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The Honorable Daniel K. Inouye Chairman Committee on Appropriations United States Senate

The Honorable Dianne Feinstein
Subcommittee on Interior, Environment, and
Related Agencies
Committee on Appropriations
United States Senate

The Honorable Thad Cochran Ranking Member Committee on Appropriations United States Senate

The Honorable Lamar Alexander
Subcommittee on Interior, Environment, and
Related Agencies
Committee on Appropriations
United States Senate

Dear Chairman Inouye, Ranking Member Cochran, Chairwoman Feinstein, and Ranking Member Alexander:

As you develop the fiscal year 2011 Interior, Environment, and Related Agencies funding bill, I respectfully request that you include the following language, which is identical to section 421 of last year's enacted bill (P.L. 111-88):

SEC. The Forest Service shall use the residual value approach to appraising all timber sales in Alaska's Region 10 that contain a component of Western red cedar and shall only offer sales that contain a component of Western red cedar that are not deficit. Western red cedar shall be appraised using lower 48 State domestic values if the timber might be eligible for shipment to the lower 48 States. All of the Western red cedar timber from those sales which is surplus to the needs of domestic processors in Alaska shall be made available to domestic processors in the contiguous 48 United States at prevailing domestic prices in the contiguous 48 United States. Western red cedar shall be deemed "surplus to the needs of domestic processors in Alaska" if the Forest Service determines it is surplus or if the timber sale holder has presented to the Forest Service documentation that the Forest Service determines is valid of the inability to sell Western red cedar logs from a given sale to domestic Alaska processors at a price equal to or greater than the log selling value stated in the contract. All additional Western red cedar volume not sold to Alaska or to contiguous 48 United States domestic processors may be exported to foreign markets if the Forest Service determines it is surplus to the needs of the 50 States. All Alaska yellow cedar may be sold at prevailing export prices if the Forest Service determines it is surplus to the needs of the 50 States.

Retention of this language will allow red cedar that is excess to local manufacturing needs to be sold in the continental United States under an Alaska export permit rather than being forced to be

sold overseas to a foreign country. This language will benefit timber mills in both Alaska and the Lower 48. I thank you for consideration of this request.

Sincerely,

Lisa Murkowski

United States Senator