Dear Senators PEARCE, BAIR, Stennett, and Representatives DENNEY, Gibbs, Pence:

The Legislative Services Office, Research and Legislation, has received the enclosed rules of the Office of the Governor - Forest Products Commission:

IDAPA 15.03.01 - Rules of Administrative Procedure of the Idaho Forest Products Commission -Proposed Rule (Docket No. 15-0301-1401).

Pursuant to Section 67-454, Idaho Code, a meeting on the enclosed rules may be called by the cochairmen or by two (2) or more members of the subcommittee giving oral or written notice to Research and Legislation no later than fourteen (14) days after receipt of the rules' analysis from Legislative Services. The final date to call a meeting on the enclosed rules is no later than 10/07/2014. If a meeting is called, the subcommittee must hold the meeting within forty-two (42) days of receipt of the rules' analysis from Legislative Services. The final date to hold a meeting on the enclosed rules is 11/05/2014.

The germane joint subcommittee may request a statement of economic impact with respect to a proposed rule by notifying Research and Legislation. There is no time limit on requesting this statement, and it may be requested whether or not a meeting on the proposed rule is called or after a meeting has been held.

To notify Research and Legislation, call 334-4834, or send a written request to the address on the memorandum attached below.



Legislative Services Office Idaho State Legislature

Jeff Youtz Director Serving klaho's Cilizen Legislature

MEMORANDUM

- **TO:** Rules Review Subcommittee of the Senate Resources & Environment Committee and the House Resources & Conservation Committee
- FROM: Principal Legislative Research Analyst Katharine Gerrity

DATE: September 18, 2014

SUBJECT: Office of the Governor - Forest Products Commission

IDAPA 15.03.01 - Rules of Administrative Procedure of the Idaho Forest Products Commission - Proposed Rule (Docket No. 15-0301-1401)

The Idaho Forest Products Commission submits notice of proposed rulemaking at IDAPA 15.03.01 - Rules of Administrative Procedure of the Idaho Forest Products Commission. According to the commission, the purpose of the rulemaking is to revise the rule to coincide with statutory revisions made with the passage of HB 371 during the 2014 legislative session. The commission notes that the changes address the nomination and vacancy of the at-large commission member and amends the assessment basis of forest landowners. Negotiated rulemaking was not conducted because the revisions were necessary to comply with statutory changes. The rulemaking appears to be authorized pursuant to Section 38-1508, Idaho Code.

cc: Office of the Governor - Forest Products Commission Betty Munis

Mike Nugent, Manager Research & Legislation Cathy Holland-Smith, Manager Budget & Policy Analysis April Renfro, Manager Legislative Audits Glenn Harris, Manager Information Technology

IDAPA 15 - OFFICE OF THE GOVERNOR FOREST PRODUCTS COMMISSION

15.03.01 - RULES OF ADMINISTRATIVE PROCEDURE OF THE IDAHO FOREST PRODUCTS COMMISSION

DOCKET NO. 15-0301-1401

NOTICE OF RULEMAKING - PROPOSED RULE

AUTHORITY: In compliance with Section 67-5221(1), Idaho Code, notice is hereby given that this agency has initiated proposed rulemaking procedures. The action is authorized pursuant to Section 38-1508, Idaho Code.

PUBLIC HEARING SCHEDULE: Public hearing(s) concerning this rulemaking will be scheduled if requested in writing by twenty-five (25) persons, a political subdivision, or an agency, not later than October 15, 2014.

The hearing site(s) will be accessible to persons with disabilities. Requests for accommodation must be made not later than five (5) days prior to the hearing, to the agency address below.

DESCRIPTIVE SUMMARY: The following is a nontechnical explanation of the substance and purpose of the proposed rulemaking:

The 2014 Idaho Legislature passed House Bill No. 371, which requires changes to the rules. Pursuant to HB 371, changes address the nomination and vacancy of the at-large Commission member and amend the assessment basis of forest landowners.

FEE SUMMARY: The following is a specific description of the fee or charge imposed or increased: None.

FISCAL IMPACT: The following is a specific description, if applicable, of any negative fiscal impact on the state general fund greater than ten thousand dollars (\$10,000) during the fiscal year resulting from this rulemaking: NA

NEGOTIATED RULEMAKING: Pursuant to Section 67-5220(2), Idaho Code, negotiated rulemaking was not conducted because changes to the rules were necessary to incorporate statutory changes passed by the 2014 Idaho Legislature in House Bill No. 371.

INCORPORATION BY REFERENCE: Pursuant to Section 67-5229(2)(a), Idaho Code, the following is a brief synopsis of why the materials cited are being incorporated by reference into this rule: NA

ASSISTANCE ON TECHNICAL QUESTIONS, SUBMISSION OF WRITTEN COMMENTS: For assistance on technical questions concerning the proposed rule, contact Betty Munis, Director at (208) 334-3292.

Anyone may submit written comments regarding this proposed rulemaking. All written comments must be directed to the undersigned and must be delivered on or before October 22, 2014.

DATED this 25th day of August, 2014.

Betty Munis, Director Idaho Forest Products Commission 350 N. 9th St., Ste. 102 P. O. Box 855 Boise, ID 83701 Phone: (208) 334-3292 Fax: (208) 334-3449

THE FOLLOWING IS THE PROPOSED TEXT OF DOCKET NO. 15-0301-1401 (Only those Sections being amended are shown.)

100. NOMINATIONS, VACANCIES AND TERMS.

01. Chair and Vice-Chair. The Commission shall nominate and elect, by majority vote, a Chair to serve as presiding officer at all Commission meetings. The Commission may also nominate and elect, by majority vote, a Vice-Chair to accept the duties of the Chair in the event that the Chair is unable to attend a meeting of the Commission. The term of the office of Chair and Vice-Chair shall be one (1) year, commencing July 30 of each year. (11-22-93)

02. Nominations. Nominations for expiring seats on the Commission shall be made by the financial supporters of the Commission from the district in which the seat is expiring or from all districts in the case of an atlarge member no later than June 1 of that year. The Commission shall provide nomination applications to all financial supporters and shall forward the names of all qualified nominees to the Governor. The Commission may also make recommendations or nominations. In making the appointments, the Governor shall take into consideration recommendations made to him by the Commission and by organizations that represent or are engaged in harvesting, transporting or manufacturing forest products. (11-22-93)(

03. Vacancies. Vacancies in any unexpired term shall be filled by the Governor for the remainder of the unexpired term. The Commission will identify qualified candidates and forward their names to the Governor. The member appointed to fill the vacancy shall represent the same region and interests as the person whose seat has become vacant. The at-large member shall represent all regions. (11-22-93)(

04. Terms. Terms of office for Commission members shall consist of three (3) year terms beginning on July 1 of the year of appointment. (7-1-98)

101. -- 199. (RESERVED)

200. ASSESSMENTS AND FEES.

01. Assessments. An assessment for all logs harvested, measured or processed within the state of Idaho and for all employees, including self employed, engaged in the harvest or transport of timber, logs, unfinished lumber, chips, sawdust, shavings or hog fuel in Idaho, and for each acre of forest land owned by a business entity or person that *has no Idaho manufacturing facilities and* owns more than *fifty* ten thousand (510,000) acres of forest land shall be set by the Commission no later than January 1 of the assessment year. Notice of the assessment shall be mailed no later than the last day of the fourth week of May of the assessment year to the last known address of each financial supporter. Assessment shall not be reduced for financial supporters who cease business during an assessment year.

a. Financial supporters of the Commission may choose to pay their assessment in either one (1) full payment due thirty (30) days after the date the notice of assessment is mailed, or in four (4) equal payments with payment in full made by December 31 of the assessment year. (5-3-03)

b. Assessments on logs processed into various manufactured products shall be levied against the forest products manufacturer which initiates the manufacturing process. (11-22-93)

c. The Commission shall establish a policy and schedule for insufficient funds checks which will be reviewed annually. This policy and schedule shall be available to the public under the procedures set forth by the Public Records Act, Title 3, Chapter 9, Idaho Code. (5-3-03)

04. Cooperation With Other Departments. In determining assessments levied by the Commission, the Commission may access the records of the Department of Labor, the Board of Scaling Practices, the Tax Commission, the Transportation Department, and the Department of Lands. Such records may include, but are not limited to those reports filed pursuant to Sections 49-434, 49-1001, 38-122, and 38-123, Idaho Code. (5-3-03)