

LACN LEGISLATIVE UPDATE

Legislative and Regulatory E-mailed news and information
from the Lumber Association of California & Nevada

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This E-mailed report is a service of your Lumber Association of California & Nevada with current information on legislative and regulatory matters. In most instances there will be additional information attached with this report. If there are others in your firm who should receive this report, please contact kend@lumberassociation.org.

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It's frustrating to watch the California Legislature thrash about and do little of consequence with consideration of those of us at both a business and personal level who pay the taxes that fund government. The day is coming soon when the estimated \$19-billion state deficit will have to be dealt with - again. Tax (and fee) increases, borrowing from funds, and deferring liabilities just won't cut it.

Here are current issues on both the state and federal level.

AB 2163 passes out of house of origin: Assembly Bill 2163 (Tony Mendoza (D-Artesia), the clean up measure for last year's Timber Harvest Plan (THP) bill AB 1066, has successfully passed the Assembly floor on a 57-7 vote margin. This legislation, as well as AB 1066 (also sponsored by Assm. Mendoza) last year, were both supported by LACN. The bills are forestry issues that would allow more reasonable and efficient timber harvest plans. LACN and the California Forestry Association always point out to legislators the size of the significant wood and forest products industry in California – from the forest to the lumber dealer.

Despite a last minute push by the Sierra Club of California, the bill stood on its own merit by simply allowing the THPs that are being held up due to interpretation issues by the Calif. Dept. of Forestry & Fire Protection to be allowed to seek their proper extensions. The bill has an urgency clause which means that once it is signed into law by the governor, the bill immediately becomes law. The bill will now move to the Senate where we hope it will be viewed as it was by the Assembly and receive consent consideration on the committee and floor calendar.

AB 2607 which purports to “study” the impact of the use of wood pallets in comparison to plastic pallets: LACN has added our opposition to the bill for several reasons. One, at a time when the state is facing financial crisis, why fund yet another “study?” Two, this is yet another attack on the overall wood products industry. Wood pallets are reusable, repairable and recyclable products made from a renewable resource.

The bill sponsor, Assemblymember Kevin de Leon (D-Los Angeles) claims this is a health and safety issue study. He must be seeing different palletized products than we do. Food items on pallets are usually canned, boxed or sacked and that's doesn't seem to be a health hazard any more than having those same cans, boxes or sacks on the grocery store shelves.

On the federal level, last night (Thursday) as part of consideration of the emergency supplemental appropriations bill, the Senate approved an amendment (60-37 vote) by Sen. Susan Collins (R-ME) that would prevent EPA funding for the imposition of fines and liability under the **EPA Lead Rule**. NLBMDA has been pursuing a variety of avenues to minimize the impact of the rule on the industry and LACN has written letters to our delegation on this issue. During the course of consideration to make it germane to the bill on the floor, the amendment got modified so that it only barred funding from this particular supplemental appropriations bill, which did not contain EPA funding, therefore making the vote largely symbolic. But, it's a start in a process of inches and some excellent work by NLBMDA on the issue. Both Senators Barbara Boxer (D), Dianne Feinstein (D) from California voted against the industry position, as did Senator Harry Reid (D) of Nevada. Senator John Ensign (R) of Nevada voted with our position.