

AMENDED IN SENATE AUGUST 31, 2015

AMENDED IN SENATE JUNE 29, 2015

AMENDED IN ASSEMBLY APRIL 8, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

**ASSEMBLY BILL**

**No. 429**

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**Introduced by Assembly Member Dahle  
(Principal coauthor: Assembly Member Wood)**

February 19, 2015

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

LEGISLATIVE COUNSEL'S DIGEST

AB 429, as amended, Dahle. 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 disabled veterans.~~ *owners.*

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.

The Z'berg-Nejedly Forest Practice Act of 1973 prohibits a person from conducting timber operations on timberland unless a timber harvesting plan has been prepared by a registered professional forester and has been submitted to the Department of Forestry and Fire

Protection and approved by the Director of Forestry and Fire Protection or the State Board of Forestry and Fire Protection.

The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases and requires the board to adopt a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions level in 1990 to be achieved by 2020. Under existing law, the board is required to consult with other states, the federal government, and other nations to identify the most effective strategies and methods to, among other things, reduce greenhouse gases and imposes limitations on any link, as defined, between the state and another state, province, or country for purposes of a market-based compliance mechanism, as specified.

This bill would require a state agency, as specified, that contracts for, or acquires, lumber or other solid wood products, excluding paper and other types of secondary manufactured goods, to give preference, to the extent consistent with federal law, if price, fitness, and quality are equal, based upon verifiable, self-certification from ~~suppliers, the supplier,~~ to lumber and other solid wood products that are harvested ~~pursuant to in compliance with the Z'berg-Nejedly Forest Practice Act of 1973 or verified under a Compliance Offset Protocol for U.S. Forest Projects adopted by the State Air Resources Board or any other offset protocol linked by the board, as specified, to implement the California Global Warming Solutions Act of 2006. 1973, rules governing federal timber sales, or a forest certification program identified by the Director of the Department of Forestry and Fire Protection, as prescribed. The bill would authorize the Director of the Department of Forestry and Fire Protection to identify, after consideration at a public hearing, a forest certification program or programs that may be used for the purpose of purchasing preferences for lumber and solid wood products. The bill would require the Director of the Department of Forestry and Fire Protection to notify the Department of General Services of this identification in writing.~~

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 following:

1 (a) It is a priority in California to protect the wildlife, rivers,  
2 streams, and soil that make up the state’s rich forest ecosystems  
3 covering 40 percent of the state’s entire land area.

4 (b) Forested lands in California do all of the following:

5 (1) Provide significant environmental benefits, including serving  
6 as the source of more than half the state’s supply of drinking water  
7 and habitat for numerous wildlife and plant species, some of which  
8 are rare, threatened, or endangered.

9 (2) Serve as the source of extensive recreational opportunities  
10 for millions of Californians.

11 (3) Provide a signature landscape that identifies California to  
12 people worldwide.

13 (4) Reduce the amount of carbon dioxide in the atmosphere,  
14 replacing it with clean, fresh air. According to the California  
15 Environmental Protection Agency, forestry is the only sector in  
16 California that reduces atmospheric carbon. Sequestered carbon  
17 is stored in the forest in trees, soil, wood debris on the forest floor,  
18 and in long-lasting products made from harvested wood.

19 (c) Forested lands in California also provide the source of raw  
20 materials for the timber products industry, and a source of jobs for  
21 those who are employed in that industry. Forested lands in  
22 California are an essential economic resource in rural communities  
23 across the state.

24 (d) ~~The economic pressures faced by the timber industry, caused~~  
25 ~~in part by globalization and imported timber products, industry~~  
26 have resulted in financial losses to the California timber industry  
27 and private landowners.

28 (e) It is appropriate for the State of California to officially  
29 support the continued economic vitality of the California timber  
30 products ~~industry by directing its agencies to purchase timber~~  
31 ~~products harvested from California, when appropriate. industry.~~

32 (f) ~~A purchasing preference will contribute to stabilizing the~~  
33 ~~California timber industry.~~

34 (g)

35 (f) Laws and regulations governing forestry in California  
36 represent the commitment of the state to strive for the highest  
37 environmental standards for industrial forestry anywhere in the  
38 world. The state may express its preference for timber products  
39 reflecting that commitment.

40 (h)

1 (g) Currently, approximately 70 percent of California’s timber  
 2 products must be imported to meet the demand of the state’s  
 3 population of 38 million people. California’s population is  
 4 projected to increase to 49 million people by 2025, further  
 5 intensifying our consumption of, and demand for, timber products  
 6 from other states and abroad.

7 (h)

8 (h) The import and export of goods, including timber products,  
 9 are and will remain part of the state’s economy. The import and  
 10 export of all goods have contributed to the diverse economic base  
 11 of California.

12 (i)

13 (i) When price, quality, and fitness are equal and when the  
 14 marketplace provides timber products that are acceptable for use  
 15 by state agencies, the State of California has a responsibility to  
 16 purchase ~~California grown~~ *sustainable* forest products.

17 SEC. 2. Section 12405 is added to the Public Contract Code,  
 18 to read:

19 12405. (a) Consistent with all applicable provisions of this  
 20 code, and to the extent consistent with federal ~~law~~, *law as*  
 21 *determined by the courts*, when price, fitness, and quality are equal,  
 22 a state agency that contracts for, or acquires, lumber or other solid  
 23 wood products, excluding paper and other types of secondary  
 24 manufactured goods, shall, if price, fitness, and quality are equal,  
 25 based upon verifiable, self-certification from ~~suppliers~~, *the supplier*  
 26 *to the project that is selling directly to state agencies*, give  
 27 preference to lumber and other solid wood products that are  
 28 harvested in compliance with ~~the Z’berg-Nejedly Forest Practice~~  
 29 ~~Act of 1973 (Chapter 8 (commencing with Section 4511) of Part~~  
 30 ~~2 of Division 4 of the Public Resources Code) or verified under a~~  
 31 ~~Compliance Offset Protocol for U.S. Forest Projects adopted by~~  
 32 ~~the State Air Resources Board or any other offset protocol linked~~  
 33 ~~by the State Air Resources Board, pursuant to Section 12894 of~~  
 34 ~~the Government Code, to implement the California Global~~  
 35 ~~Warming Solutions Act of 2006 (Division 25.5 (commencing with~~  
 36 ~~Section 38500) of the Health and Safety Code). *one of the*~~  
 37 *following:*

38 (1) *Z’berg-Nejedly Forest Practice Act of 1973 (Chapter 8*  
 39 *(commencing with Section 4511) of Part 2 of Division 4 of the*  
 40 *Public Resources Code).*

1     (2) *Rules governing federal timber sales.*

2     (3) *A forest certification program that has been identified by*  
3 *the Director of the Department of Forestry and Fire Protection,*  
4 *pursuant to subdivision (b).*

5     **(b)** *The Director of the Department of Forestry and Fire*  
6 *Protection, after consideration at a public hearing, may identify*  
7 *a forest certification program or programs that may be used for*  
8 *the purpose of purchasing preferences for lumber and solid wood*  
9 *products. The Director of the Department of Forestry and Fire*  
10 *Protection shall notify the Department of General Services of this*  
11 *identification in writing.*

12     ~~(b)~~

13     **(c)** *Subdivision (a) applies only to a state agency that directly*  
14 *contracts for specified lumber and other wood products pursuant*  
15 *to Article 3 (commencing with Section 10300) of Chapter 2 of*  
16 *Part 2 of Division 2 of this code.*

17     **(d)** *Subdivision (a) shall be applied in a manner consistent with*  
18 *the state's obligations under any applicable international*  
19 *agreement.*