

HOUSE BILL REPORT

HB 1260

As Reported by House Committee On:
Agriculture & Natural Resources

Title: An act relating to environmental impact statements for class I, II, and III forest practices on state trust lands.

Brief Description: Concerning environmental impact statements on certain state trust lands.

Sponsors: Representatives Buck, Hatfield, Sump, Pearson, Kessler, Grant, Blake, Schoesler, Eickmeyer, Kenney and Kristiansen.

Brief History:

Committee Activity:

Agriculture & Natural Resources: 2/11/03, 3/5/03 [DPS].

Brief Summary of Substitute Bill

- Exempts certain state timber sales from the environmental impact statement (EIS) requirements of the State Environmental Policy Act (SEPA).

HOUSE COMMITTEE ON AGRICULTURE & NATURAL RESOURCES

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 10 members: Representatives Linville, Chair; Schoesler, Ranking Minority Member; Holmquist, Assistant Ranking Minority Member; Kristiansen, Assistant Ranking Minority Member; Chandler, Eickmeyer, Grant, Orcutt, Quall and Sump.

Minority Report: Do not pass. Signed by 3 members: Representatives Rockefeller, Vice Chair; Hunt and McDermott.

Staff: Jason Callahan (786-7117).

Background:

The State Environmental Policy Act

The State Environmental Policy Act (SEPA) requires local governments and state

agencies to prepare an environmental impact statement (EIS) if proposed legislation or other major action may have a probable significant, adverse impact on the environment. The responsible official has authority to make the threshold determination whether an environmental impact statement must be prepared. If it appears a probable significant adverse environmental impact may result, the proposal may be altered or its probable significant adverse impact mitigated. If this cannot be accomplished, an EIS is prepared. The EIS is limited, or scoped, to address only the matters determined to have a probable significant adverse environmental impact.

Under SEPA, a project may be conditioned to mitigate specific adverse environmental impacts identified in the environmental documents prepared according to SEPA requirements. Any SEPA conditions must be based on policies identified and designated as possible bases for the exercise of SEPA authority.

The Legislature has provided some exceptions to the requirements of SEPA. These include partial, or total, exemptions for action such as certain school closures, the issuance of air operating permits, fish habitat enhancement projects, the issuance of certain waste discharge permits, and the siting of certain personal wireless service facilities.

Sustainable Yield Planning

The Board of Natural Resources (Board) is the public body that is responsible for managing the state's timber holding for the benefit of the trust beneficiaries. The Board, along with the Department of Natural Resources (DNR), bears the responsibility of managing the state's timber holdings for current and future beneficiaries, and is therefore required to manage the state-owned timber on a sustainable yield basis. To satisfy this requirement, the Board is required to produce sustainable yield plans that ensure timber harvesting on a continuing basis, without prolonged curtailment or cessation. Sustainable yield plans must cover a 10-year period, and must be updated once a decade. Sustainable yield plans are subject to the EIS requirements of SEPA.

Forest Practices

The Legislature has established the threshold for four classes of forest management activities, or forest practices. Very generally, the different classes of forest practices are defined as follows:

- Class I: Minimal forest practices that have no direct potential for damage to a public resource.
- Class II: Forest practices that have a less than ordinary potential for damaging a public resource.
- Class III: Forest Practices that are more substantial than Class II, but less substantial than Class IV.

- Class IV: Forest practices that have a potential for a substantial impact on the environment, or that will not be reforested because of conversion to an urban use.

Class I, II, and III forest practices are exempt from the requirements under SEPA to prepare a detailed statement. Class IV forest practices requires the DNR to conduct an initial review within 10 days to determine whether or not a detailed statement under SEPA must be prepared. If the DNR finds that a detailed statement is not required, the appropriate local government can come to the opposite conclusion.

Wherever the DNR provides for a harvest of state timber, it must have a forest practices application (FPA) approved by the Board. Board approval of the FPA is appealable to the Forest Practices Appeals Board.

Summary of Substitute Bill:

All state timber sales that are harvested under a Class I, II, or III forest practices application are exempt from the EIS requirements of SEPA, if the 10-year sustained yield plan prepared by the DNR has undergone a programmatic EIS.

Substitute Bill Compared to Original Bill:

The original bill restated an existing exemption from SEPA for Class I, II, and III forest practices.

Appropriation: None.

Fiscal Note: Not Requested.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of session in which bill is passed.

Testimony For: (Original bill) The state has made a good faith effort to practice sustainable forestry and comply with the federal Endangered Species Act. These efforts have come at a great expense to the state and the beneficiaries that rely on state timber sales. These efforts also underwent thorough environmental review by both federal and state laws. Since the entire management of the DNR has been approved by these reviews, the individual sales should not have to undergo this scrutiny.

The state should seek efficiency in timber sales. Local governments are concerned about the revenue stream from timber sales on state trust lands. This bill can streamline sales by as much as six months per sale. A streamlined system can help slow trust declines, which can lead to layoffs and unemployment in rural communities. A strong trust also

can lead to healthy school and hospital budgets.

Private sales do not have to undergo SEPA review. The Legislature should give the DNR this same competitive advantage and help the trust beneficiaries maximize their revenue.

Testimony Against: (Original bill) Timber revenues are affected by factors beyond mere environmental reviews. Site specific environmental reviews should not be eliminated because an increase in forest management leads to an increase in stewardship, which leads to greater profitability in the long run.

Testified: (In support) Rod Fleck, City of Forks; and Phillip Kitchel, Quillayute Valley School District, Forks Hospital District, and Quinault Lake School District.

(Neutral) Bruce Mackey, Department of Natural Resources.

(Opposed) Petty Bruton, League of Women Voters of Washington.