

HOUSE BILL REPORT

HB 1583

*As Reported By House Committee on:
Trade & Economic Development*

Title: An act relating to the creation of the Washington public forest commission.

Brief Description: Creating the Washington public forest commission.

Sponsor(s): Representatives Sheldon, Ferguson, Hargrove, Rasmussen, Cantwell, Betrozoff, Jacobsen, Jones, R. King, Basich, R. Johnson, Haugen, Inslee, Kremen, Riley, Roland, Phillips, Orr, Wynne and Spanel.

Brief History:

Reported by House Committee on:
Trade & Economic Development, March 6, 1991, DPS.

**HOUSE COMMITTEE ON
TRADE & ECONOMIC DEVELOPMENT**

Majority Report: *That Substitute House Bill No. 1583 be substituted therefor, and the substitute bill do pass.* Signed by 11 members: Representatives Cantwell, Chair; Sheldon, Vice Chair; Forner, Ranking Minority Member; Betrozoff, Assistant Ranking Minority Member; Ferguson; Kremen; Ludwig; Moyer; Rasmussen; Riley; and Roland.

Staff: Bill Watterson (786-7349).

Background: The forest products industry is a key part of Washington's economy. Approximately one-fifth of the manufacturing jobs in the state are forest products related.

Timber harvest levels, particularly on federal lands, are expected to decrease significantly. This will adversely impact the State generally and timber communities specifically.

Summary of Substitute Bill: The Washington Public Forest Commission is established. The commission shall have 11 members. Membership is restricted to those individuals who have legal title to timber from state public lands. Four members shall be from firms with annual timber production between five and 25 million board feet; four members shall be from firms with annual timber production between 25 and

75 million board feet; and three members shall be from firms with annual timber production greater than 75 million board feet. Initially, the governor shall appoint the members to staggered terms. Subsequently members shall be elected from firms that purchase timber from public lands. There is a limit of one member per firm.

The commission is to: (1) increase public awareness of timber industry concerns, forest management practices, and forest product uses; (2) support forest product research; and (3) promote the sale of forest products.

The commission does not have the authority to levy assessments. The commission is to recommend a method of funding to the Legislature by December 1, 1991.

It is a misdemeanor offense for any person to refuse to render information, furnish false information, or to secrete, alter, or destroy information required by the commission.

Substitute Bill Compared to Original Bill: The substitute removes the authority to levy an assessment and requires the commission to recommend a funding mechanism to the Legislature by December 1, 1991.

Fiscal Note: Requested March 6, 1991.

Effective Date of Substitute Bill: The bill contains an emergency clause and takes effect immediately.

Testimony For: The bill redresses the need for a commodity commission to increase public awareness of the concerns of the softwood timber industry.

Testimony Against: The bill proposes an assessment on purchases of timber from public lands that will reduce purchase prices and thus reduce the funds available to the beneficiaries, such as the Public School Construction Fund, of timber sales from public trust lands.

Witnesses: Representative Timothy Sheldon, Prime Sponsor; Bob Waltz, Seattle Snohomish Mills (supports bill); Jim O'Donnell, Omak Wood Products (supports bill); Dick Whitmore, Mt. Baker Plywood (supports bill); Larry Mason, Mason Lumber Products (supports bill); Tom Mayr, Mayr Forest Products (supports bill); Gus Kuehne, Northwest Independent Forest Manufacturers (supports bill); Art Stearns, DNR (against bill if only public timber purchasers are represented on the commission and if the commission is funded by assessments on timber sales from public lands, rather than all timber sales); Richard Junk, Washington

Forest Protection Association (against bill because it adds an additional cost to doing business during a timber industry recession); and George Kirkmire, Washington Contract Loggers Association (against bill because the purchasers must pay the proposed assessment on timber sales).