



House of Representatives

General Assembly

File No. 864

January Session, 2009

Substitute House Bill No. 6551

House of Representatives, April 30, 2009

The Committee on Finance, Revenue and Bonding reported through REP. STAPLES of the 96th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING STATE FORESTRY PROGRAMS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 23-20 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective from passage*):

3 The Commissioner of Environmental Protection shall administer the
4 statutes relating to forestry and the protection of forests. The
5 commissioner may employ such field and office assistants as may be
6 necessary for the execution of his or her duties. The commissioner
7 may, from time to time, publish the forestry laws of the state and other
8 literature of general interest and practical value pertaining to forestry.
9 The commissioner may enter into cooperation with departments of the
10 federal government for the promotion of forest resource management
11 and protection within the state. The commissioner may, with the
12 assistance of the State Forester, develop and administer plans for the
13 protection and management of publicly owned woodlands. Such plans
14 shall include, but not be limited to proposals for the establishment of

15 forest plantations and the marketing of forest products. Not later than
16 January 10, 2010, the commissioner shall apply to have publicly owned
17 woodlands or products from such woodlands certified or licensed
18 under one or more of the following, provided the commissioner uses
19 private funding from gifts, donations or bequests, as authorized in this
20 section, for the cost of all such applications: (1) The Sustainable
21 Forestry Initiative Program, (2) the American Tree Farm System, (3) the
22 Canadian Standards Association's Sustainable Management System
23 Standards, (4) the Finnish Standard, (5) the Forest Stewardship
24 Council, (6) the Pan-European Forest Certification Program, (7) the
25 Swedish Standards, (8) the United Kingdom Woodland Assurance
26 Scheme, (9) the Smart Wood Program, as administered by the
27 Rainforest Alliance, or (10) any other programs deemed necessary, as
28 determined by the commissioner. The commissioner shall implement
29 any sustainable forestry practice necessary for such certification or
30 licensure. The commissioner may accept, on behalf of the Department
31 of Environmental Protection, any gifts, donations or bequests for the
32 purposes of applying for and obtaining such certification or licensure.
33 The commissioner may harvest forest products from woodlands
34 owned by the state and take such other measures as he or she deems
35 necessary for their efficient management and protection, may sell
36 wood, timber and other products from any state woodlands whenever
37 he or she deems such sales desirable and may develop recreational
38 facilities in the woodlands managed by the Department of
39 Environmental Protection. The commissioner shall charge no less than
40 [ten] twenty-five dollars per cord for any such wood or timber sold as
41 fuel in noncommercial sales of such wood or timber. The
42 commissioner may rent state forest property and buildings thereon
43 under his or her jurisdiction for a period not exceeding twenty-five
44 years, provided any lease for such property and building for a term of
45 more than ten years shall be subject to the review and approval of the
46 State Properties Review Board. The proceeds of such sales, rentals and
47 any receipts resulting from management of the state forests, or from
48 reimbursements from other state departments or state institutions,
49 shall be deposited in the General Fund in accordance with the

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 10 \$	FY 11 \$
Department of Environmental Protection	GF - Revenue Loss	Up to \$200,000	Up to \$200,000
Department of Environmental Protection	Environmental Conservation Fund - Revenue Gain	Up to \$200,000	Up to \$200,000

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill lowers the threshold, from \$600,000 to \$400,000, the amount that is deposited to the Conservation Fund¹ for proceeds derived from the sales of wood, timber, and other related products and specifies that the remainder be deposited to the General Fund. This results in a revenue loss to the General Fund of up to \$200,000 and a revenue gain to the Conservation Fund of an amount up to \$200,000.

Actual timber sales are presented in the table below:

Fiscal Year	Actual Timber Sales (\$)
2008	508,076
2007	593,054

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to the amount of actual commercial timber sales realized.

¹ sHB 6365 (the budget bill as favorably reported by the Appropriations Committee on 4/2/09) shifts the Conservation Fund costs to the General Fund.

OLR Bill Analysis

sHB 6551

AN ACT CONCERNING STATE FORESTRY PROGRAMS.

SUMMARY:

This bill increases, from \$10 to \$25 per cord, the minimum amount the Department of Environmental Protection must charge, for sales of state wood or timber sold as fuel. It specifies that this price is for noncommercial sales.

The bill also increases the amount of proceeds from state wood sales that must be deposited in the Conservation Fund. Under current law, sale proceeds from wood, timber, and other products from publicly owned woodlands must be deposited in the General Fund. Any proceeds in excess of \$600,000 go to the Conservation Fund. Under the bill, proceeds in excess of \$400,000 go into the fund. By law, such funds that go to the Conservation Fund may only be used to support forestry programs.

EFFECTIVE DATE: Upon passage

BACKGROUND

Legislative History

On April 13, 2009, the Appropriations Committee referred the bill to the Finance, Revenue and Bonding (FRB) Committee. On April 16, 2009, the FRB Committee favorably reported a substitute that specifies the sale of cords of state wood for fuel are for noncommercial sales. It also changes the threshold amount of wood, timber, and other product sale proceeds that go to the Conservation and General funds under the original bill.

COMMITTEE ACTION

Environment Committee

Joint Favorable Substitute Change of Reference
Yea 29 Nay 1 (03/20/2009)

Finance, Revenue and Bonding Committee

Joint Favorable Substitute
Yea 54 Nay 0 (04/16/2009)