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BILL ANALYSIS

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House Bill 5665 (Substitute S-1 as reported)  
Sponsor: Representative Ken Bradstreet  
House Committee: Agriculture and Resource Management  
Senate Committee: Agriculture, Forestry and Tourism

### **CONTENT**

The bill would amend the Management and Budget Act to require the Department of Management and Budget (DMB), when purchasing wood or paper products, to give preference to products that derive from sustainably managed forests or procurement systems. The requirement would begin October 1, 2006.

The bill provides that this requirement would be in addition to current requirements governing the Department's purchasing priorities.

The bill states that paper product and forest product companies purchasing raw materials from or through third parties could reasonably rely on the representations of landowners, vendors, or brokers as to whether the raw materials derived from sustainably managed forests or procurement systems.

"Sustainably managed forests or procurement systems" would mean forests or procurement systems that are certified by an independent third party using one or more of eight certification programs named in the bill.

Proposed MCL 18.1261c

Legislative Analyst: Claire Layman

### **FISCAL IMPACT**

The bill would have an indeterminate impact on State government, depending on the relative price paid for products that would receive a preference under the bill.

Date Completed: 6-30-04

Fiscal Analyst: Bill Bowerman