

FINAL BILL REPORT

ESHB 1509

PARTIAL VETO C 218 L 11 Synopsis as Enacted

Brief Description: Concerning the forestry riparian easement program.

Sponsors: House Committee on Agriculture & Natural Resources (originally sponsored by Representatives Blake, Dunshee and Ryu; by request of Commissioner of Public Lands).

House Committee on Agriculture & Natural Resources
House Committee on Capital Budget
Senate Committee on Natural Resources & Marine Waters
Senate Committee on Ways & Means

Background:

The Forest Riparian Easement Program (FREP) is a program managed by the Small Forest Landowner Office (SFLO) in the Department of Natural Resources (DNR) to acquire 50-year easements along riparian and other sensitive aquatic areas from small forest landowners who are willing to sell or donate easements to the state. The DNR may purchase easements from small forest landowners and hold the easements in the name of the state. The easements are restrictive only and allow landowners to engage in activities except as necessary to protect the riparian functions of the habitat for the term of the easement.

The easements are intended to represent 50 percent of the value of the unharvested trees, plus participation compliance costs. Once a contract from the FREP is executed, the DNR is required to reimburse the landowner for the actual costs to establish streamside buffers and timber marking.

The value of the easement is determined by the DNR based on the fair market value of the timber volume covered by the easement. This calculation is made by the DNR after it conducts a timber cruise of the entire proposed easement. The data gathered in the timber cruise is then applied to a stumpage value table to calculate the fair market value. Value is calculated only on qualifying timber. Qualifying timber is timber that is located within a commercially reasonable harvest unit that may not be harvested because of state limitations.

Summary:

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Qualifying Small Forest Landowner.

The minimum requirements for participation in the FREP are changed. All landowners applying for the FREP must still show that they satisfy the definition of "small harvester" in the tax code; however, in order to participate in the FREP, the landowner must be a non-governmental, for-profit legal entity.

Qualifying Timber.

In addition to the existing unharvested trees that are eligible for compensation from the FREP, certain other forest trees are added. These include forest trees located within riparian habitats, channel migration zones, and on potentially unstable slopes or landforms.

The DNR must verify, before compensation may be received, that any trees located on unstable slopes are addressed by a forest practices application, are adjacent to a commercially reasonable harvest area, and have the potential to deliver sediment into a public resource or threaten public safety. Compensation for trees left unharvested on unstable slopes may not exceed \$50,000 during any two-year period.

Compensation.

The value of compensation determined by the SFLO is to be calculated at the time the FREP application was completed and not at the time of the underlying harvest. The DNR must not use more than 50 percent of the funding dedicated to the FREP for determining the volume of qualifying timber left unharvested. The resulting easement may not be recorded by the DNR until all compensation is paid to the landowner.

A recipient of funding from the FREP must repay the total amount received if the recipient sells his or her land within 10 years to someone who would not qualify for participation in the FREP.

Long-Term Funding.

The chair of the Forest Practices Board must invite relevant stakeholders to recommend potential long-term funding sources for the FREP. These recommendations must be delivered to the Legislature by October 31, 2011.

The DNR is required to submit to the Governor biennially a list of all applications to the FREP. Once a list of applicants is received, the Governor must determine the number of applications that are to receive funding and provide that list to the Legislature.

Votes on Final Passage:

House	97	0	
Senate	47	0	(Senate amended)
House	96	0	(House concurred)

Effective: July 22, 2011

Partial Veto Summary: The Governor vetoed the section that contained an emergency clause.