

ALASKA LEGISLATURE COMMITTEE FILES 1993-1994 8672

8092 HOUSE RESOURCES

357

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 tie 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

<u>Personnel</u>		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
<u>Travel</u>		3.0
<u>Contractual</u>		4.0
<u>Supplies</u>		<u>2.0</u>
		102.9

*Not adjusted for annual inflation

DIVISION OF LEGAL SERVICES

LEGISLATIVE AFFAIRS AGENCY STATE OF ALASKA

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Mail Stop 3101


130 Seward Street, Suite 406
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.

Senator Steve Frank
April 4, 1994
Page 2

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.



OFFERING:

State Timber Sale

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

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 BRU: Resource Development
state timber, relating to the classification of state land..." 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 GFMHTIA						
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 SSB310 (Reo) have no fiscal impact. This fiscal note is appropriate.
3-29-94 date [Signature] Comte Aide (initial)

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

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)					
	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
OPERATING EXPENDITURES						
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)					
	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
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: [Signature]
 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 addressed 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 an 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)

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: 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

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 *GKH* Phone: 465-2491
 Division: Forestry Date: 5-5-89

Approved by Commissioner: *R. G. [Signature]* Date: 5/5/89
 Agency: _____

Distribution (by preparer):

Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

CORRECTION

**THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY**

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: 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.

Resource 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.

FISCAL NOTE

REQUEST:

Revision Date: <u>4-27-89</u>	Agency Affected: <u>Natural Resources</u>
Title: <u>An act relating to forest stewardship agreements</u>	BRU: <u>Forest Management</u>
Sponsor: <u>Manard And Larson</u>	Components: <u>Forest Management</u>
Requestor: <u>House Resources</u>	

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						

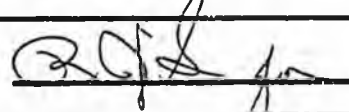
POSITIONS:

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 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 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				JUSTIFICATION:					
4.	ADDITION				This position will be the Division of Forestry field Engineer. In order to know what can and what can not be done 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.					
4.	TYPE OF EXPENDITURE				Access development is necessary in any areas that may be purposed as FSA's and will become a part of the selection process of a concessionaire. The Division does not have this capability at present.					
	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							
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KEY NUMBER - - - - -										

REQUEST FOR
NEW POSITION

AGENCY Natural Resources
BRU Forest Management
COMPONENT Forest Management

Page 1 of 1
Revised Date

No. 1
CSHB 205
4 OF 5

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 Fairbanks	ELECTION DISTRICT 20	LEG.		
3.	CONTINUATION LEVEL				JUSTIFICATION:					
4.	TYPE OF EXPENDITURE				<p>This position will help develop the required regulations and take them through the public review process in the Fairbanks area.</p> <p>Prepare a plan for administrative oversight of a FSA within the Northern Region and take it to the affected State Agencies.</p> <p>Develop actions necessary to prepare one FSA and take it through the review process to completion.</p> <p>Work with the Logging Engineer and Southcentral NRM I in developing the required contact and any additional plans that must be developed.</p>					
	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								
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REQUEST FOR
NEW POSITION

AGENCY Natural Resources

BRU Forest Management

COMPONENT Forest Management

Page 1 of 1

Revised Date

No. 1
CSHB 205
5 OF 5

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

contends that for application of Title sion whether to admit he firm implicates the right to association. s alleged that respon-mployer is obligated by onsider petitioner for n equal terms without . I agree that enforce- obligation, voluntarily uld 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.

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 without cost to other values, tutional rights. Such laws e exercise of personal judg- ng one's associates or col-nerally Fallon, To Each Ac- ability, From None According e Concept of Merit in the Law ation, 60 Boston Univ L Rev (80). Impediments to the ex-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

on "Sex discrimination in employment against female attorney in federal 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 implicitly 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

TOTAL CLIENT-SERVICE LIBRARY® REFERENCES

- 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

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 dis-

tribution 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.

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." 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."

The requirement is imposed by contract and

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 manufac-

tured 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.

domestic 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.

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[ing] 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

"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.

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-

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 States⁶ 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 "evin[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

[467 US 91]

(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 or-

der 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 sanction" 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 dor-

mant Commerce Clause, congressional intent must be unmistakably clear. The requirement that Congress affirmatively contemplate otherwise invalid state legislation

[467 US 92]

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

[467 US 93]

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

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

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

[467 US 94]

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,

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.*, [467 US 95]

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

[467 US 98]

a State to deal with whom-ever 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

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

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 primary-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 paid for it, he cannot do what he wishes with it. Instead, he is obliged to use it with a stranger to the State, or for completion of the sale.

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.

[467 US 97]

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 re-

lationship 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, 30 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

It is the substance of the transaction, rather than the label attached to it, that governs Commerce Clause analysis.

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.

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].¹² *Id.*, at 4145, 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

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

[467 US 102]

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

* 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

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

[467 US 103]

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

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.
 TON REQUESTED ON 04/20/94 AND HAS 5 UPDATES

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

**** PARTICIPATING SITES ****
 ANC ANCHORAGE 716 W 4TH, #200 LOCATION STAFF
 COR CORDOVA 795 2ND STREET LOCATION STAFF
 FBX FAIRBANKS 119 N CUSHMAN ST LOCATION STAFF
 GLN GLENNALLEN COMMUNITY LIB. LOCATION STAFF
 HCN HONER LTC 126 W PIONEER #4 LOCATION STAFF
 JNU JUNEAU CAPITOL CAP124 LOCATION STAFF
 KUD KUDJAK 112 MILL BAY RD. LOCATION STAFF
 MAI MATSU 165 E PARKS HWY. LOCATION STAFF
 NOM NOME FRONT STREET LOCATION STAFF
 PSE PETERSBURG 101 OJOK 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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 TESTIMONY WILL BE TAKEN WITH A 3 MINUTE LIMIT. CHAIR MAY NOT HAVE TIME TO HEAR 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 ****

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COR CORDOVA	705 2ND STREET	LOCATION STAFF
FBX FAIRBANKS	119 N CUSHMAN ST	LOCATION STAFF
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* JIU JUNEAU	CAPITOL CAP124	LOCATION STAFF
KOD KODIAK	112 MILL BAY RD.	LOCATION STAFF
KTN KEETCHIKAN	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
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	560 E 34TH. NO 200	ANCHORAGE	AK 99503 (907)563-8866
17	GLORIA GILL	ANCHORAGE	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	ANCHORAGE	UNABL SB 310
	2114 MCKENZIE DR	ANCHORAGE	AK 99517 (907)248-9104
20	DARYL DOUTHET	ANCHORAGE	UNABL SB 310
	PO BOX 38	CHUGIAK	AK 99567 (907)688-3795
21	JIM SYKES	TALKEETNA	UNABL SB 310
	PO BOX 68	TALKEETNA	AK 99676 (907)278-7436
22	DAVE THOMAS	ANCHORAGE	OBSV. SB 310
	406 G ST. STE 206	ANCHORAGE	AK 99501 (907)276-7686
23	GREG BELL	ANCHORAGE	UNABL SB 310
	6231 OLD SEWARD HWY	ANCHORAGE	AK 99517 (907)276-6769
24	KEVIN HARON	ANCHORAGE	UNABL SB 310
	519 W 8TH. NO 201	ANCHORAGE	AK 99501 (907)274-3621
25	ALAN PHIPPS	EAGLE RIVER	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 RODNAR	SELF	CORDOVA	TSFY. SB 310
	PO BOX 2262	CORDOVA	AK 99574 (907)424-5427
2 MS. DORN	HAUXHURST	CDFU	TSFY. SB 310

PARTICIPANTS IN: CORDOVA

COR

PO BOX 939	CORDOVA	AK 99574 (907)424-3447
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PARTICIPANTS IN: FAIRBANKS

FBX

1 MS.	DOREEN PO BOX 84825	SIMMONDS	FAIRBANKS	UNABL SB 310 AK 99708 (907)474-9806
2 MR.	DOUGLAS PO BOX 221	YATES	FAIRBANKS	UNABL SB 310 AK 99725 (907)479-8300
3 MS.	CRISTINA PO BOX 80883	SCHNEIDER	FAIRBANKS	UNABL SB 310 AK 99708 (907)474-3982
4 MR.	JIM 426 HAINES AVE.	CHUMBLEY	FAIRBANKS	UNABL SB 310 AK 99701 (907)452-6189
5 MR.	MIKE PO BOX 81435	DAVIS	FAIRBANKS	UNABL SB 310 AK 99708 (907)455-6430
6 MS.	NINA 1900 GILMORE TRAIL	MOLLETT	FAIRBANKS	UNABL SB 310 AK 99712 (907)457-1833
7 MS.	SUZANN PO BOX 81888	SPECKMAN	FAIRBANKS	UNABL SB 310 AK 99708 (907)474-6213
8 MR.	RICHARD 5801 HAYSTACK MTN. RD.	CHAPELL	FAIRBANKS	UNABL SB 310 AK 99712 (907)389-5801
9 MR.	GLYNN 2885 BEVERLY LANE	HOENER	FAIRBANKS	UNABL SB 310 AK 99709 (907)455-6870
10 MS.	SYLVIA 218 DRIVEWAY ST.	WARD	FAIRBANKS	UNABL SB 310 AK 99701 (907)452-5021
11 MR.	LANE PO BOX 80368	THOMPSON	FAIRBANKS	UNABL SB 310 AK 99708 (907)479-6712
12 MR.	BIRCH 6063 RECONSTRUCTION RD.	PAVELSKY	FAIRBANKS	UNABL SB 310 AK 99709 (907)456-0500
13 MR.	EDWIN 592 SANDPIPER DR.	RHOADS	FAIRBANKS	UNABL SB 310 AK 99709 (907)479-5355
14 MR.	LARRY 282 MAY WAY	MAYO	FAIRBANKS	UNABL SB 310 AK 99709 (907)479-2954
15 MS.	HILLARY PO BOX 435	SCHAEFER	FAIRBANKS	UNABL SB 310 AK 99725 (907)000-0000
16 MR.	JOHN PO BOX 435	KNEEHTEL	FAIRBANKS	UNABL SB 310 AK 99725 (907)000-0000
17 MS.	MARY PO BOX 80961	SHIELDS	FAIRBANKS	UNABL SB 310 AK 99708 (907)455-6469
18 MS.	MARY PO BOX 81444	ROMBERG	FAIRBANKS	UNABL SB 310 AK 99708 (907)479-7209
19	DAKLEY PO BOX 85071	COCHRAN	FAIRBANKS	UNABL SB 310 AK 99708 (907)474-7146
20 MR.	DAVE PO BOX 81765	LACEY	FAIRBANKS	UNABL SB 310 AK 99708 (907)474-8224
21 MR.	SEAN 351 CLOUDBERRY DR.	MCGUIRE	FAIRBANKS	UNABL SB 310 AK 99709 (907)479-7134
22 MS.	EVA 325 YANA	SAULITIS	FAIRBANKS	UNABL SB 310 AK 99709 (907)474-4584
23 MR.	LARRY PO BOX 70934	LANDRY	FAIRBANKS	UNABL SB 310 AK 99707 (907)479-4986
24 MR.	CAROL 2382 OLIVIA LANE	ROLAND	FAIRBANKS	UNABL SB 310 AK 99707 (907)479-4869
25 MR.	FRED PO BOX 72981	PRATT	FAIRBANKS	OBSV. SB 310 AK 99707 (907)000-0000

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

PARTICIPANTS IN: FAIRBANKS FBX

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

PARTICIPANTS IN: HOMER LTC HOM

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

LTN1100-R01 LEGISLATIVE TELECONFERENCE NETWORK PAGE 05
04/15/94 11:54:11
TCN: 40637 DATE & TIME: 04/15/94 08:15 TO 10:00 STATUS:6 ADJOURNED

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		HIG LAKE	AK 99652 (907)892-7760
5 MR.	JONATHAN MCNEILLY			OBSV. SB 310
	1261 SEWARD MERIDAN		WASILLA	AK 99654 (907)276-3289
6 MS.	JERRY CARTER			OBSV. SB 310
LTN1100-R01 LEGISLATIVE TELECONFERENCE NETWORK PAGE 06				
04/15/94 11:54:11				
TCN: 40637 DATE & TIME: 04/15/94 08:15 TO 10:00 STATUS:6 ADJOURNED				
PARTICIPANTS IN:MATSU MAT				
7 MR.	JAMES CARTER		WILLOW	AK 99688 (907)495-6823
	PO BOX 286		WILLOW	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 NALCHOW			OBSV. SB 310
	PO BOX 212		TOK	AK 99780 (907)883-5539
LTN1100-R01 LEGISLATIVE TELECONFERENCE NETWORK PAGE 07				
04/15/94 11:54:11				
TCN: 40637 DATE & TIME: 04/15/94 08:15 TO 10:00 STATUS:6 ADJOURNED				
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 1386		VALDEZ	AK 99686 (907)835-3788
3 MR.	GREG WILLIAMS		KCHU	OBSV. SB 310
	PO BOX 467		VALDEZ	AK 99686 (907)835-4665

**** 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(PUR): TESTIMONY:Y ALLOWED 2 MINUTE LIMIT
 TESTIMONY WILL BE TAKEN WITH A 2 MINUTE LIMIT.
 TCN REQUESTED ON 04/20/94 AND HAS 6 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	COMMUNITY 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)248-0742

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 HAWKHURST	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 SAULLIIS		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)474-8224
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

PARTICIPANTS IN: FAIRBANKS FBX

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.	FARIKA 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 LOGUVAM		UNABL SB 310
	1074 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 GRENAD 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 MUSTICK UNABL SB 310
 PO BOX 161 ESTER AK 99725 (907)479-5334
 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 00792 FAIRBANKS AK 99708 (907)479-8753
 48 MR. NILO 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 KOM
 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 OPHJEM TSFY. SB 310
 1421 KOUSKOV KODIAK AK 99615 (907)486-4460
 3 MR. CHARLES STNK WOODY TIMBER CO. OBSV. SB 310
 PO BOX 1183 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 PSB
 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)224-3130
 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
 37695 CONNER RD SULDOTNA 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 1614 FAIRBANKS AK 99707 (907)479-7236
 2 MR. TERRY HERMACH FWSCA 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



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HOUSE RESOURCES COMMITTEE

DATE: 4-25-94

PLACE: Capitol, Room 124

SUBJECT OF MEETING:
SB 306 - Anti-Trust Exemption For Fishermen
SB 314 - Mineral 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	SFAS	7026 Len Run			780-5717	(Y) N	SB 306
John Abshire	Dip. Comm. DOH	P.O. Box 2149 Juneau 99802-1149			465-277	(Y) N	SB 306 if necessary
Ron Wolfe	KFIP	JUNEAU			759-7114	(Y) N	310
Greg McCune	UFA	JUNEAU			586-2820	(Y) N	SB 306
						Y N	
						Y N	
						Y N	
						Y N	
						Y N	
						Y N	



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HOUSE RESOURCES COMMITTEE

SUBJECT OF MEETING:

SB 310 - State / Private / Muni
Timber Operation / Sale

DATE: 4/20/94

PLACE: Capitol, Room 124

NAME	REPRESENTING	BUSINESS/PERSONAL MAILING ADDRESS	ZIP	(H) PHONE	(W) PHONE	DO YOU WANT TO TESTIFY?	WHAT SUBJECT/ WHICH BILL?
435 Katelyn Kosch	Alaska Environmental Lobbying	*			4633366	(Y) N	SB 310
440 Barbara Kelly	myself	6751 Marguerite, Juneau				(Y) N	SB 310
446						Y N	
						Y N	
						Y N	
						Y N	
						Y N	
						Y N	
						Y N	
						Y N	



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HOUSE RESOURCES COMMITTEE

DATE: APRIL 20, 1994

PLACE: Capitol, Room 124

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

		Alaska Bureau of Forest Council					DO YOU WANT	WHAT SUBJECT/
NAME	REPRESENTING	BUSINESS/PERSONAL	MAILING ADDRESS	ZIP	(H) PHONE	(W) PHONE	TO TESTIFY?	WHICH BILL?
85 JAN DAWK ✓	INTERIOR BOARD FOREST ASSN	*	Fairbanks		474-2343	474-8343	(Y) N	SB 310
82 GLEN VOYAY ✓	SELF		4837 Palo Verde Ave Fairbanks	99709	474-3765	474-6717	(Y) N	SB 310
Colin Reed ✓	SELF		653 Lund Rd. Fairbanks	99712	488 7117	474 5075	(Y) N	SB 310
Chris Gates ✓	DCFD		Tuneau				(Y) N	SB 310
Troy Reinhart	AFA		KFN				(Y) N	SB 310
Liller Cotter 936	Self		Box 462 Nenana 99760				(Y) N	SB 310
Gayle Stevens 940	Self		Box 38 Nenana				(Y) N	SB 310
Barbara Kelly	self		6751 Marguerite, Tuneau				(Y) N	SB 310
Katya Kirsch	Alaska Environmental Cobby					4633366	(Y) N	SB 310
							Y N	
							Y N	

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YOUR COMPLETE MAILING ADDRESS *



HOUSE RESOURCES COMMITTEE

SUBJECT OF MEETING:

SB 310 - State / Private / Muni Timber
Operation / Sale

DATE: APRIL 15, 1994

PLACE: Capitol, Room 124

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 Forests				465-3379	(Y) N	SB 310
Chip Thoma	self					(Y) N	SB 310
Chris Galos	DCEID				465-2017	(Y) N	SB 310
Kalya Hirsch	AK Environmental Lobby				4633366	(Y) N	SB 310
Betty Lou Haver	Self	BOX 21896 Juneau				Y N	
Albert M. Pugh	SELF	2849 PARKS HWY FRKS AK 99709			474 6643	(Y) N	SB 310
Rosal Wolfe	KFP	P.O. BOX 34659 JUNEAU 99803-4659		789-7104	789-3353	(Y) N	CS 310
						Y N	
						Y N	
						Y N	
						Y N	



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The Voice of Interior Alaska

. XCII, No. 92



FAIRBANKS, ALASKA, SUNDAY, APRIL 3, 1994



Log it.
Leave it.
Argue it.



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.

Mike Mathers/News-Miner photos

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.

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

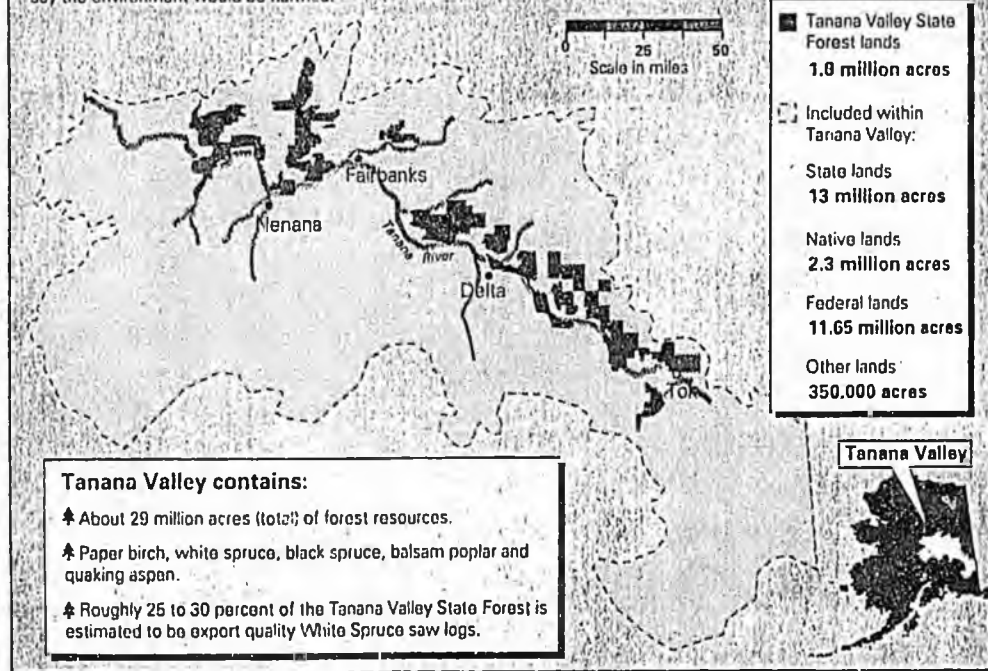
FRANK head, the teleconference speaker boomed angry voices from people across the state opposed to Frank's pro-timber bill, Senate Bill 310.

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

See **POLITICS**, Page A-9

Forest resources of the Tanana Valley

The Legislature is considering passage of Senate Bill 310, which would allow for long-term leasing of blocks of the Tanana Valley State Forest. Supporters say establishing a timber industry would boost the economy; opponents disagree and say the environment would be harmed.



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 addi-

tional 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 possibility of bonding.
- ✦ Sustained-yield defined based on forest 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.

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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

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 over-cutting," 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



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.

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.

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 provi-

sion 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 Council, 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 \$73,000. The timber sold to Northland Wood-products in Fairbanks for \$228,000, for a profit to the state of \$153,000.

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Opinion

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

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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. Kicketts
Executive Director

RLR/apm

J
ALVER
CEC

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LAW OFFICES OF
CHARLES E. COLE

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FAIRBANKS, ALASKA 99701
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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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April 19, 1994

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.

(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.

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 than 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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CHARLES E. COLE

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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;

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

Charles E. Cole

CEC:vlg

cc: Senator Steve Frank

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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 months. 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 pulp mills 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 RELEVANT:** 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. REALISTIC, 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 23,958 acres 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 Coghil, 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 here; 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 Kenai Peninsula, Kalkan Island, Kenai Peninsula, the Anchorage Bowl, the lower Susitna Valley, 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 be 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 Copper 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 sources; 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.

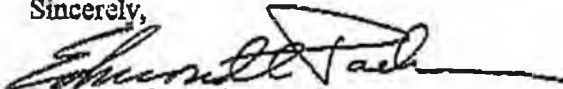
- Alternative 1
Constitution **REJECT**—totally irresponsible and contrary to and mocks the State
and legislation; ignores biological reality and common sense; nothing gets done!
This is silvicultural slumming and ignores science and biodiversity issues; does
not address ecosystem change; no reforestation 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
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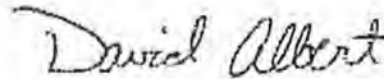
11 April, 1994

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 sponsored 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