

HOUSE BILL REPORT

HB 1125

As Reported by House Committee On:
Agriculture & Natural Resources
Appropriations

Title: An act relating to forest fire protection assessments.

Brief Description: Modifying forest fire protection assessments.

Sponsors: Representatives B. Sullivan, Kagi, McCoy, Eickmeyer, Lantz, Williams and Dickerson.

Brief History:

Committee Activity:

Agriculture & Natural Resources: 1/18/07, 1/25/07 [DPS];

Appropriations: 2/5/07, 2/6/07 [DPS(AGNR)].

Brief Summary of Substitute Bill

- Increases the Forest Fire Protection Assessments paid by forest landowners.

HOUSE COMMITTEE ON AGRICULTURE & NATURAL RESOURCES

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 8 members: Representatives B. Sullivan, Chair; Blake, Vice Chair; Dickerson, Eickmeyer, Grant, Kagi, Lantz and McCoy.

Minority Report: Do not pass. Signed by 7 members: Representatives Kretz, Ranking Minority Member; Warnick, Assistant Ranking Minority Member; Hailey, Newhouse, Orcutt, Strow and VanDeWege.

Staff: Jason Callahan (786-7117).

Background:

The costs of forest fire protection are intended to be equitably shared between forest landowners and the state. Owners of forest land are under an obligation to provide forest fire protection on their land at a level that provides adequate protection against the spread of fire from or across their land. However, if a landowner's property is located on forest land not

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included within the boundaries of a rural or municipal fire district, and the landowner fails to provide adequate protection against the spread of forest fire, then the landowner must pay to the Department of Natural Resources (Department) a forest fire protection assessment (assessment).

Landowners paying the assessment are billed both at a flat rate and at an additional rate according to the size of the forest land they own. All landowners must pay a flat rate assessment fee of \$14.50. This flat rate fee is paid by all forest land owners regardless of ownership size. Landowners who own more than 50 acres of forest land must pay the flat rate fee plus an additional 25 cents on each acre over the initial 50 acres.

Summary of Substitute Bill:

The forest fire protection assessment charge for forest landowners is increased. The flat fee assessment paid for the first 50 acres of forest land owned is increased from \$14.50 to \$17.50. The additional per acre assessment that applies to each acre owned over 50 acres is increased from 25 cents per acre to 27 cents per acre.

Substitute Bill Compared to Original Bill:

The original bill permitted the Department to increase all assessments up to the cumulative amount of the implicit price deflator.

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony:

(In support) The Department must provide fire protection for over 12.4 million acres. Large fires are obviously expensive to combat, but prevention efforts allows the Department to contain most fires to 10 acres or less.

The revenue from assessments allows the Department to be prepared to respond to wildfires. Less revenue from assessments, together with increased costs to the state, has created a situation where the balance in funding between the landowners and the General Fund is no longer equitable. The funding mechanism, in its current form, cannot keep up with the increased costs.

Increasing the assessment stabilizes the funding and maintains an equitable cost share between the state General Fund and the landowner contributions. The flat fee assessment amount has not been increased in 16 years, and the per acre fee has not been increased in five years.

Meanwhile, the cost to maintain the fire prevention program has increased over the years. This will not solve all of the inequities in fire fighting funding, but it is a start.

Not receiving the additional revenue would result in cutting engine crews and other on the ground fire fighting efforts. The revenue from this bill is assumed in the Governor's budget, which plans to use the revenue to increase fire prevention efforts.

(Opposed) It is premature to increase landowner assessments without first convening the Forest Fire Advisory Board. There are significant fire fighting costs due to interagency power struggles that should be addressed before raising the assessment. Fire management should have a bottom up approach, and raising fees on landowners is not the right approach to take.

Persons Testifying: (In support) Representative Brian Sullivan, prime sponsor; Doug Sutherland and Vicki Christiansen, Department of Natural Resources; Rick Dunning, Washington Farm Forestry Association; Jim Cahill, Office of Financial Management; and Kristen Sawin, Weyerhaeuser.

(Opposed) Jack Field, Washington Cattlemen's Association.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The substitute bill by Committee on Agriculture & Natural Resources be substituted therefor and the substitute bill do pass. Signed by 33 members: Representatives Sommers, Chair; Dunshee, Vice Chair; Alexander, Ranking Minority Member; Bailey, Assistant Ranking Minority Member; Haler, Assistant Ranking Minority Member; Anderson, Buri, Chandler, Cody, Conway, Darneille, Dunn, Ericks, Fromhold, Grant, Hinkle, Hunt, Hunter, Kagi, Kenney, Kessler, Kretz, Linville, McDermott, McDonald, McIntire, Morrell, Pettigrew, Priest, Schual-Berke, Seaquist, P. Sullivan and Walsh.

Staff: Alicia Dunkin (786-7178).

Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Agriculture & Natural Resources:

No new changes were recommended.

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony:

(In support) The fee is paid by all landowners and the revenue will stabilize the Forest Fire Prevention Account (Account) and keep protection equitable between the Account and state

general funds. Fire suppression is funded entirely by state general funds. Equipment is needed to keep fires small, and last year 96 percent of fires were kept smaller than 10 acres. One percent of the fires account for 88 percent of the cost of wildfire suppression because they are large. Providing funding for fire prevention has a return on the dollar of five to one. There has been a decrease in revenue for fire prevention due to refunds to landowners that own multiple parcels from the Account, while declining forest health and drought have added to the overall cost for fire suppression.

(Opposed) None.

Persons Testifying: Jim Cahill, Office of Financial Management; and Vicki Christiansen, Washington Department of Natural Resources.

Persons Signed In To Testify But Not Testifying: None.