

RURAL LOGGING

SUPPORT ACT OF 2022

STRENGTHENING ALABAMA'S FORESTRY-DEPENDENT RURAL COMMUNITIES

BACKGROUND

For many of Alabama's rural communities, the forest industry is the engine that drives their economies. Like many industries across the state, Alabama's forest products industry is grappling with significant supply chain challenges including transporting raw material from the woods to the mills. These supply chain challenges represent a clear and present threat to the health of Alabama's forest products companies and the rural communities they support.

SUMMARY

The Rural Logging Support Act of 2022 addresses this supply chain challenge and includes two components:

- » Creates a **stable source of funding** for counties to repair or replace weight-restricted bridges on rural roads that cause significant transportation inefficiencies. The bill creates a tax credit for contributions to a "**Logging Support Organization (LSO)**" to provide infrastructure improvement grants to counties.
 - Modeled after the "Scholarship Granting Organization" in the Alabama Accountability Act.
 - Credit for up to 50% of state income tax liability with a 3-year carryforward available to individual or corporate taxpayers for contributions to an LSO.
 - \$25 million annual cap.
 - Tax credit rules set by Alabama Department of Revenue.
 - Provides funding for bridges that would not typically qualify under existing funding formulas.
 - Also provides grants to loggers for installation of scaling or other technologies to improve efficiency.

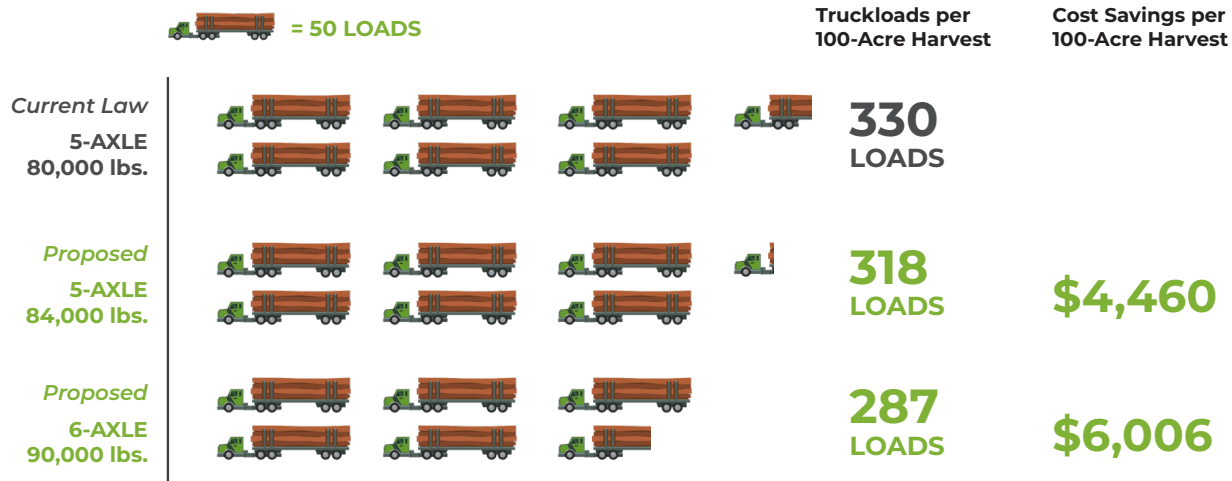
- » Provides **exemptions to current weight limits** for qualified trucks allowing loggers to optimize loads and improve transportation efficiency.
 - Requires trucks to be weighed when loaded using on-board technology or in-woods scales in order to increase weight compliance and qualify for exemptions.
 - Provides gross vehicle weight increase from 80,000 lbs. to 84,000 lbs. for 5-axle trucks and 84,000 lbs. to 90,000 lbs. for a 6-axle truck.
 - Provides axle weight increase from 20,000 lbs. to 23,000 lbs. and exempts qualified trucks from axle spacing requirements.
 - Specifies that the scale tolerance currently provided for existing weight limits applies to these higher limits.
 - Trucks that are not weighed at the time of loading would remain subject to existing weight limits.



Haul Weight Impact on 100-Acre Timber Harvest

Fewer Log Trucks on Rural Roads / Improved Efficiency

Number of loads required and hauling cost estimates for a hypothetical 100-acre harvest that contains 100 tons per acre (10,000 tons harvested). Haul distance is assumed to be 50 miles for each load.



Increased gross vehicle weight limits will result in improved efficiency for loggers, increased revenue for landowners, and less log truck traffic on rural roads. Statewide, increased limits should result in **at least 97,250 and at most 185,000 fewer truckloads of timber on Alabama roads.**

Relief From Driver Shortage

Currently, more than **2,450 drivers** are required to haul 40 million tons of timber annually to supply Alabama's forest products mills. Most loggers have trucks parked due to the shortage of qualified drivers, further straining the supply chain to the state's mills.

	Annual Truckloads	Drivers Required	Fewer Drivers
Current Law 5-AXLE 80,000 lbs.	1,379,310	2,452	
Proposed 5-AXLE 84,000 lbs.	1,282,051	2,279	↓ 173
Proposed 6-AXLE 90,000 lbs.	1,194,030	2,123	↓ 329



Increased limits will provide relief from the persistent driver shortage by reducing the number of trucks required, resulting in a more reliable supply of timber to the state's forest products mills.