## Senator Jesse Bjorkman

Alaska State Legislature

## **Session Address:**

Alaska State Capitol, Rm. 9 Juneau, Alaska 99801-1182 Phone: (907) 465-2828 Toll Free: (800) 964-5733



## **Interim Address:**

145 Main Street Loop, Ste. 226 Kenai, Alaska 99611-7771 Phone: (907) 283-7996 Fax: (907) 283-8127

## SB 87 Ver. A: Lumber Grading Program Sponsor Statement

Senate Bill 87 would create a local lumber grading program in Alaska Statute to allow dimensional lumber produced in state to be graded by locally trained Alaskans and then used in some residential construction applications. Currently, dimensional lumber used in construction must be graded and stamped in order to meet lender requirements and building codes. However, the grading process is expensive, and most Alaska sawmill operators do not produce enough lumber to cover grading costs.

Under SB 87, locally milled dimensional lumber that conforms to DNR's substitute equivalents for agency grading standards consistent with Number 2 and better, Stud and Number 3 grades could be sold directly to the end user or a contractor for use in residential structures with up to three units. This will create economic opportunities for small businesses, provide an opportunity for Alaskans to purchase local products, and perhaps offer building materials at a lower cost than dimensional lumber from the lower 48. It could also help address Alaska's housing shortages across the state, which are made worse by the significant increase in the cost of construction materials and lag time due to supply chain issues, and encourage higher value-added use of materials harvested from forest thinning and hazardous fuels reduction projects that would otherwise be piled and burned.

A local lumber grading program would lower the barrier for entry to create new sawmills. These sawmills can serve as a catalyst to increase investment in forest management and help build the timber sector statewide. This will result in permanent, stable, family-wage jobs in rural communities and villages, and strengthen and diversify local economies. A larger timber sector in turn can provide the additionality needed for creating and selling forest carbon offset projects, adding further investment and revenues to the timber sector.