## RECEIVED AND FILED

SEP 1 8 1998

## EXECUTIVE ORDER

## 98-16

Febrace Melonell Cock SECRETARY OF STATE

WHEREAS, the forest resources of Missouri are vital to Missouri's citizens because they provide timber, wood products, fish and wildlife habitat, outdoor recreation and tourism opportunities, protection of soil and water resources, and support the general health and quality of life; and

WHEREAS, economic enterprises and other activities utilizing forest resources warrant the continuing recognition and support of the state; and

WHEREAS, it is in the public interest of the State of Missouri to encourage and apply Best Management Practices for responsible forest resource management that serves both (1) the public's need for timber and other forest products, and (2) the public's need for soil and water resource protection, fish and wildlife habitat preservation, recreational and tourism opportunities, and a healthy environment for present and future generations; and

WHEREAS, a "chip mill" is a facility that uses forest resources for the primary purpose of producing wood chips for markets inside and outside the United States; and

WHEREAS, concerns with the operation of chip mills in other states has generated questions about a variety of adverse environmental impacts caused by indiscriminate forest resource harvesting practices, including soil erosion, increased sediment in streams, and alteration of the natural forested landscape; and

WHEREAS, the introduction of chip mills into Missouri and neighboring states has led to concerns from citizens throughout Missouri relating to the proper use of our forest resources and the conservation and management of Missouri's natural resources;

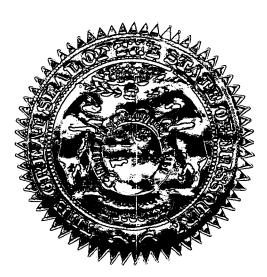
NOW, THEREFORE, I, MEL CARNAHAN, Governor of the State of Missouri, by virtue of the authority vested in me by the Constitution and laws of the State of Missouri, do hereby declare that:

- 1. All executive departments and agencies of the State of Missouri shall work cooperatively so that the governmental administration of forest resources combines professional management services, regulatory measures, and economic incentives in a complementary fashion to meet the purposes of this executive order.
- 2. All executive departments and agencies of the State of Missouri shall apply forestry Best Management Practices, as included in the 1997 Missouri Watershed Protection Practice Guidelines (published by the Missouri Department of Conservation), in the management of all properties owned, controlled, or managed by these agencies to meet the purposes of this executive order.
- 3. The State of Missouri recognizes the benefits of the forest industry's Sustainable Forestry Initiative and encourages all forestry corporations operating in the state to participate in these standards.
- 4. An Advisory Committee on Chip Mills is hereby established. The Advisory Committee on Chip Mills shall initiate a study to identify the impact of chip mills and the associated forest harvesting practices. The study initiated pursuant to this executive order shall include, but not be limited to an analysis of:
  - a. the experiences in other regions of the United States with the operation and forest resource harvesting practices of chip mills;
  - b. the impact to Missouri's natural resources from new and existing chip mills in Missouri or neighboring states, including current and potential social, economic, and environmental impacts;
  - c. the potential environmental impacts, including soil erosion, sedimentation, water quality, watershed protection, habitat loss, biological diversity, outdoor recreation and tourism,

and the additional requirements that may need to be incorporated into any permit process to provide protection against such impacts;

- d. the sustainability of Missouri's forest resources under current timber production levels;
- e. the capacity of Missouri's forest resources to sustain increased chip mill production levels;
- f. the impact of chip mills on value added industries and high value forest products; and
- g. the long-term profitability of private forests.
- 5. The purposes of the Advisory Committee shall also include:
  - a. developing a consensus around the study results and providing an opportunity for public involvement; and
  - b. reviewing forest resource management and protection standards, policies and processes in Missouri and other jurisdictions to identify alternatives for assuring economic and environmental sustainability.
- 6. The Advisory Committee on Chip Mills shall submit its final study, including recommended reforms, to the Governor no later than December 1, 1999. The Advisory Committee shall automatically cease to exist on that date, unless extended by subsequent executive action. By January 1, 1999, the Committee shall make any interim recommendations for legislative or regulatory action necessary to prevent irreparable harm to the environment.
- 7. The Advisory Committee on Chip Mills shall be co-chaired by the Directors of the Department of Natural Resources and Department of Conservation, or their designees, with the assistance of the Directors of the Departments of Economic Development and Agriculture, or the directors' designees. These Departments shall provide appropriate staffing to support the activities of the Advisory Committee. The Attorney General's Office is requested to provide legal advice and assistance to the Advisory Committee.
- 8. The Advisory Committee on Chip Mills shall work cooperatively with all committees of the Missouri General Assembly convened for the purpose of studying and addressing the impact of chip mills in the State of Missouri.
- 9. All proceedings of the Advisory Committee on Chip Mills shall be conducted in accordance with the "Open Meetings Law" as provided in Chapter 610, RSMo.
- 10. The Departments of Natural Resources, Conservation, Economic Development, and Agriculture shall develop a funding means to reimburse members of the Advisory Committee on Chip Mills for their actual and necessary expenses and other costs connected with Advisory Committee business.
- 11. The Advisory Committee on Chip Mills shall be composed of 14 members appointed by the Governor consisting of the following:
  - The director of the Department of Natural Resources or the director's designee;
  - The director of the Department of Conservation or the director's designee;
  - The director of the Department of Economic Development or the director's designee;
  - The director of the Department of Agriculture or the director's designee;
  - Two (2) state representatives appointed by the Speaker of the House of Representatives;
  - Two (2) state senators appointed by the President Pro Tem of the Senate;
  - Two (2) forest products representatives;
  - Two (2) representatives of citizen environmental conservation groups;
  - A forest landowner;
  - A representative of an organization representing private property owners; and
  - Any other members which the Governor may, from time to time, appoint.
- 12. From the date of this executive order until the Committee makes its recommendations to the Governor, all executive departments and agencies of the State of Missouri shall refrain from providing new economic incentives to develop or expand chip mills in the State of Missouri.

- 12. From the date of this executive order until the Committee makes its recommendations to the Governor, all executive departments and agencies of the State of Missouri shall refrain from providing new economic incentives to develop or expand chip mills in the State of Missouri.
- 13. Because chip mill operations and associated forest harvesting practices can result in increased soil erosion and water quality degradation during the period of the study, I am directing the Department of Natural Resources to:
  - a. condition future permits to require logger training of all contractors and employees of chip mills in the use of sustainable logging practices and Best Management Practices designed to protect water quality;
  - b. include a requirement in future permits for chip mills to provide the location of supplies and harvest areas of forest resources to be processed. This would give professional forest resource managers the opportunity to offer assistance in developing sustainable forestry plans and Best Management Practices to protect water quality;
  - c. include in future permits "Re-Open Clauses" that would allow reopening permits in order to address documented adverse impacts resulting from industry operations; and
  - d. limit the duration of permits related to the operation of chip mills to no greater than one year from the date of permit issuance.



IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the Great Seal of the State of Missouri, in the City of Jefferson, on this 18<sup>th</sup> day of September, 1998.

GOVERNOR

ATTEST: