## SENATE BILL 5527

State of Washington 52nd Legislature 1991 Regular Session

By Senators Barr, Owen, Amondson, Sutherland, Conner and Snyder.

Read first time February 5, 1991. Referred to Committee on Environment & Natural Resources.

- 1 AN ACT Relating to the creation of the Washington public forest
- 2 commission; adding a new chapter to Title 76 RCW; prescribing
- 3 penalties; and declaring an emergency.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 <u>NEW SECTION.</u> **Sec. 1.** The legislature recognizes that the
- 6 economic well-being of the state of Washington is directly affected by
- 7 the growing and harvesting of publicly owned timber. The industry
- 8 provides substantial and necessary revenues for the state and
- 9 employment for its citizens. The maintenance of a strong and
- 10 competitive forest industry in Washington requires a continuous and
- 11 adequate supply of timber from public lands and the further expansion
- 12 of markets for finished products. The research, development, and
- 13 communications of new forest management techniques and practices are
- 14 needed to strengthen the compatibility of growing and harvesting
- 15 softwood timber with other forest resource values. Creating and

- 1 maintaining a regulatory environment ensuring a sustainable yield of
- 2 softwood timber for harvest is vital to the state's economy. This
- 3 chapter is enacted in the exercise of the police power of this state
- 4 for the purpose of protecting the health, peace, safety, and general
- 5 welfare of the people of this state.
- 6 <u>NEW SECTION.</u> **Sec. 2.** Unless the context clearly requires
- 7 otherwise, the definitions in this section apply throughout this
- 8 chapter.
- 9 (1) "Commission" means the Washington public forest commission.
- 10 (2) "Person" means an individual, partnership, corporation, firm,
- 11 company, or other entity doing business in the state of Washington.
- 12 (3) "Producer" means any person who has legal title to timber when
- 13 it is harvested and removed from public lands in this state.
- 14 (4) "Public lands" means all federal, state, or any other lands
- 15 owned or controlled by a governmental entity including military
- 16 reservations, municipalities, and counties.
- 17 (5) "Research" means any economic, cultural, or biological search,
- 18 inquiry, examination, investigation, or experimentation, or any other
- 19 search, inquiry, examination, investigation, or experimentation.
- 20 (6) "Softwood" means the wood of a coniferous tree with leaves that
- 21 are needle-like, scale-like, awl-shaped, or linear.
- 22 (7) "Bid value" means the amount paid for timber to the public
- 23 landowner as defined by the department of revenue.
- 24 (8) "Timber" includes trees, standing or down, shake blocks and
- 25 boards, posts, and other red cedar products.
- 26 (9) "Product promotion" means the generic promotion of forest
- 27 products in domestic and foreign markets.

- 1 <u>NEW SECTION.</u> **Sec. 3.** (1) There is created the Washington
- 2 public forest commission, which is established solely for the purposes
- 3 set forth in this chapter. The commission shall be comprised of eleven
- 4 members who are producers.
- 5 (2) All members shall be initially appointed by the governor and
- 6 shall be appointed for staggered terms. Four members shall be
- 7 appointed to a two-year term, four members to a three-year term, and
- 8 three members to a four-year term.
- 9 (3) By January 1, 1992, the commission shall develop, by rule, a
- 10 method of electing board members to replace the appointed members.
- 11 (4)(a) The commission shall be comprised of: (i) Four members
- 12 elected by and from producers of five million board feet to twenty-five
- 13 million board feet, inclusive net Scribner Decimal C log rule softwood
- 14 logs, or the equivalent thereof, in the preceding calendar year; (ii)
- 15 four members shall be elected by and from producers of over twenty-five
- 16 million board feet but not more than seventy-five million board feet
- 17 net Scribner Decimal C log rule softwood logs, or the equivalent
- 18 thereof, in the preceding calendar year; and (iii) three members shall
- 19 be elected by and from producers of over seventy-five million board
- 20 feet net Scribner Decimal C log rule softwood logs, or the equivalent
- 21 thereof, in the preceding calendar year.
- 22 (b) At least three members shall be producers from east of the
- 23 crest of the Cascade mountains.
- 24 (5) The members of the board shall be, in addition to being
- 25 producers, citizens, and residents of the state of Washington, over the
- 26 age of twenty-one years, each of whom is and has been actively engaged,
- 27 either individually or as an executive officer, employee, or sales
- 28 manager on a management level or as a managing agent of an
- 29 organization, as a producer within the state of Washington for a period
- 30 of five years and has, during that time, derived most of his or her

- 1 income from these activities. The qualifications of members of the
- 2 board must continue during the terms of office. Only one member may be
- 3 in the employ of any one person or organization engaged as a producer
- 4 at any one time.
- 5 (6) Each commission member shall serve until the election of a
- 6 successor. Six voting members shall constitute a quorum for
- 7 transaction of any business of the commission. Commission members
- 8 shall not be paid compensation but may be reimbursed for travel
- 9 expenses as provided in RCW 43.03.050 and 43.03.060.
- 10 <u>NEW SECTION.</u> **Sec. 4.** The commission shall have the powers and
- 11 duties to carry out any acts reasonably necessary to implement this
- 12 chapter and shall include, but are not limited to, the following:
- 13 (1) The commission may adopt, by rule, and, from time to time,
- 14 alter, rescind, modify, and amend bylaws, regulations, operating
- 15 procedures, and orders, including regulations for appeals from any
- 16 bylaw, regulation, operating procedure, or order of the commission.
- 17 (2) The commission may administer and enforce this chapter and do
- 18 and perform all acts and exercise all powers incidental to, or in
- 19 connection with, or deemed reasonably necessary.
- 20 (3) The commission may appoint its own officers, including a
- 21 chairperson, one or more vice-chairpersons, and other officers as it
- 22 deems necessary. The officers shall have the powers and duties
- 23 delegated to them by the commission.
- 24 (4) The commission may employ a person to serve at the pleasure of
- 25 the commission as president and chief executive officer of the
- 26 commission, and other personnel, including legal counsel.
- 27 (5) The commission may fix the compensation for all of its
- 28 employees.

- 1 (6) The commission may appoint committees composed of both members
- 2 and nonmembers of the commission to advise the commission.
- 3 (7) The commission may establish offices and incur expenses, enter
- 4 into any and all necessary contracts and agreements, create
- 5 liabilities, and borrow funds in advance of receipt of assessments as
- 6 may be necessary, in the opinion of the commission, for the proper
- 7 administration and enforcement of this chapter and performance of its
- 8 duties.
- 9 (8) The commission shall keep accurate books, records, and accounts
- 10 of all of its dealings which shall be subject to an annual audit by an
- 11 auditing firm selected by the commission.
- 12 (9) The commission may present facts, negotiate with and conduct
- 13 any other necessary activities with state, federal, and foreign
- 14 agencies on matters which affect this chapter, and, in particular, the
- 15 management of the timber resources on public lands.
- 16 (10) The commission may enter into contracts to receive or render
- 17 services in formulating and conducting plans and programs and any other
- 18 contracts or agreements that the commission may deem necessary.
- 19 (11) The commission may conduct, and contract with others to
- 20 conduct, research, including the study, analysis, accumulation, and
- 21 dissemination of information obtained from the research or elsewhere,
- 22 regarding this chapter.
- 23 (12) The commission may communicate with the public to increase the
- 24 public understanding of the industry and its issues and concerns and
- 25 may help educate the public with respect to the practice of forestry
- 26 and the use and benefits of forest products.
- 27 (13) The commission may promote the sale of forest products by
- 28 advertising and other promotional means, including cost sharing
- 29 advertising, for the purpose of maintaining and expanding present
- 30 markets and creating new and larger intrastate, interstate, and foreign

- 1 markets for forest products and to educate and instruct the public with
- 2 respect to the use of forest products.
- 3 (14) The commission may accept contributions or match private,
- 4 state, or federal funds, and employ or make contributions of funds to
- 5 other persons, organizations, or state or federal agencies.
- 6 (15) The commission may publish and distribute, without charge,
- 7 bulletins or other communications to persons subject to this chapter.
- 8 (16) The commission shall establish an assessment rate to defray
- 9 its operating costs and administer this chapter.
- 10 (17) The commission shall adopt an annual budget according to
- 11 generally accepted accounting practices.
- 12 (18) The commission shall keep confidential and shall not disclose,
- 13 except when required in a judicial proceeding, all lists in their
- 14 possession of persons subject to this chapter.
- 15 (19) The commission may bring legal and administrative actions to
- 16 implement this chapter; and may investigate and prosecute civil
- 17 violations of this chapter and file complaints with appropriate law
- 18 enforcement agencies or officers for suspected criminal violations of
- 19 this chapter.
- 20 <u>NEW SECTION.</u> **Sec. 5.** (1) To provide for funding of the
- 21 commission, assessments shall be levied by the commission on all
- 22 producers.
- 23 (2) The assessment for each producer shall be one percent of the
- 24 bid value of all softwood timber removed from public lands in
- 25 Washington state under a timber sale entered into after the effective
- 26 date of this act with advertised volume of five hundred thousand board
- 27 feet net Scribner Decimal C log rule, the equivalent of, or more.

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- 1 (3) The assessment shall be payable to the commission with respect
- 2 to each timber sale on the last day of the month following the end of
- 3 the calendar quarter in which the timber is removed.
- 4 (4) The rate of assessment payable to the commission by any
- 5 producer shall not be changed so long as the timber sale contract for
- 6 which the assessment is being made is in force.
- 7 (5) The assessment rate payable to the commission may be changed
- 8 for new timber sales with a two-thirds vote of the commission. A
- 9 producer shall be responsible to pay according to the assessment rate
- 10 change when it is received by the producer from the commission as
- 11 provided in subsection (7) of this section. The effective date of the
- 12 assessment change shall be the later of the first day of the month
- 13 following the month in which the vote occurs or fourteen days after
- 14 written notification has been received.
- 15 (6) A penalty for late payment of assessments will be five percent
- 16 in the first month of delinquency, ten percent in the second month, and
- 17 twenty percent in the third or later month of delinquency.
- 18 (7) Any notice provided for in this chapter to a producer shall be
- 19 delivered to the producer at the address supplied by the producer to
- 20 the commission either by personal delivery or by certified mail, return
- 21 receipt requested. A notice shall be deemed given, if by personal
- 22 delivery, on the date of such delivery, or, if by certified mail, on
- 23 the date of receipt. Notice to the commission shall be delivered or
- 24 addressed to an officer of the commission at the commission's principal
- 25 office.
- 26 <u>NEW SECTION.</u> **Sec. 6.** Obligations incurred by the commission
- 27 and liabilities or claims against the commission shall be enforced only
- 28 against the assets of the commission in the same manner as if it were
- 29 a corporation and no liability for the debts or actions of the

- 1 commission shall exist against either the state of Washington or any
- 2 subdivision or against any member, officer, employee, or agent of the
- 3 commission in his or her individual capacity. The members of the
- 4 commission, including employees of the commission, shall not be held
- 5 responsible in any way whatsoever to any person for errors in judgment,
- 6 mistakes, or other acts, either of commission or omission, as principle
- 7 agent, person, or employees, except for their own individual acts of
- 8 dishonesty or crime. A person or employee shall not be held
- 9 responsible individually for any act or omission of any other members
- 10 of the commission.
- 11 <u>NEW SECTION.</u> **Sec. 7.** (1) It is a misdemeanor for any person
- 12 to do any of the following:
- 13 (a) Refuse to render a report, statement, or record required by the
- 14 commission.
- 15 (b) Furnish a false report, statement, or record required by the
- 16 commission.
- 17 (c) Fail or refuse to furnish the commission, or its duly
- 18 authorized agents, information concerning the names and addresses of
- 19 persons from whom timber has been received and the quantity so
- 20 received.
- 21 (d) Secrete, destroy, or alter records required to be kept under
- 22 this chapter.
- 23 (2) The commission may commence civil actions and utilize all
- 24 remedies provided in law or equity for the collection of assessments
- 25 and civil penalties and for the obtaining of injunctive relief or
- 26 specific performance regarding this chapter and the rules and
- 27 regulations adopted under this chapter. A court shall issue to the
- 28 commission any requested writ of attachment or injunctive relief upon
- 29 a prima facie showing by verified complaint that a named defendant has

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- 1 violated this chapter or any rule or regulations of the commission,
- 2 including, but not limited to, the nonpayment of assessments. The
- 3 commission shall not be required to post a bond as a condition for the
- 4 issuance of any writ of attachment or injunctive relief.
- 5 (3) Upon entry of any final judgment on behalf of the commission
- 6 against any defendant, the court shall enjoin the defendant from
- 7 conducting any type of business regarding timber until there is full
- 8 compliance and satisfaction of the judgment. Upon a favorable judgment
- 9 for the commission, it is entitled to receive reimbursement for any
- 10 reasonable attorneys' fees and other actual related costs. Venue for
- 11 these actions may be established at the domicile or place of business
- 12 of the defendant or in the county of the principal office of the
- 13 commission. The commission may be used only in the county of its
- 14 principal office.
- 15 <u>NEW SECTION.</u> **Sec. 8.** Sections 1 through 7 of this act shall
- 16 constitute a new chapter in Title 76 RCW.
- 17 <u>NEW SECTION.</u> **Sec. 9.** If any provision of this act or its
- 18 application to any person or circumstance is held invalid, the
- 19 remainder of the act or the application of the provision to other
- 20 persons or circumstances is not affected.
- 21 <u>NEW SECTION.</u> **Sec. 10.** This act is necessary for the immediate
- 22 preservation of the public peace, health, or safety, or support of the
- 23 state government and its existing public institutions, and shall take
- 24 effect immediately.