Thomas E. Irwin
Commissioner

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Briefing: HB 162 Southeast State Forest

DEPARTMENT OF NATURAL RESOURCES



Alaska Department of
**NATURAL
RESOURCES**

April 10, 2009

DIVISION OF FORESTRY

Background. The state Department of Natural Resources manages over 156,000 acres of forest land in Southern Southeast (SSE) Alaska. Of this land, timber management is allowed on approximately 49,000 acres. The state actively manages this timber base to supply wood to local processors. Remaining land is designated primarily for other uses including land sales, recreation, water resources, and fish and wildlife habitat, including over 25,000 acres of legislatively designated state parks, refuges, and public use areas.

In SSE, demand for state timber exceeds supply. The majority of timber in SSE is on federal land, but federal timber sales have declined drastically. Local mills now depend heavily on state timber for survival. The state is committed to finding long-term solutions by:

- maximizing the sustainable supply of timber from the small state timber base.
- working with the US Forest Service to increase economically feasible federal timber sales, and
- accelerating the transition from old-growth harvesting to harvesting second-growth.

There is broad support for shifting timber harvesting in SE Alaska from old growth to second-growth stands. Actively-managed second-growth stands provide more timber volume per acre on shorter rotations, and have less impact on wildlife. Much of the state timber land was inherited from the USFS with young second-growth stands. We can accelerate the shift to second-growth harvesting and increase timber volume on state land by thinning these stands. However, thinning is a long-term investment, and is only justified if the land will continue to be available for forest management. Legislatively designating a State Forest would ensure that some land will remain available for long-term forest management.

Purpose. This bill would establish a new Southeast State Forest from state lands presently used for timber harvest. The Division of Forestry will be able to manage the State Forest for a long-term supply of timber to local processors, and retain the land in state ownership for multiple uses.

Proposed State Forest land. The proposed Southeast State Forest includes 20 parcels totaling approximately 25,291 acres (see chart). Parcels are General Use lands on Prince of Wales, Tuxekan, Kosciusko, Heceta, Revilla, and Gravina islands, and on the mainland at Crittenden Creek. The Division of Forestry worked with the Division of Mining, Land, and Water Management to identify and exclude lands that are priorities for the state land disposal program.

State Forest Management. The Southeast State Forest would be managed as part of the State Forest System under AS 41.17.200-.230. Lands in the State Forest would continue to be open for multiple uses, including wildlife habitat and harvest and recreational activities. State Forest lands would be managed consistent with the management intent under the current Prince of Wales Island and Central Southeast area plans. Changes to management intent would require public and interagency review through adoption of a State Forest Management Plan under AS 41.17.230.

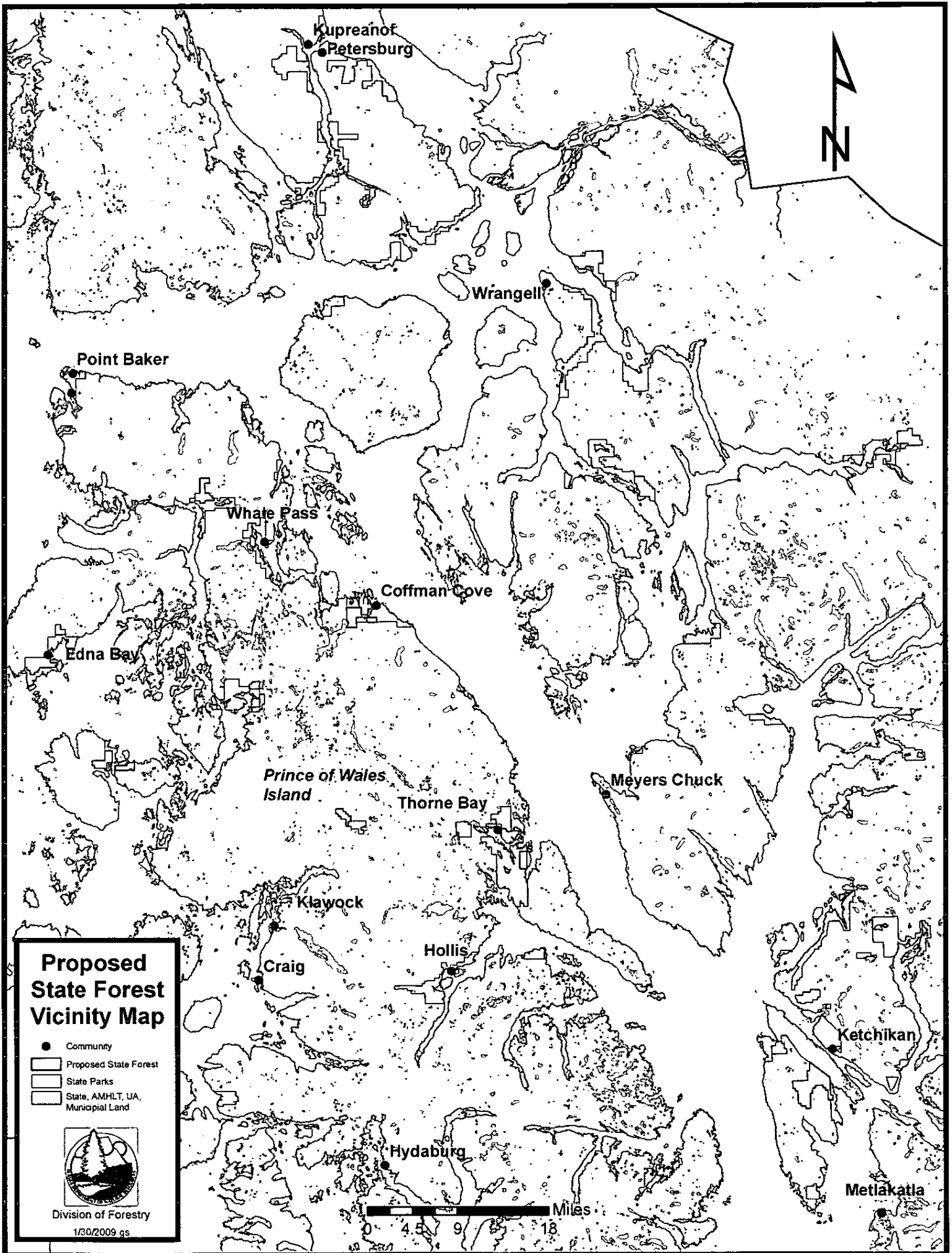
4/12/2009

HB 162 Briefing - SESF

Municipal Entitlements. The City and Borough of Wrangell boundary encompasses three parcels in the proposed state forest (Crittenden Creek and Bradfield Canal East and West). A State Forest designation will not affect the amount or location of land the Wrangell Borough can select. That determination is based on the maximum total acreage of vacant, unappropriated, unreserved land in the borough boundaries within two years after the date of incorporation (AS 29.65.030). However, a borough would not normally be able to select land within a State Forest. To avoid conflicts with the Wrangell entitlement, the Southeast State Forest bill specifies that the Wrangell Borough may select State Forest land within the borough boundary.


If new municipalities are incorporated before June 30, 2019, lands that were vacant, unappropriated, unreserved land before establishment of the State Forest will be included in the calculation of the municipal entitlement acreage, but may not be selected.

PROPOSED SOUTHEAST STATE FOREST			
Planning Unit	Acreage	General Location	Island
Prince of Wales Island Area Plan			
4a	1,528.21	El Capitan – North	Prince of Wales
4a	600.44	El Capitan – South	Prince of Wales
6a	1,558.11	Coffman Cove – West	Prince of Wales
6a	320	Coffman Cove – East	Prince of Wales
7b	200	Tuxekan – East	Tuxekan
7c	436.89	Naukati – North	Prince of Wales
7c	640	Naukati – South	Prince of Wales
8b	480	Kosciusko/Edna Bay – North	Kosciusko
8b	2,199.84	Kosciusko/Edna Bay – South	Kosciusko
10a	1,257.92	Heceta Island – West	Heceta
10a	752.8	Heceta Island – East	Heceta
11a	744.32	Control Lake	Prince of Wales
11c	2,040	Thorne Bay – North	Prince of Wales
11c	840	Thorne Bay – South	Prince of Wales
Central Southeast Area Plan			
K-04	324.20	Traitors Cove	Revillagigedo
K-33	901.03	Gravina/Vallendar	Gravina
K-41	4,977.38	Gravina/Bostwick	Gravina
W-01	3,087.72	Crittenden Creek	Mainland
W-19	624.15	Bradfield Canal – West	Mainland
W-20	1,778.56	Bradfield Canal – East	Mainland
TOTAL	25,291.14	20 parcels	

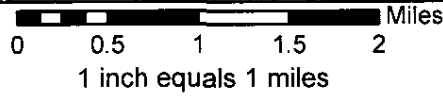
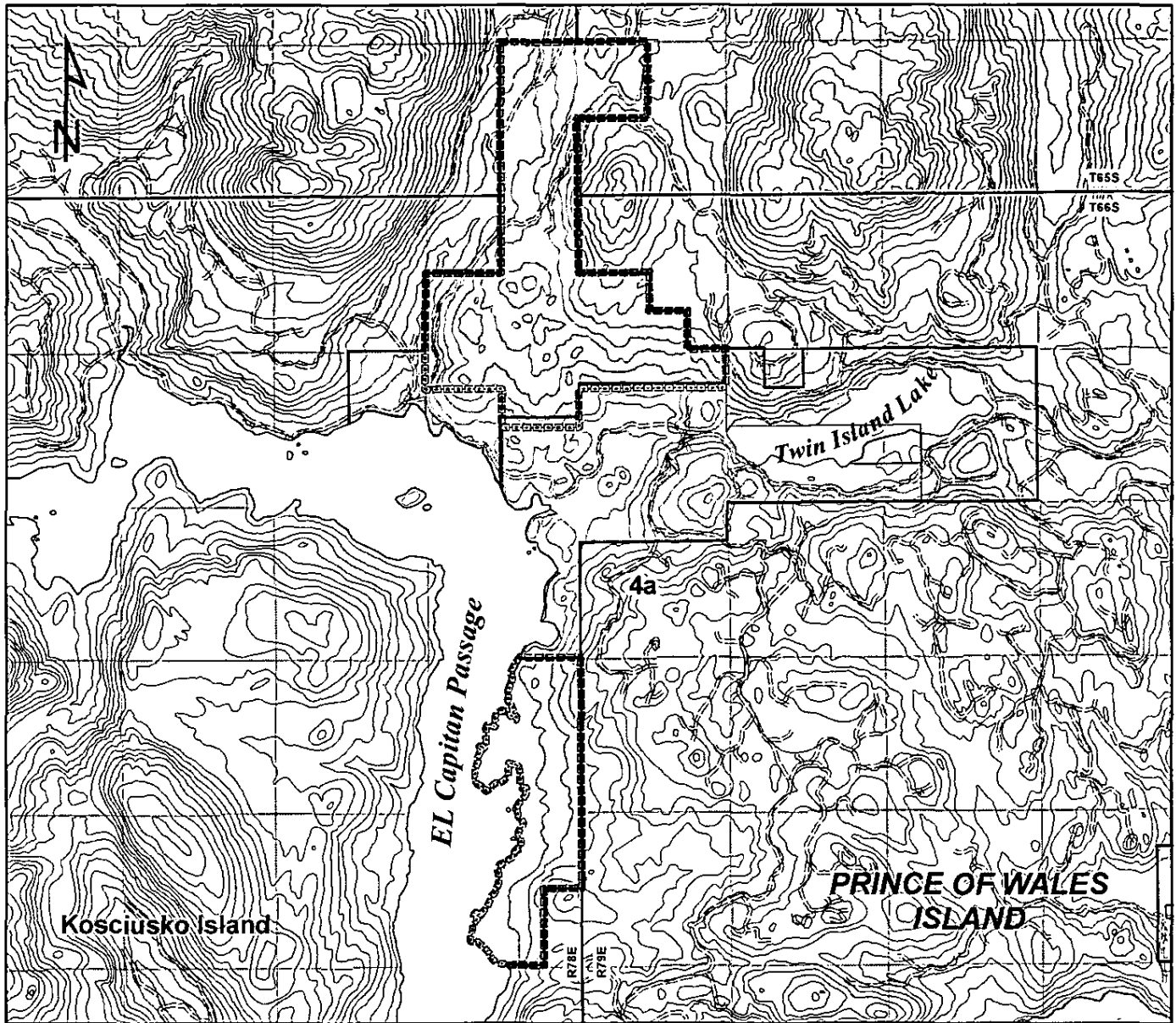


Proposed State Forest Vicinity Map

- Community
- ▭ Proposed State Forest
- ▭ State Parks
- ▭ State, AMHLT, UA, Municipal Land



Division of Forestry
1/30/2009 gs



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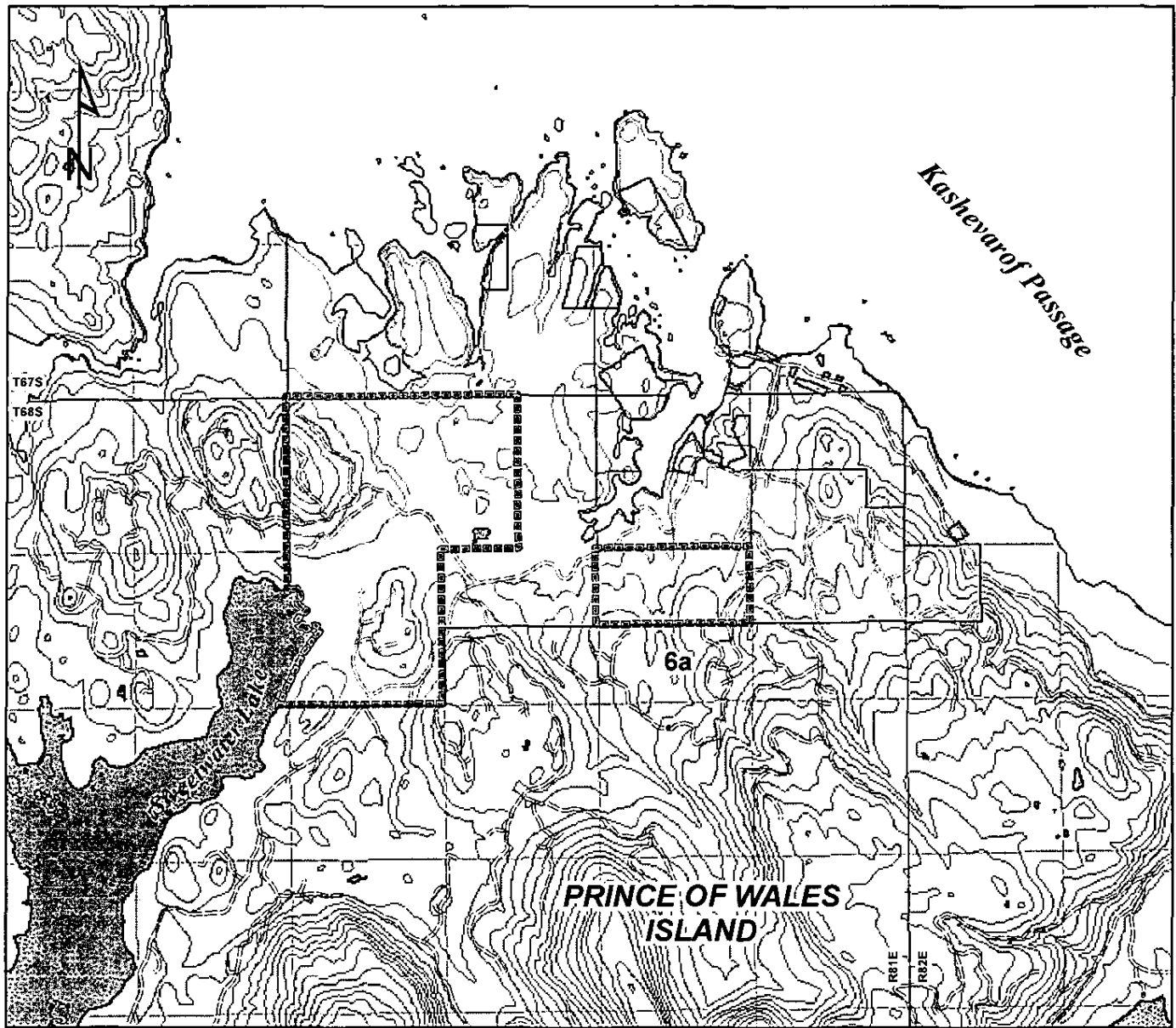
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- ⊞ Proposed State Forest
- GU
- Disposable
- Recreation
- Habitat
- == Roads

**Proposed
Southeast Alaska
State Forest
El Capitan**



DIVISION OF FORESTRY

1/30/09 gs



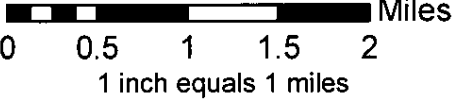
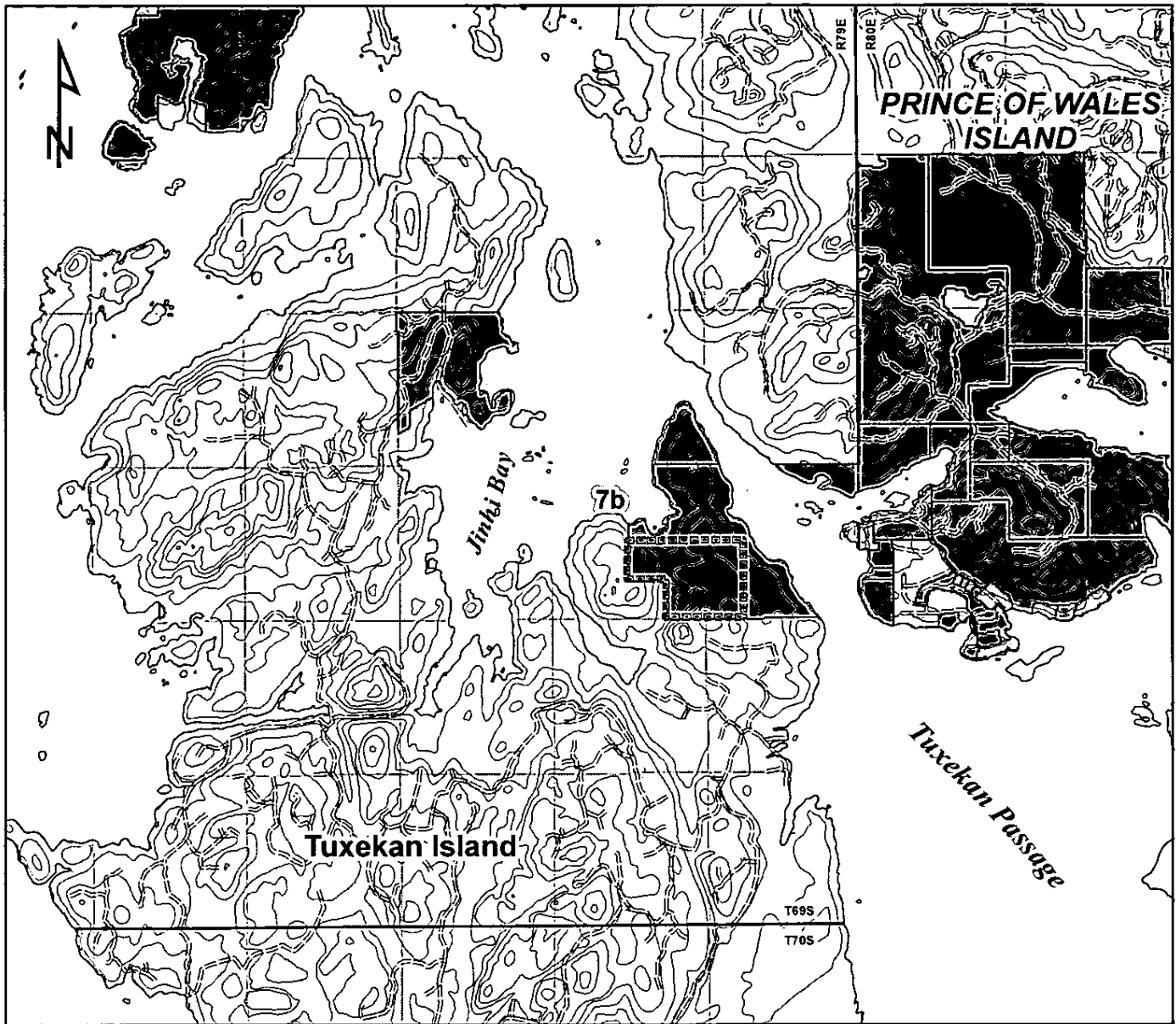
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- Proposed State Forest
- GU
- Disposable
- Recreation
- Habitat
- Roads

**Proposed
Southeast Alaska
State Forest
Coffman Cove**



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1/19/2009 gs



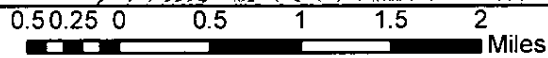
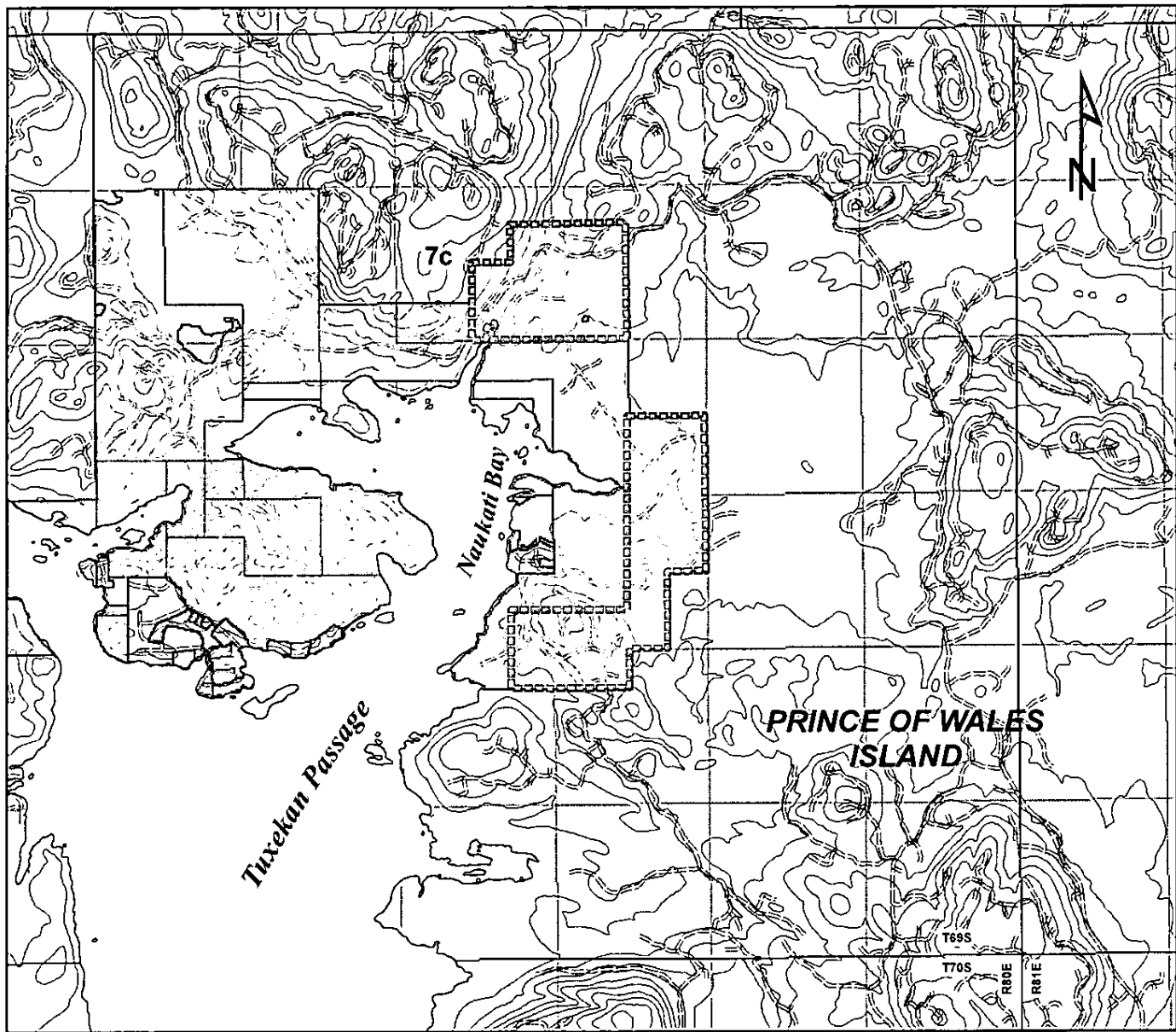
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**Proposed
Southeast Alaska
State Forest
Tuxekan**








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1 inch equals 1 miles

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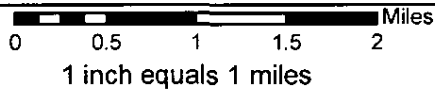
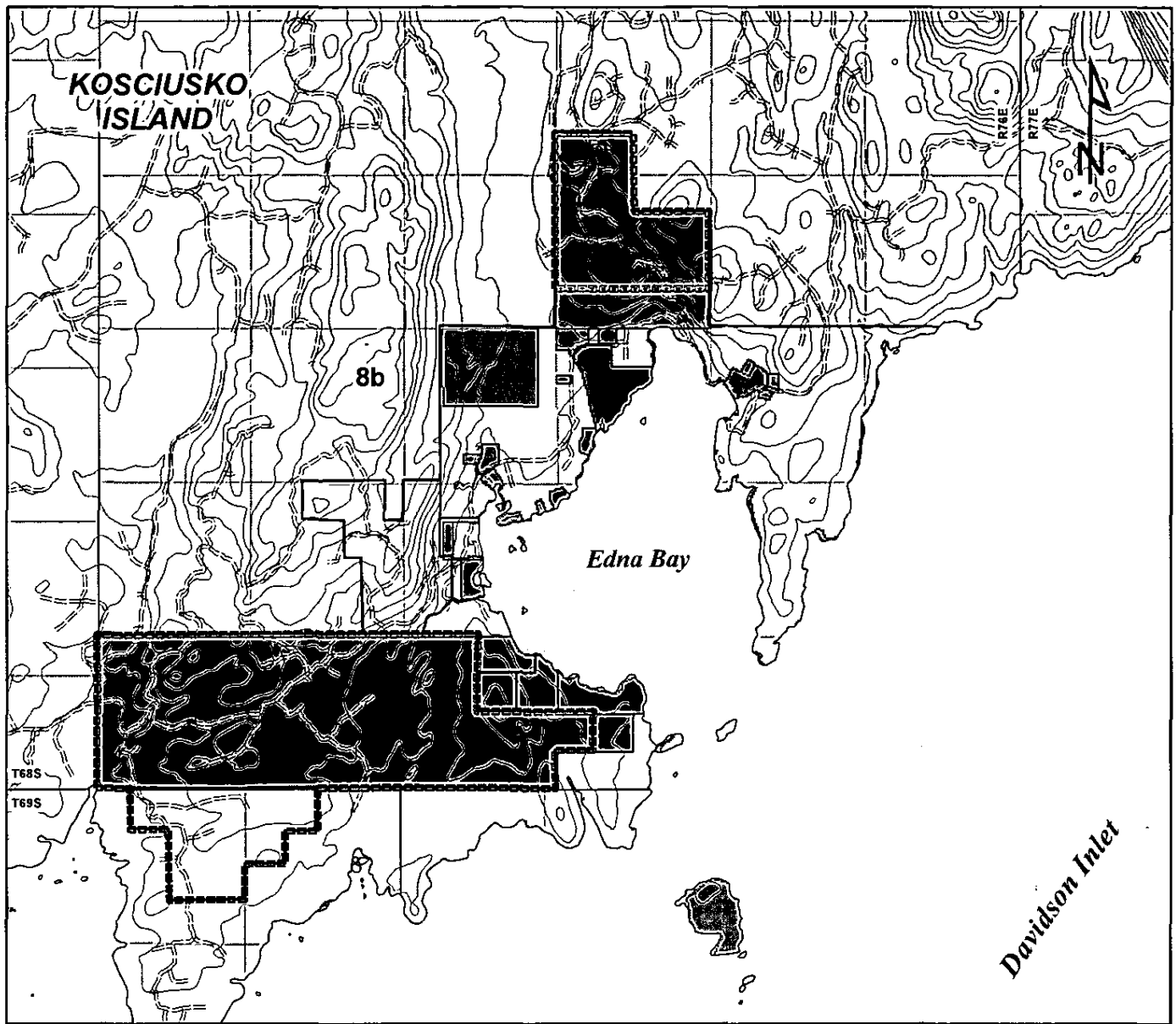
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-  GU
-  Disposable
-  Recreation
-  Habitat

**Proposed
Southeast Alaska
State Forest
Naukati**

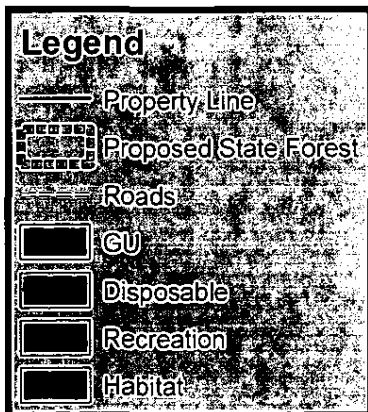


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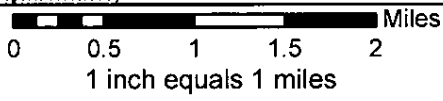
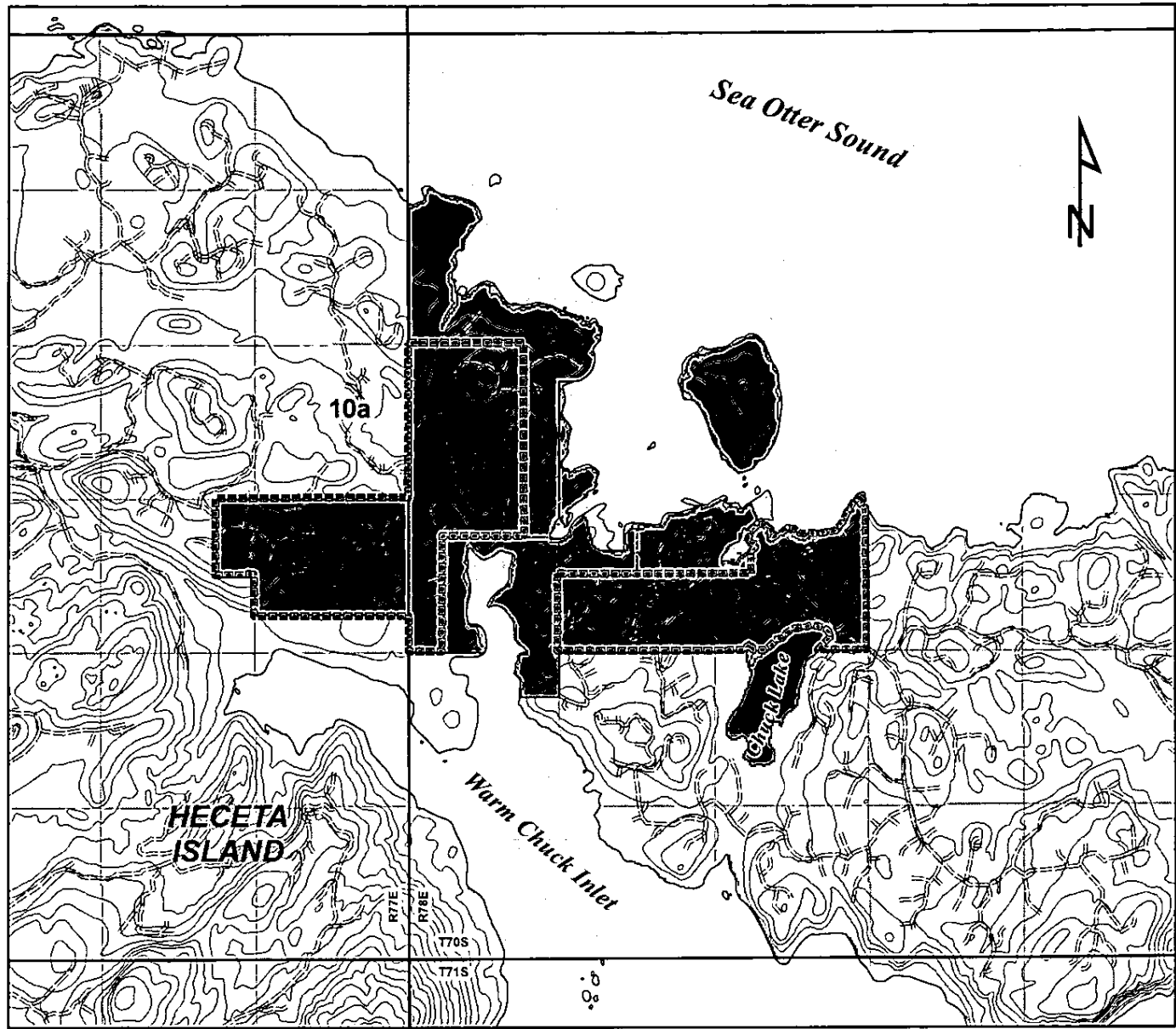


**Proposed
Southeast Alaska
State Forest
Kosciusko (Edna Bay)**









DIVISION OF FORESTRY

1/30/09 gs



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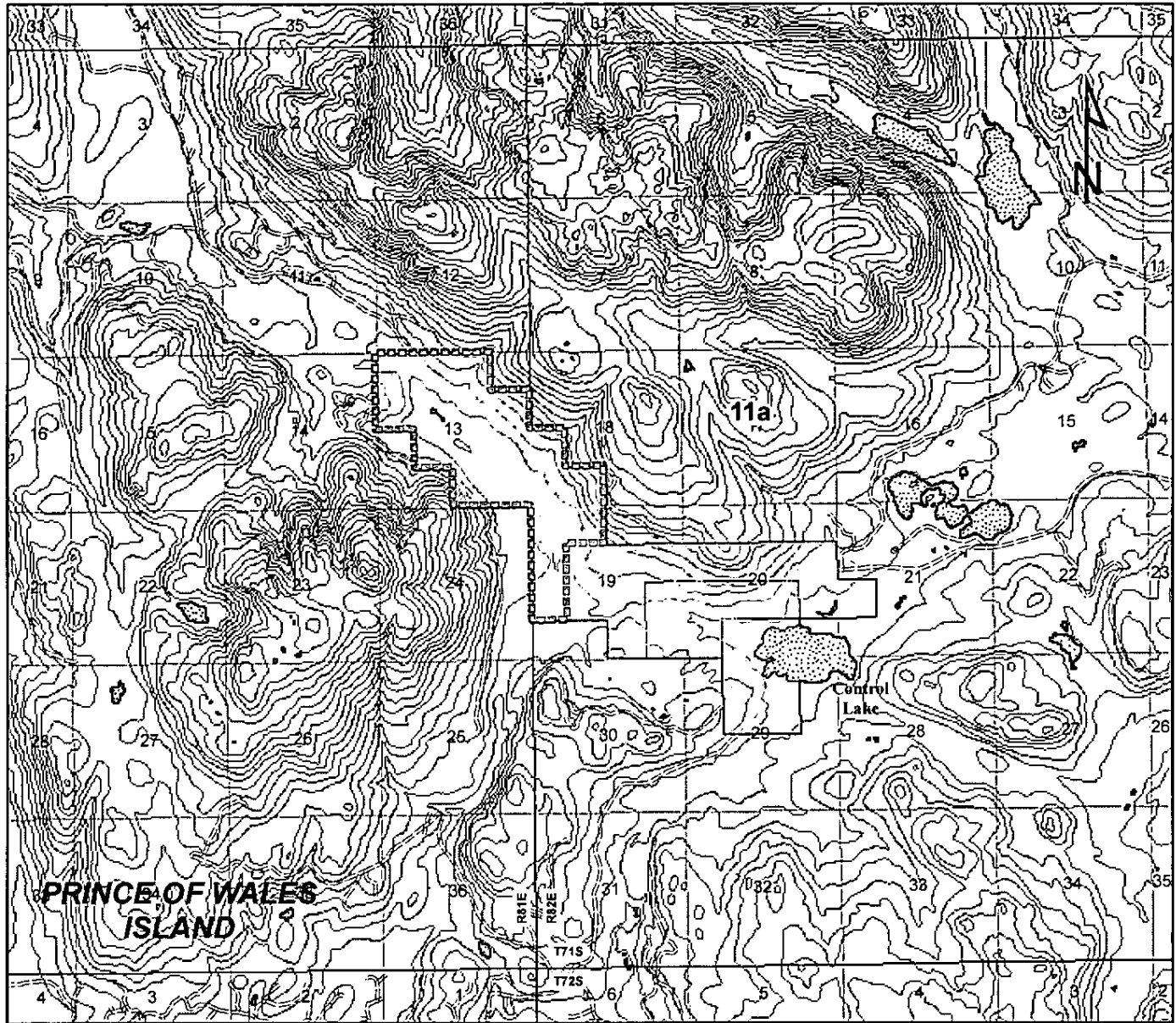
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-  Proposed State Forest
-  Roads
-  CU
-  Disposable
-  Recreation
-  Habitat







**Proposed
Southeast Alaska
State Forest
Heceta Island**



DIVISION OF FORESTRY
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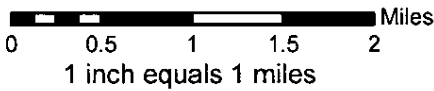
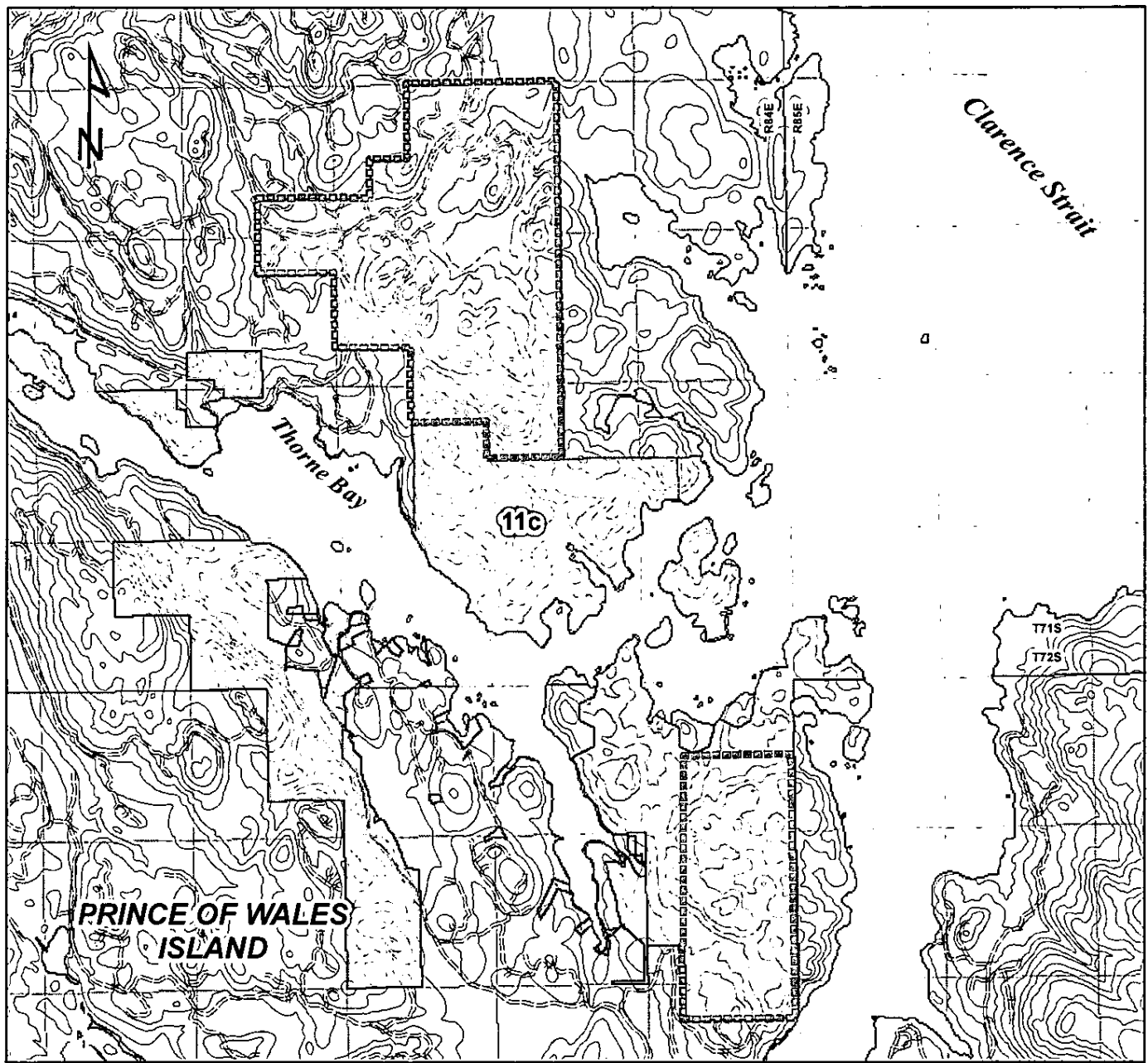
-  Proposed State Forest
-  GU
-  Disposable
-  Recreation
-  Habitat
-  Roads

Proposed Southeast Alaska State Forest Control Lake



DIVISION OF FORESTRY

1/30/2009 gs



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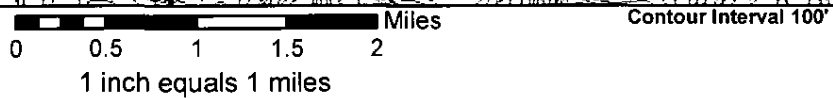
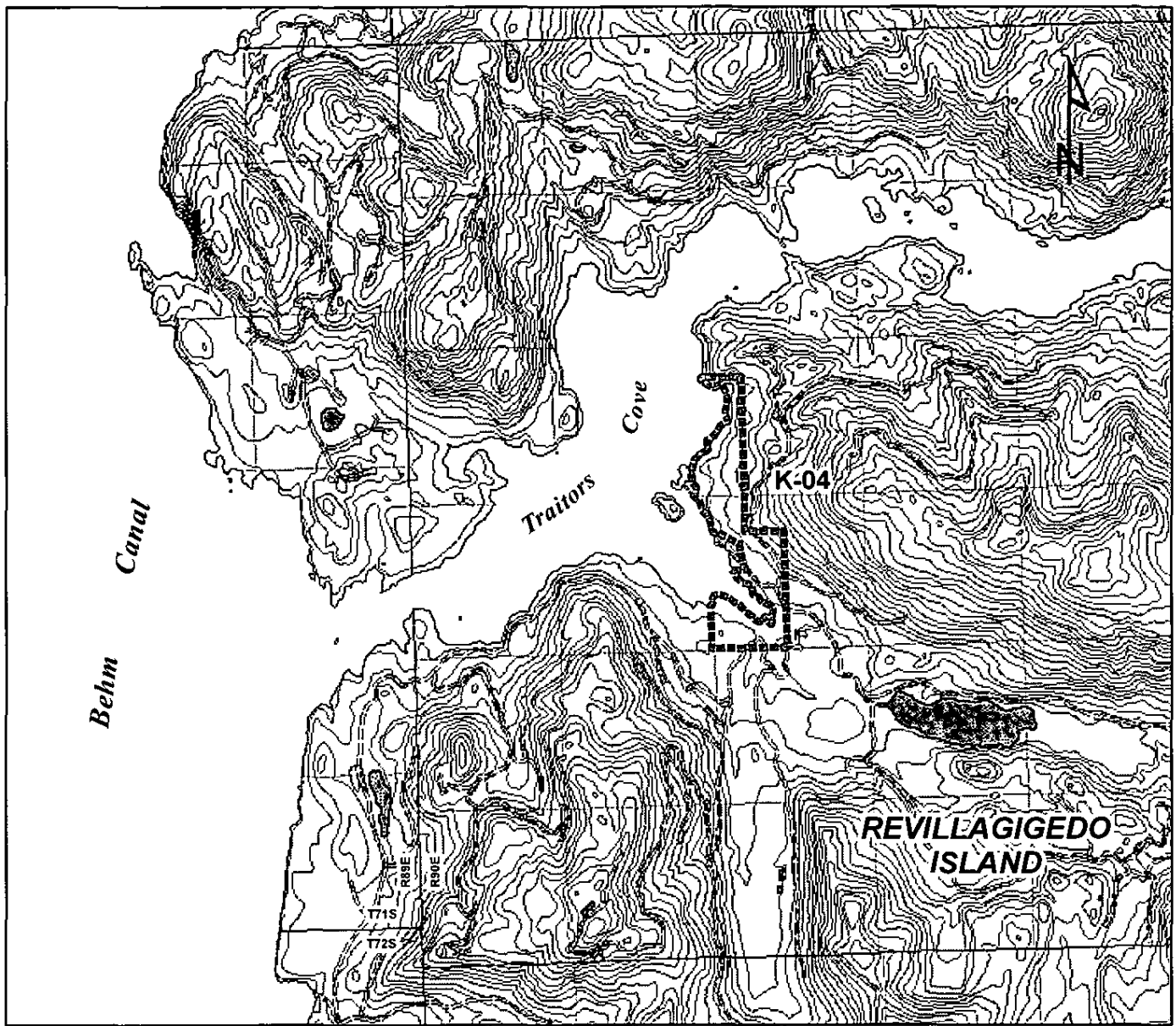
Legend

- Proposed State Forest
- GU
- Disposable
- Recreation
- Habitat
- Roads








**Proposed
Southeast Alaska
State Forest
Thorne Bay**



DIVISION OF FORESTRY
1/19/2009



Legend

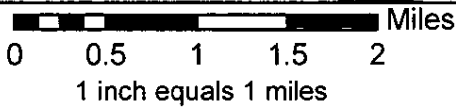
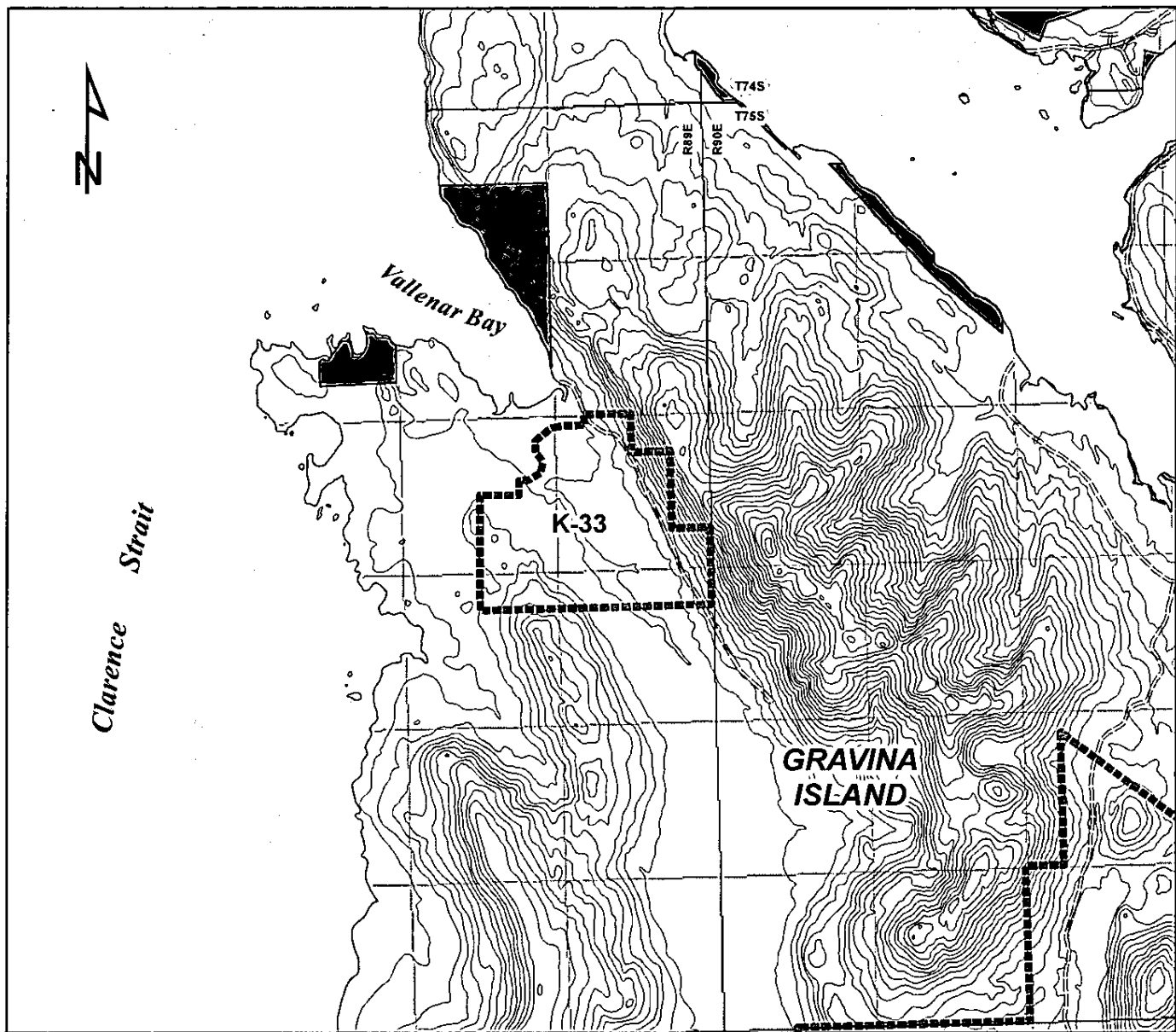
-  Proposed State Forest
-  Roads
-  GU
-  Disposable
-  Recreation
-  Habitat
-  Lakes

**Proposed
Southeast Alaska
State Forest
Traitors Cove**

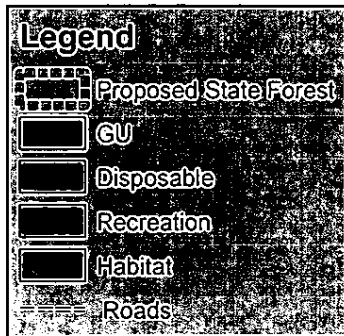


DIVISION OF FORESTRY

2/09/2009 gs



Contour Interval 100'

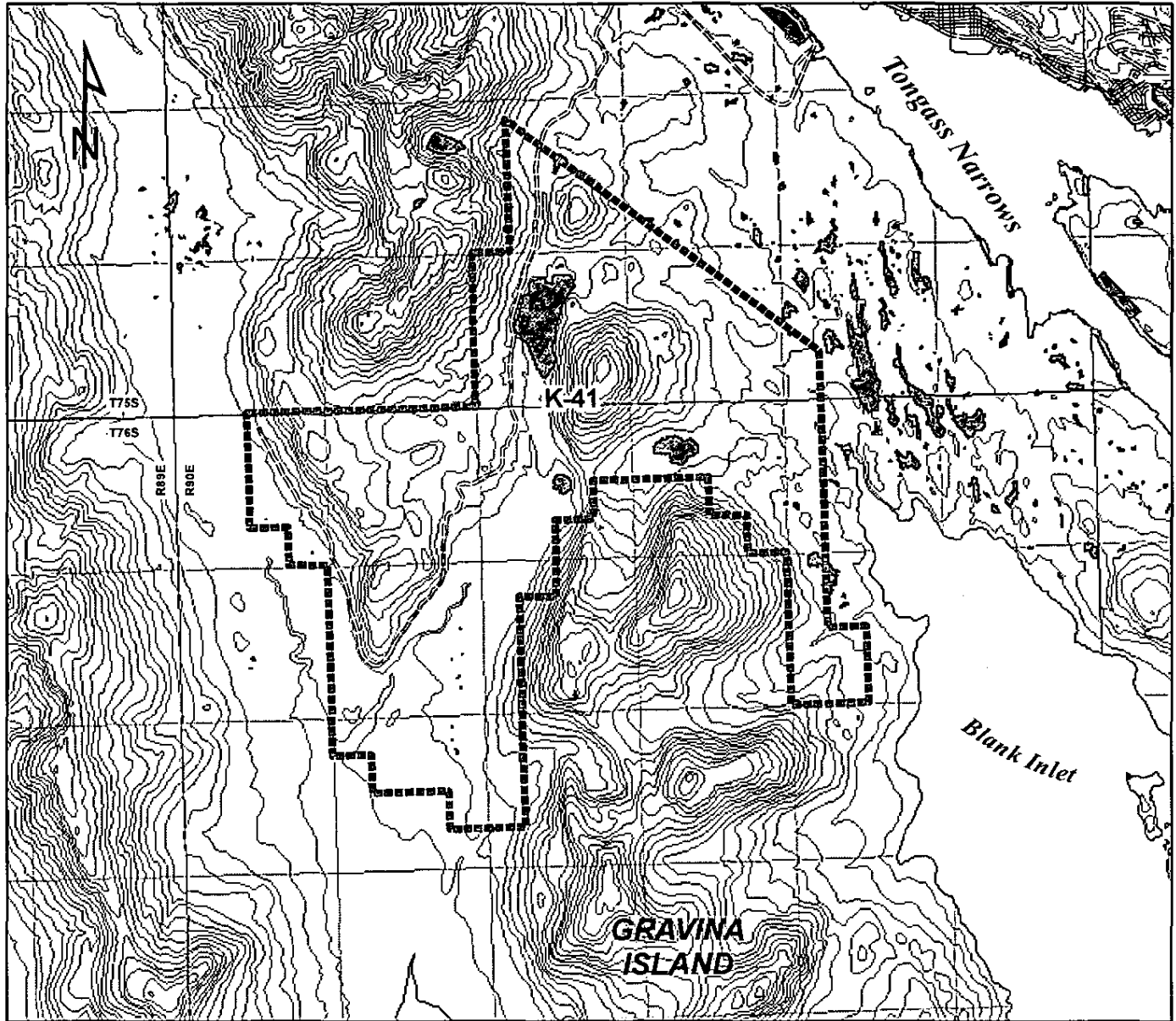


**Proposed
Southeast Alaska
State Forest
Gravina (Vallenar)**

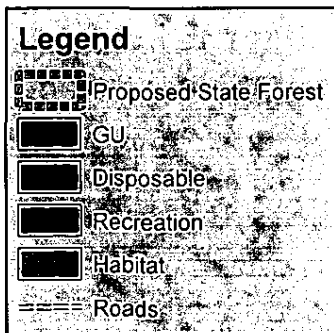


DIVISION OF FORESTRY

2/05/2008 gs



0 0.5 1 1.5 2 Miles
 1 inch equals 1 miles
 Contour Interval 100'

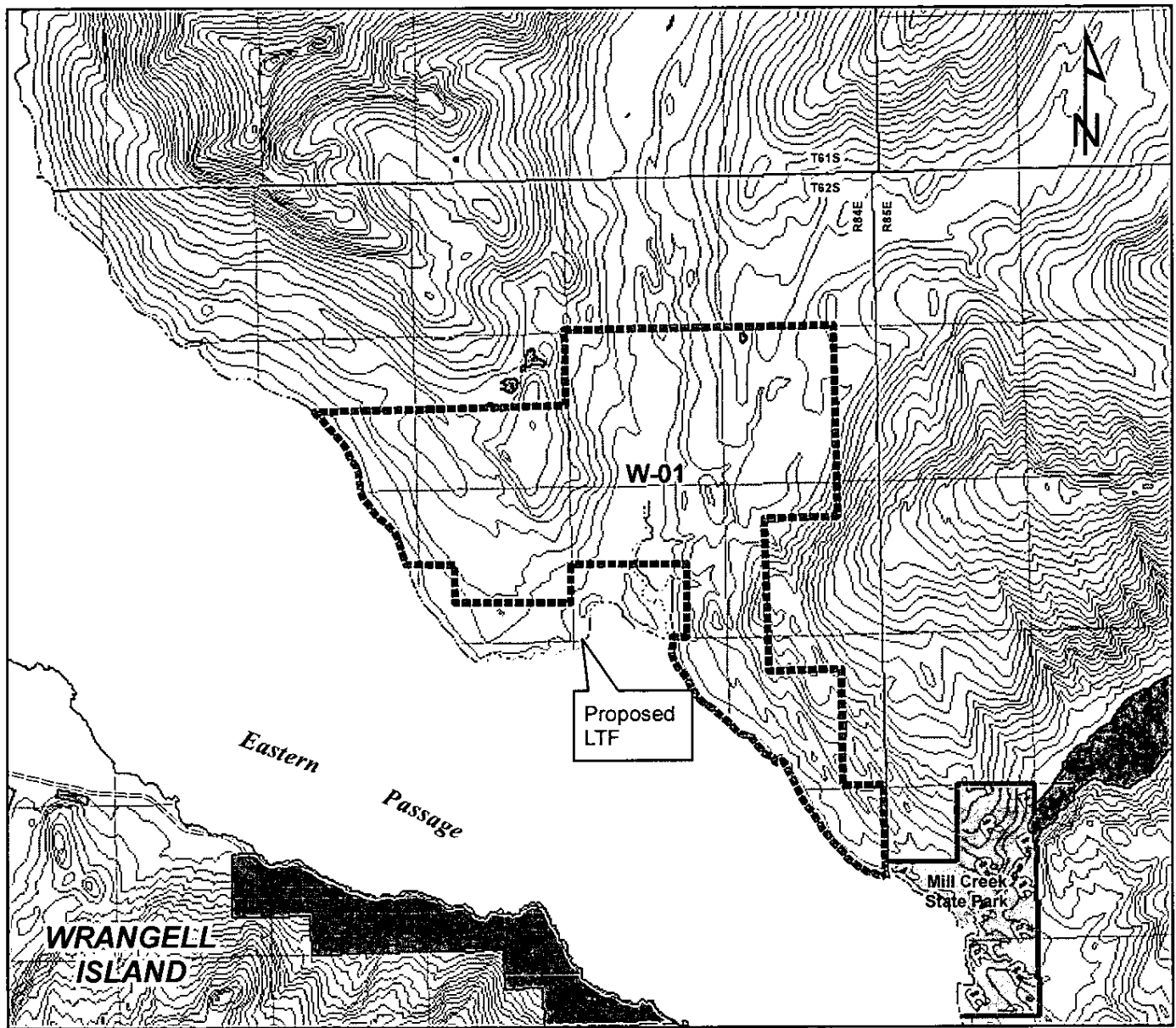


**Proposed
 Southeast Alaska
 State Forest
 Gravina (Bostwick)**



DIVISION OF FORESTRY

12/03/2008 gs



Proposed LTF

Mill Creek State Park

WRANGELL ISLAND

Eastern Passage

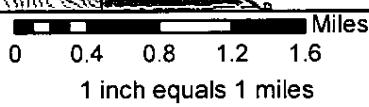
W-01

T61S

T62S

R84E

R85E



Contour Interval 100'

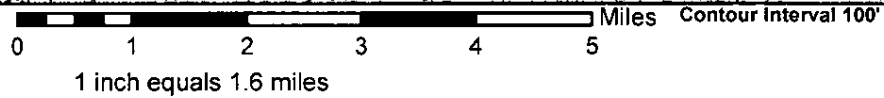
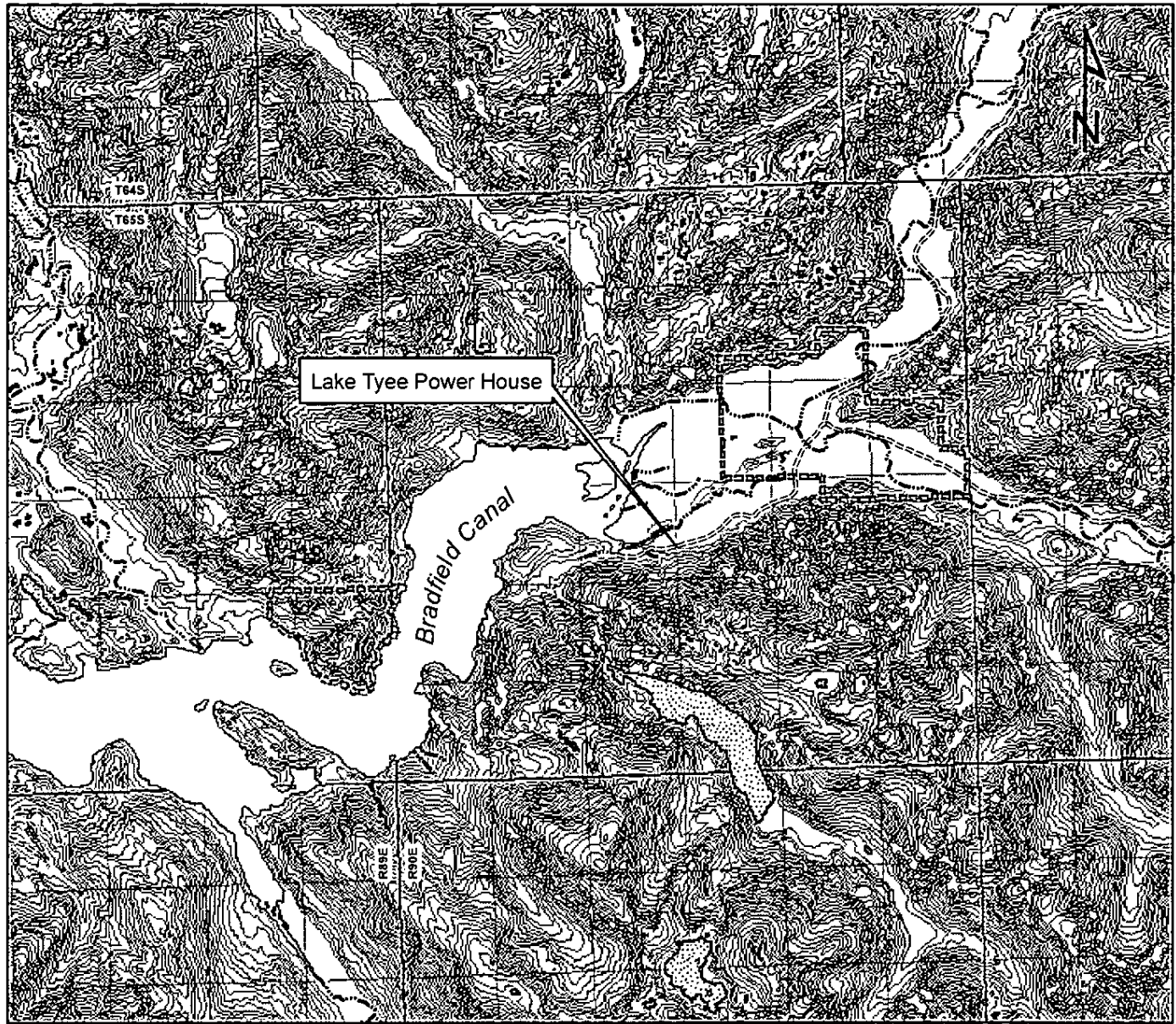
Legend

-  Proposed State Forest
-  State Park
-  GU
-  Disposable
-  Recreation
-  Habitat
-  lakes
-  Roads









**Proposed
Southeast Alaska
State Forest
Crittenden Creek**



DIVISION OF FORESTRY
1/19/09 gs



Legend

-  Proposed State Forest
-  GU
-  Disposable
-  Recreation
-  Habitat
-  Lakes
-  Cataloged Streams
-  Roads

**Proposed
Southeast Alaska
State Forest
Bradfield Area**



DIVISION OF FORESTRY

1/21/09 gs



RESOURCE DEVELOPMENT COUNCIL

Growing Alaska Through Responsible Resource Development

Founded 1975
Executive Director
Jason W. Brune

2008-2009 Executive Committee
Rick Rogers, President
Wendy Lindskoog, Sr. Vice President
Phil Cochrane, Vice President
Stephanie Madsen, Secretary
Tom Maloney, Treasurer
John T. Shively, Past President
Patty Bielawski
Allen Bingham
Marilyn Crockett
Steve Denton
Eric Fjelstad
Jeff Foley
Stan Foo
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Len Horst
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Eric Isaacson
Tom Lovas
Ethan Schutt
Scott Thorson
Cam Toohey
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Jason Bergerson
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Tom Henderson
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Mary McDowell
Ron McPheters
James Mery
Denise Michels
Lance Miller
Jim Palmer
Tom Panamaroff
Lisa Parker
Judy Patrick
Debbie Reinwand
Elizabeth Rensch
Ralph Samuels
Keith Sanders
Lorna Shaw
Kenneth Sheffield
Keith N. Silver
Tiel Smith
Robert Stiles
Jeanine St. John
John L. Sturgeon
Jim Taro
John Williams
John Zager

Ex-Officio Members
Senator Mark Begich
Senator Lisa Murkowski
Congressman Don Young
Governor Sarah Palin

March 12, 2009

Senator Olson, Chair
Senate Community and Regional Affairs Committee
Alaska State Legislature, State Capitol
Juneau, AK 99801

RE: SB127-An Act to Establish the Southeast Alaska State Forest

Dear Senator Olson:

The Resource Development Council (RDC) is writing to support SB 127, the establishment of the Southeast Alaska State Forest.

RDC is a statewide, non-profit, membership-funded organization founded in 1975. The RDC membership is comprised of individuals and companies from Alaska's oil and gas, mining, timber, tourism, and fisheries industries, as well as Alaska Native corporations, local communities, organized labor, and industry support firms. RDC's purpose is to link these diverse interests together to encourage a strong, diversified private sector in Alaska and expand the state's economic base through the responsible development of our natural resources.

The bill would establish a new state forest in Southeast Alaska from state lands presently used for timber harvest. The Division of Forestry would be able to manage the state forest for a long-term supply of timber to local processors, and retain the land in state ownership for multiple use. The forest would be managed as part of the State Forest System and under the current Prince of Wales Island and Central Southeast area plans.

In Southeast Alaska, demand for state timber exceeds supply and local mills are dependent on a consistent supply to stay in business. The majority of the timber in Southeast Alaska is on federal land, but federal timber sales have declined sharply, oftentimes due to incessant litigation from anti-logging groups as well as the federal government consistently putting forward uneconomic timber sales. Subsequently, the demand for state timber has increased significantly.

Much of the proposed forest was inherited from the U.S. Forest Service with young second-growth stands. Establishment of the Southeast Alaska State Forest will help provide a sustainable timber supply to local mills and accelerate the harvest of second-growth timber. Actively managed second-growth stands will provide more timber volume per acre on shorter rotations, and have less impact on wildlife. The shift to second-growth harvesting can be accelerated and timber volume increased on state land by thinning these stands. However, thinning is a long-term investment and is only justified if the land will continue to be available for forest management. A legislatively designated State Forest would ensure that land would remain available for long-term forest management. Thank you for the opportunity to provide comment on SB 127.

Sincerely,

Carl Portman, Deputy Director

Southeast Conference

P.O. Box 21989
612 W. Willoughby Avenue, Suite A
Juneau, AK 99802
(907) 523-2310
(907) 463-5670 fax
www.seconference.org

February 16, 2009

The Honorable Governor Sarah Palin
PO Box 110001
Juneau, AK 99811-0001

Governor Palin;

The Southeast Conference (SEC) is a broad based association of communities in Southeast Alaska with a mission of undertaking and supporting activities that promote strong economies, healthy communities and a quality environment throughout the region. In furthering that mission, SEC would like to lend its support for the concept of creating a new State Forest in southern southeast.

In southern southeast the demand for state supplied timber far exceeds the supply. The majority of the timber in the area is on federal land; however federal timber sales have declined dramatically. For their survival, the few remaining, local mills now depend heavily on state supplied timber from the 49,000 state acres where timber management is allowed.

Many of the states' managed acres support either second-growth stands on lands previously harvested by the U.S. Forest Service prior to state selection or new-growth on lands that have recently been harvested through state sales. Thus, for a future timber supply from state lands in southeast, the emphasis must be on active management of second-growth stands with higher volumes per acre, less impact on wildlife, and shorter harvest rotations.

In order for the state to expend funds to enter into intensive second-growth management on its timber lands, there must be assurance that the acres will be managed for timber over the long term. That assurance can best come through the designation of the lands as a State Forest with a management plan calling for extended, intensive timber management. With that designation, the Division of Forestry would be able to manage the lands for a reliable, long-term supply of timber to local processors and retain the land in state ownership for multiple uses.

Approximately 3,800 acres of state lands potentially included in a new State Forest are within the new Wrangell Borough. SEC understands that the establishment of State Forest lands within the new borough would not adversely affect the amount of land Wrangell may select. AS 29.65.030 states that borough selections are based on the maximum total acres



ARDOR
Alaska Resource Development and Outreach
Project in Cooperation with the State of Alaska

of vacant, un-appropriated, unreserved land within the borough boundaries within two years following the date of incorporation. SEC would hope that any legislation designating a new Southern Southeast State Forest would provide for this situation.

In conclusion, SEC would like to lend its support for the establishment of a Southern Southeast State Forest and would like to encourage your administration to advocate its establishment. Further, in order to increase the supply of timber available to the dependent industry in the region, we urge you to take advantage of any opportunities to increase the acreage of timberland managed by the Division of Forestry.

Sincerely,



Shelly Wright
Executive Director

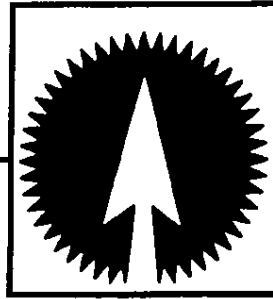
cc Chris Maisch



ARDOR

Arkansas Regional Development Organization
Promoting Economic Development and Quality of Life

Alaska Forest Association, Inc.



9674
JB

111 STEDMAN STREET, SUITE 200
KETCHIKAN, ALASKA 99901
Phone: 907-225-6114
Fax: 907-225-5920
E-mail: afa@akforest.org

March 10, 2009

Honorable Sarah Palin
State of Alaska Governor
PO Box 110001
Juneau, AK 99811

Dear Governor Palin,

Only about 12% of the commercial timberlands in Southeast Alaska are comprised of young-growth timber. Most of these stands are less than 50-years old and will not be mature for another 30 to 50-years. Therefore, for the next few decades, our industry will have to continue harvesting old-growth timber. However, well managed stands of young-growth timber can produce faster growing, high quality timber on fewer acres than unmanaged stands. *Consequently, we applaud your legislative proposal to add some State General Use lands to the State Forest in Southeast Alaska so that the Division of Forestry can more intensively manage those lands.*

The Division of Forestry has done an excellent job of preparing timber sales to keep a small portion of our industry alive in recent years, but they cannot increase their timber sales level without acquiring more timberlands or by departing from their long-term sustained yield requirement. There is opportunity however for increased timber sales from the Mental Health Trust and the University of Alaska timberlands. *We ask that you encourage both of these land managers to increase their timber sales program.* This would provide additional timber to our industry, would lessen the amount of State funding needed to sustain these two entities and create real, private sector jobs in Alaska.

Lastly, we want to thank you for making State personnel available to assist in the restoration of a viable federal timber sale program. That effort is already producing good results and provides our beleaguered industry some hope for our future.

Sincerely,

Brian Brown
President
Alaska Forest Association

SERVING ALASKA'S FOREST INDUSTRY

OFFICE OF THE GOVERNOR
MAIL ROOM
MAR 19 2009

**City of Coffman Cove
Resolution 09-18**

**A RESOLUTION SUPPORTING A STATE FOREST IN
SOUTHEAST ALASKA**

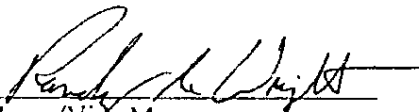
WHEREAS, the State of Alaska has Timber harvest plan regulated by the State Forestry Guidelines, and

WHEREAS, the economy of Southeast Alaska has suffered with the decline in the logging industry, and

WHEREAS, a stable timber supply with good management practices benefits all Alaskans, and

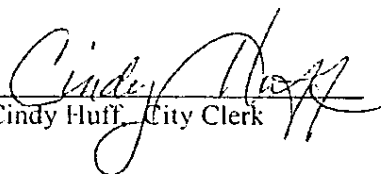
WHEREAS, THE CONCEPT OF THE State Forest provides stability, jobs and resource management,

NOW THEREFORE BE IT RESOLVED the Coffman Cove City Council supports the Alaska Department of Natural Resources State Forest proposal as presented.



Mayor/Vice Mayor

ATTEST:



Cindy Huff, City Clerk

FISCAL NOTE

STATE OF ALASKA
2009 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: HB 162
 (H) Publish Date: 3/2/09

Identifier (file name): 0012-DNR-FOR-02-09-09 Dept. Affected: Natural Resources
 Title Southeast State Forest RDU Resource Development
 Component Forest Management & Development
 Sponsor Rules Committee
 Requester Governor Component Number 435

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information						
		FY 2010	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
OPERATING EXPENDITURES								
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Supplies	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	0.0	0.0	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	0.0	0.0
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CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
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	(Thousands of Dollars)						
FUND SOURCE							
1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1037 GF/Mental Health	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Interagency Receipts	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2009) cost: 0.0

POSITIONS

	FY 2010	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Full-time	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Part-time	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Temporary	0.0	0.0	0.0	0.0	0.0	0.0	0.0

ANALYSIS: (Attach a separate page if necessary)

This bill establishes a 25,291-acre State Forest in Southern Southeast Alaska by redesignating certain state-owned parcels. A timber management plan would be developed to actively manage the parcels for higher timber volumes per acre, shorter rotations and less impact on wildlife. This would involve thinning young second-growth stands; a long-term investment not justified for undesignated lands.

Implementation of this bill will not require new positions or funding. The bill will have no short-term impact to the revenue stream, but will provide for long-term increases in forest productivity and subsequent increased timber revenues.

Prepared by: Chris Maisch, Director
 Division Division of Forestry
 Approved by: Tom Irwin, Commissioner
Natural Resources

Phone 451-2660
 Date/Time February 9, 2009
 Date February 9, 2009