

AMENDED IN SENATE JUNE 28, 2004

AMENDED IN SENATE JUNE 22, 2004

AMENDED IN ASSEMBLY MAY 12, 2004

AMENDED IN ASSEMBLY MARCH 31, 2004

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

ASSEMBLY BILL

No. 2994

**Introduced by Assembly Member Frommer
(Coauthors: Assembly Members Chavez and Leslie)**

February 20, 2004

An act to add Section 12405 to the Public Contract Code, relating to public contracts.

LEGISLATIVE COUNSEL'S DIGEST

AB 2994, as amended, Frommer. Public contracts: preferences: forest products.

Existing law generally requires state agencies to comply with competitive bidding procedures in soliciting and evaluating bids for public works projects. Existing law authorizes bidding preferences for certain categories of business owners, including businesses owned by military veterans.

Existing law also requires the Department of General Services, in consultation with the California Environmental Protection Agency, members of the public, industry, and public health and environmental organizations, to provide state agencies with information and assistance regarding environmentally preferable purchasing.

This bill would require any state agency that contracts for, or acquires, lumber or other ~~solid wood timber~~ products, *excluding manufactured goods*, to give preference, if price, fitness, and quality are equal, to lumber and other ~~solid wood timber~~ products that are harvested from forests within this state.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 ~~SECTION 1. The Legislature finds and declares all of the~~
- 2 ~~SECTION 1. The Legislature finds and declares all of the~~
- 3 ~~following:~~
- 4 (a) *It is a priority in California to protect the wildlife, rivers,*
- 5 *streams, and soil that make up the state’s rich forest ecosystems*
- 6 *covering 40 percent of the state’s entire land area.*
- 7 (b) *Forested lands in California do all of the following:*
- 8 (1) *Provide significant environmental benefits, including*
- 9 *servng as the source of more than half the state’s supply of*
- 10 *drinking water and habitat for numerous wildlife and plant*
- 11 *species, some of which are rare, threatened, or endangered.*
- 12 (2) *Serve as the source of extensive recreational opportunities*
- 13 *for millions of Californians.*
- 14 (3) *Provide a signature landscape that identifies California to*
- 15 *people worldwide.*
- 16 (c) *Forested lands in California also provide the source of raw*
- 17 *materials for the timber products industry, and a source of jobs for*
- 18 *those who are employed in that industry. Forested lands in*
- 19 *California are an essential economic resource in rural*
- 20 *communities across the state.*
- 21 (d) *The economic pressures faced by the timber industry,*
- 22 *caused in part by globalization and imported timber products,*
- 23 *have resulted in financial losses to the California timber industry*
- 24 *and private landowners.*
- 25 (e) *It is appropriate for the State of California to officially*
- 26 *support the continued economic vitality of the California timber*
- 27 *products industry by directing its agencies to purchase timber*
- 28 *products harvested from California, when appropriate.*
- 29 (f) *A purchasing preference will contribute to stabilizing the*
- 30 *prices of the California timber products industry.*



1 (g) *Laws and regulations governing forestry in California*
2 *represent the commitment of the state to strive for the highest*
3 *environmental standards for industrial forestry anywhere in the*
4 *world. The state may express its preference for timber products*
5 *reflecting that commitment.*

6 (h) *Currently, approximately 70 percent of California's timber*
7 *products must be imported to meet the demand of the state's*
8 *population of 35 million people. California's population is*
9 *projected to increase to 49 million people by 2025, further*
10 *intensifying our consumption of, and demand for, timber products*
11 *from abroad.*

12 (i) *The import and export of goods, including timber products,*
13 *are and will remain part of the state's economy. The import and*
14 *export of all goods have contributed to the diverse economic base*
15 *of California.*

16 (j) *California's demand for timber products could be seen to be*
17 *contributing, in part, to the massive destruction of native forests*
18 *and significant ecological losses in forestlands all across the*
19 *world, including massive clearcuts and the loss of irreplaceable*
20 *old growth in forests, including boreal and equatorial forests.*

21 (k) *When price, quality, and fitness are equal and when the*
22 *marketplace provides timber products that are acceptable for use*
23 *by state agencies, the State of California has a responsibility to*
24 *purchase California grown forest products.*

25 *SEC. 2. Section 12405 is added to the Public Contract Code,*
26 *to read:*

27 *12405. Consistent with all applicable provisions of this code,*
28 *when price, fitness, and quality are equal, any state agency that*
29 *contracts for, or acquires, lumber or other timber products,*
30 *excluding manufactured goods, shall, if price, quality, and fitness*
31 *are equal, give preference to lumber and other timber products that*
32 *are harvested from forests within this state.*

33 *following:*

34 ~~(a) It is a priority in California to protect the wildlife, rivers,~~
35 ~~streams and soil that make up its rich forest ecosystems covering~~
36 ~~approximately 40 percent of the state's entire land area where less~~
37 ~~than one-half of that area is available for timber harvesting.~~

38 ~~(b) Laws and regulations governing forestry in California have~~
39 ~~been adopted to achieve the highest environmental standards~~
40 ~~nationally and internationally for sustainable forestry.~~



1 ~~(c) California's significant forest resources and environmental~~
2 ~~laws and regulations have provided high quality jobs in rural~~
3 ~~communities.~~

4 ~~(d) Currently, approximately 70 percent of California's timber~~
5 ~~products must be imported to meet the demand of the state's~~
6 ~~population of 35 million people. California's population is~~
7 ~~projected to increase to 49 million people by 2025, further~~
8 ~~intensifying our consumption of, and demand for, timber products~~
9 ~~from abroad.~~

10 ~~(e) Importing and exporting goods are part of a healthy~~
11 ~~economy and have contributed to the diverse economic base of~~
12 ~~California. However, to meet California's increasing demand for~~
13 ~~forest products massive destruction of native forests in other~~
14 ~~countries, such as New Zealand, Chile, and Canada, has devastated~~
15 ~~some of the world's most unique and biologically diverse forests,~~
16 ~~resulting in a negative impact to the global environment.~~

17 ~~(f) Most of the imported lumber California uses comes from~~
18 ~~Canada, which is the home to one-third of the earth's ecologically~~
19 ~~diverse boreal forest that plays a critical role in regulating the~~
20 ~~earth's climate, thereby protecting it from global warming. Of the~~
21 ~~2.5 million acres of Canadian forests harvested each year,~~
22 ~~two-thirds are old-growth forests where harvesting methods rarely~~
23 ~~meet California's forestry standards. In addition, British Columbia~~
24 ~~recently curtailed its forest practice regulations by 50 percent,~~
25 ~~reducing an unprecedented amount of public control over~~
26 ~~resources.~~

27 ~~(g) When price, quality, and fitness are equal and when the~~
28 ~~marketplace allows, the State of California has a responsibility to~~
29 ~~purchase California grown forest products.~~

30 ~~SEC. 2. Section 12405 is added to the Public Contract Code,~~
31 ~~to read:~~

32 ~~12405. Notwithstanding Section 4331 of the Government~~
33 ~~Code, any state agency that is an awarding department, as used in~~
34 ~~Section 10115.1, that contracts for, or acquires, lumber or other~~
35 ~~solid wood products, shall, if price, quality, and fitness are equal,~~
36 ~~give preference to lumber and other solid wood products that are~~
37 ~~harvested from forests within this state.~~

