

Amendment to HB 1005

1 Amend the bill by replacing all after the enacting clause with the following:

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3 1 Legislative Findings and Purpose. Forest product markets in New Hampshire and the
4 surrounding region have experienced an acute downturn, particularly for low-grade wood resources
5 such as biomass and pulpwood for paper manufacturing. Since 1999, the northeast has lost 11 of 17
6 pulp mills. Since 2014, roughly 6.5 million tons of market for low-grade wood has been lost annually
7 through plant closures. Over 2 million tons of this loss has occurred since 2019. The loss of low-
8 grade markets is also severely stressing the sawmill sector because residue from these mills created
9 when a round log is turned into square products must have a market in order for the mill to be
10 successful. In recent months the closure of biomass electric generation plants in New Hampshire
11 has further stressed the forest products industry. The COVID-19 pandemic has further stressed the
12 forest products market infrastructure in the region. In order to ensure the health of the forest
13 products industry and a timberland owner's ability to cost effectively perform sustainable forestry, a
14 commission of public officials, industry representatives, and critical economic development personnel
15 should convene to explore new and emerging markets for biomass and low-grade timber and wood
16 resources. This review should look especially at all opportunities to utilize the state's low-grade
17 wood resource, including biofuels, renewable chemicals, and what existing infrastructure can come
18 to bear on these opportunities. In addition, the commission should explore what regulatory and
19 other supports can be deployed by the state government to assist in realizing these opportunities.

20 2 New Section; New Hampshire Low-Grade Timber and Wood Emerging Market Commission.
21 Amend RSA 227-I by inserting after section 10 the following new section:

22 227-I:11 New Hampshire Low-Grade Timber and Wood Emerging Market Commission.

23 I. There is established a commission to study the state of the existing low-grade timber and
24 market economy and new and emerging markets for low-grade timber and wood products.

25 II. The members of the commission shall be as follows:

26 (a) Three members of the house of representatives, at least one of whom shall be from
27 the minority party, appointed by the speaker of the house of representatives.

28 (b) One member of the senate, appointed by the president of the senate.

29 (c) The commissioner of the department of business and economic affairs, or designee.

30 (d) The commissioner of the department of natural and cultural resources, or designee.

31 (e) The commissioner of the department of energy, or designee.

32 (f) The New Hampshire state forester.

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(g) The forest industry specialist from the university of New Hampshire.

(h) Two members representing the hardwood and softwood sawmill operators in New Hampshire, appointed by the speaker of the house of representatives.

(i) One professional forester actively practicing forestry and licensed in New Hampshire, appointed by the Granite State Division of the New England Society of American Foresters.

(j) Two small business operators, one of which shall operate a New Hampshire timber harvesting business and the other shall operate an operating biomass power plant, appointed by the president of the senate.

(k) One timberland owner, appointed by the governor from 3 owners nominated by the New Hampshire Timberland Owners Association.

(l) One member representing the biotechnology sector, appointed by the governor.

III. Legislative members of the commission shall receive mileage at the legislative rate when attending to the duties of the commission.

IV. The commission shall:

(a) Research and review existing data about the state of the New Hampshire forest products industry, particularly the low-grade timber market and the state of the forest resource, and the prospects for the future of both.

(b) Review all current New Hampshire law and regulations related to the New Hampshire forest products industry, particularly the low-grade markets sector, to determine if these laws and regulations are impediments to encouraging low-grade forest products markets or could be changed to benefit the goal of creating new or expanding low-grade forest products markets.

(c) Review the status of the work of the department of business and economic affairs and the department of natural and cultural resources relative to assisting in developing new low-grade forest products markets and enhancing existing markets.

(d) Research and report on the status of the existing low-grade forest products facilities markets in New Hampshire, particularly the biomass power plants.

(e) Research and become informed about other efforts in New Hampshire and the northeast region to encourage low-grade forest products markets.

(f) Examine new and emerging markets for low-grade wood in New Hampshire including, but not limited to opportunities, market challenges, and regulatory needs to produce biofuels, renewable chemicals, and other products derived by low-grade timber and wood materials.

(g) Examine emerging federal government and foundation supports for these emerging markets.

V. The members of the commission shall elect a chairperson from among the members. The first meeting of the commission shall be called by the first-named house member. The first meeting of the commission shall be held within 45 days of the effective date of this section. Four members of the commission shall constitute a quorum.

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1 VI. The commission shall issue a final report to the chair of house resources, recreation and
2 development committee, the chair of the senate energy and natural resources committee, the
3 speaker of the house of representatives, the president of the senate, the house clerk, the senate
4 clerk, the governor, and the state library on or before December 1, 2023.

5 3 Repeal. RSA 227-I:11, relative to New Hampshire low-grade timber and wood emerging
6 market commission, is repealed.

7 4 Effective Date.

8 I. Section 3 of this act shall take effect December 1, 2023.

9 II. The remainder of this act shall take effect upon its passage.