Legislative Update
LEGISLATIVE UPDATE

HB 2040 – Requiring the Department of Natural Resources to Establish a Permit Process for Mills that Produce Wood Chips

Sponsored by Representatives Joan Bray, Vicky Riback Wilson, and Jenee’ Lowe

On February 25, 2002 HB 2040 was introduced and read for the first time in the Missouri House of Representatives. If passed, the bill would amend Missouri Revised Statutes Chapter 640, adding eight new sections to be known as, sections 640.280, 640.283, 640.286, 640.289, 640.292, 640.295, 640.298, and 640.301. HB 2040 requires the Director of Natural Resources to establish a mandatory permit process for any chip mill that begins its operations or makes a significant modification (any change that results in more than a 10% increase in its maximum potential wood consumption capacity, including the restart of operations at a chip mill inactive for six or more consecutive months) on or after January 1, 2003. For purposes of this bill, “chip mill” includes facilities that produce wood chips as part of a larger manufacturing process, including but not limited to, those mills that produce wood chips for eventual use in the manufacture of paper, cardboard, fiberboard, and strandboard, but not including facilities that only produce wood chips for independent utility, such as mulch, animal bedding, etc.

Among other things, permit applications must include the following: (1) mill location; (2) number of on-site employees; (3) duration of operations; (4) names of owners and operators; (5) name of principal operator in charge of complying with environmental laws; (6) tree species expected to be used; (7) expected methods of timber harvest; (7) proposed methods for protecting water quality at harvest sites; and (8) the history of the applicant’s efforts to protect water quality.

Within 180 days after receiving the application, the Department must prepare a draft “resource impact analysis” that identifies and analyzes the immediate, long-term, secondary, and cumulative impacts the applicant’s proposed project would have on natural resources, the environment, and the economy. Specifically, the impact analysis should include, inter alia: (1) an identification of the available forest resources and current consumption within the zone of the applicant’s project; (2) an analysis of the impact of the proposed forest consumption on existing uses of forest resources including tourism, recreation, and supply and quality of lumber; and (3) an identification and analysis of the impact on water quality, fish and wildlife species and their habitat, wetlands, and public lands.

The Director should entertain public comment on the permit application and draft resource impact analysis. Additionally, the Director should hold at least one public hearing during the comment period which shall last at least 30 days. Within 30 days after the comment period ends, the director should prepare a final resource impact analysis containing responses to the comments submitted during the comment period.

The Director should approve, deny, or condition a permit application within 45 days after the close of the comment period. Applicants that fail to comply with the applicable laws will not receive permits. Furthermore, the director must deny an application if the proposed mill operations would negatively impact the environment, natural resources, or the economy in a significant way. If the Director imposes conditions on the application, a draft permit must be available for public comment for 30 days, and a final decision made within 15 days following this comment period.

The Director may establish reasonable permit application fees. In the event that a chip mill begins construction or modification without a permit, it will be assessed a penalty of $500 to $5,000.