



**Idaho Department of Lands
Negotiated Rulemaking
Rule Changes Summary**

IDAPA 20.02.14

Selling Forest Products on State-Owned Endowment Lands

20.0214.1601

Members of the public participated in the Department’s negotiated rulemaking process by attending the meetings and submitting written comments.

Key Information considered by the Department included applicable statute and information provided by the public and the Department’s legal counsel during the negotiation process. In addition, the Department solicited information from pole companies, other industry representatives and other states.

The negotiated rulemaking record, which includes rule drafts, written public comments and documents distributed during the negotiated rulemaking process, is available at <https://www.idl.idaho.gov/rulemaking/index.html>.

At the conclusion of the negotiated rulemaking process, the Department formatted the final rule draft for publication as a proposed rule in the Idaho Administrative Bulletin.

Current Rule Verbiage	Proposed Rule Verbiage
010.03. Cedar. Western Red Cedar (<i>Thuja plicata</i>). (5-8-09)	STRIKE
010.04. Cedar Pole. A segment or portion of a western red cedar tree that can be manufactured into a utility pole meeting current ANSI Specifications. (5-8-09)	010.14. Pole. A segment or portion of a tree that can be manufactured into a utility pole meeting current ANSI Specifications. (DATE)
	010.10. High-Value Forest Products. Based on the prior twenty-four months of the department’s transactional evidence, species of trees or Forest Products (e.g. cedar or cedar poles) whose value exceeds twice average mixed sawlog stumpage value per unit of measure, excluding the high value species. (date)
010.12. Length. The length of a pole in five (5) foot increments. (5-8-09)	STRIKE
020. DIRECT SALES. The sale of forest products without advertisement may be authorized by the Director if the net appraised value does not exceed the maximum value established by the Board. This type of sale is to be used to harvest isolated or by-passed parcels of timber of insufficient value and volume to justify a salvage sale (refer to Rule Section 021). The direct sale shall not be used when two (2) or more potential purchasers may be interested in bidding on the forest products offered for sale. The initial duration of a	020. DIRECT SALES. The sale of Forest Products without advertisement may be authorized by the Director if the Net Appraised Value does not exceed the maximum value established by the Board. This type of sale is to be used to harvest isolated or by-passed parcels of timber of insufficient value and volume to justify a salvage Timber sale (refer to Rule Section 021). The Direct Sale shall not be used when two (2) or more potential Purchasers may be interested in bidding on the Forest Products offered for



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<p>direct sale shall be six (6) months with a provision for one six (6) month extension. The purchaser shall furnish an acceptable performance bond in the amount of thirty percent (30%) of the sale value with a minimum bond of one hundred dollars (\$100). Advance payment will be required and all sales will be on a lump sum basis. (3-4-11)</p>	<p>sale. The initial duration of a Direct Sale shall be six (6) months with a provision for one six (6) month extension. The Purchaser shall furnish an acceptable performance bond in the amount of thirty percent (30%) of the sale value with a minimum bond of one hundred dollars (\$100). Advance payment will be required and all sales will be on a lump sum basis. (3-4-11)</p>
<p>021. SALVAGE SALES. Salvage sales shall not exceed the net appraised value and volume established by the Board and are intended to be used in the harvesting of timber which, in the opinion of the Director, is of insufficient quality and/or quantity to support a timber sale (refer to Rule Section 022). The contract requirements for salvage sales shall be the same as for timber sales. (5-8-09)</p>	<p>STRIKE</p>
<p>022. TIMBER SALES. Timber sales exceed the net appraised value or volume for salvage sales established by the Board. (5-8-09)</p>	<p>022. TIMBER SALES. Timber Sales exceed the net appraised value or volume for salvage Direct Sales established by the Board. (5-8-09)</p>
<p>024. SALE OF CEDAR POLES.</p> <p>01. Requirements for Cedar Poles. If a proposed sale area contains at least one hundred fifty (150) cedar poles in a density of at least five (5) poles per acre on ground based yarding areas and at least ten (10) poles per acre on cable yarding areas, the pole quality cedar shall be reserved and sold separately as a pole sale or as a separate product sort in a delivered products sale. Pole quality cedar in areas with a lower density of poles may be offered as poles.(3-4-11)</p> <p>02. Maximum Amount of Sawlogs. Sawlogs and other forest products shall not exceed fifty percent (50%) of the total sale volume, excluding materials generated through the construction of roads and development sites.(5-8-09)</p> <p>03. Poles within Sawlog Sale. If any area within a proposed timber sale contains two hundred fifty (250) cedar poles or more in a density of at least ten (10) poles per acre, the poles shall be reserved for a pole-quality cedar sale or sold as a separate product sort in a delivered products sale.(3-4-11)</p> <p>04. Length Appraisal. Cedar poles shall be appraised by length and bid on a lineal foot basis. The conversion table set out below shall be used to establish the corresponding board foot volume.(5-8-09)</p> <p>05. Length to Volume Conversion Table for Western Red Cedar Poles:</p>	<p style="text-align: center;">STRIKE AND REPLACE WITH:</p> <p>024. SALE OF CEDAR POLES.</p> <p>01. High-Value Forest Product Sales. When High-Value Forest Products (such as cedar or cedar poles) represents thirty percent (30%) or more of the sale volume, then the sale shall be sold using at least two (2) biddable items, one (1) biddable item for the High-Value species or product and at least one (1) for any other species or products on the sale. ()</p> <p>02. Identification of High-Value Forest Product Sales. As part of its annual sales plan (refer to Rule Section 026), the Department shall identify those sales that are expected to contain High-Value Forest Products. ()</p>



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Pole Length	Board Feet Each*	Pole Length	Board Feet Each*
30'	50	80'	595
35'	70	85'	736
40'	101	90'	792
45'	161	95'	892
50'	239	100'	929
55'	261	105'	1113
60'	304	110'	1132
65'	418	115'	1420
70'	462	120'	1475
75'	512		

* Based on Scribner Decimal "C" board foot

(5-8-09)

06. Bidding Limited to Cedar. When cedar represents eighty percent (80%) or more of the total appraised value, bidding shall be limited to cedar poles and cedar sawlogs only.(5-8-09)

07. Purchaser's Option. The purchaser may opt to remove cedar as poles, sawlogs, and products or as sawlogs and products. Such choice shall be made at the completion of the auction. If the purchaser opts to manufacture the cedar as poles, the poles and sawlog material shall be removed at bid prices (lineal foot basis for poles and MBF basis for sawlogs). Pole-quality cedar trees containing thirty (30) foot cedar poles may be harvested as poles or sawlogs at the purchaser's discretion unless such trees are designated reserve. If the purchaser elects to manufacture cedar poles as sawlogs, the bid values of cedar poles and cedar sawlog material shall be weighted by volume to determine the selling value for all cedar sawlogs.(5-8-09)

026. ANNUAL SALES PLAN.
The Department will prepare an annual sales plan which will describe the timber sales to be offered for sale during the forthcoming fiscal year. The plan will be based on recommended annual harvest volumes utilizing inventory data, local stand conditions, special management problems, and economic factors. The plan will be presented to the Board for approval annually and upon approval made available to all interested parties. The plan may be altered to respond to changing market conditions

026. ANNUAL SALES PLAN.
The Department will prepare an annual sales plan which will describe the Timber Sales to be offered for sale during the forthcoming fiscal year. The plan will be based on recommended annual harvest volumes utilizing inventory data, local stand conditions, special management problems, and economic factors. The plan will be presented to the Board for approval annually and upon approval made available to all interested parties. The plan may be altered to respond to changing market



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or to expedite the sale of damaged or insect-infested forest products. Each individual timber sale will be submitted to the Board for approval prior to advertisement. (5-8-09)	conditions or to expedite the sale of damaged or insect-infested forest products. Each individual timber sale will be submitted to the Board for approval prior to advertisement. (5-8-09)()
031. TIMBER SALE AUCTIONS. 01. Requirements. Timber, Salvage, and Delivered Products sales shall be sold at public auction. ()	031. TIMBER SALE AUCTIONS. 01. Requirements. Timber, Salvage High-Value Forest, and Delivered Products sales shall be sold at public auction. ()

The following conclusions were reached during and/or as a result of the negotiated rulemaking process:

The Department and the Pole Companies are not going to come to consensus on these elements of the rules.

The Department is not willing to continue to require an additional sale that is not required to achieve silvicultural objectives. The pole companies are unwilling to accept the change in the rules that would result in all of the material that needed to be removed under the silvicultural prescription to be removed in one entry. They also claim that the additional sawlog and other volume that would be required to be removed represents a burden to them to harvest and market to other purchasers.

The Department wants to remove the pole rules that require Cedar Pole Sales to be used when specific numbers of poles or densities of poles occur within a sale area. The pole companies contend that they require this kind of guarantee to protect their access to the material.

The pole companies appear willing to accept changes in the measurement of poles so that other bidders could have an opportunity to bid on sales with pole quality cedar without the built in competitive advantages provided by the current rules.