

BILL ANALYSIS

AB 3085

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CONCURRENCE IN SENATE AMENDMENTS  
 AB 3085 (Olberg)  
 As Amended June 17, 1996  
 Majority vote

ASSEMBLY:47-26 (May 29, 1996) SENATE:30-2 (August 8, 1996)

Original Committee of Reference: NAT. RES.

SUMMARY: Tightens requirements and increases the period of validity for a timber operator license.

The Senate amendments, made at the request of the bill's author, allow the Board of Forestry (BOF) to deny an application for a license if the real person in interest has not completed an education program and does not possess required work experience.

FISCAL EFFECT: Negligible; currently the licensing program is funded by the collection of fees.

EXISTING LAW:

- 1) Does not require work experience, completion of an education program or liability insurance.
- 2) Allows BOF to deny a timber operator license only to persons who:
  - a) Are not the real person in interest;
  - b) Make material misrepresentation or a false statement in in the application;
  - c) Were convicted in the past year of operating without a license; and
  - d) Failed to comply with BOF rules for timber operators within the last three years.
- 4) Allows licenses to be valid only for the year in which they are issued.

AS PASSED BY THE ASSEMBLY, this bill:

- 1) Required that first-time applicants for a timber operator license, other than owners of the land on which timber operations are to be conducted, to complete an approved education program and have 3,000 hours of relevant work experience.
- 2) Required every timber operator, other than owners of the land on which timber operations are to be conducted, to carry at least \$1 million of commercial general liability insurance per occurrence.

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- 3) Allowed BOF to deny a timber operator license to persons who:
  - a) Are not the real person in interest.
  - b) Make a material misrepresentation or a false statement in the application.
  - c) Were convicted in the past year of operating without a license.
  - d) Failed to comply with BOF rules for timber operators within the last three years.
  - e) Failed to pay a judgment awarded by a court because of violation of BOF rules for timber operators.
  - f) Failed to keep up the required insurance.
  - g) Failed to reimburse the Department of Forestry and Fire Protection (CDF) for costs required to correct violations.
- 4) Allowed timber operator licenses to be valid for up to two years.
- 5) Provided a specific definition of "real person of interest" as the person who is the sole proprietor, principal owner or

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principal officer of the company that is applying for the license, or the on-site supervisor.

BACKGROUND: Currently, BOF delegates its authority for approval of licenses to the Director of the CDF. Completion of an education program is required by the director, but experience and liability insurance are not.

ARGUMENTS IN SUPPORT: Owners of smaller properties harvest timber infrequently and often they are not familiar with logging operations. They must trust a timber operator to do a satisfactory job. Timber operators must have adequate knowledge and experience to do satisfactory work. They also need to carry general liability insurance so that landowners and other parties may be protected from any losses arising from the logging operation. Supporters of this bill argue that this is primarily a consumer protection bill and that it will assure landowners that their loggers are meeting or exceeding the high standards necessary to complete successful timber harvesting in California.

ARGUMENTS IN OPPOSITION: Originally, opponents argued that this bill does not go far enough and that an exam should be made a mandatory part of the education program. One opponent said it fails to allow the CDF to collect fees in a manner that will allow for the proper administration and oversight of the licensing program, or to restrict or revoke a license based on the applicant's conduct. The same opponent said that a program of continuing education should be

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required. The other opponent said \$1 million of insurance per occurrence may be inadequate and that surety bonds, letters of credit or trust funds should be allowed to satisfy the insurance requirement. However, in oral testimony before the Senate Committee on Natural Resources and Wildlife, these persons said that they no longer opposed this bill.

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