

# HOUSE BILL REPORT

## 2SSB 5973

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**As Passed House:**  
March 5, 2014

**Title:** An act relating to the community forest trust account.

**Brief Description:** Creating the community forest trust account.

**Sponsors:** Senate Committee on Ways & Means (originally sponsored by Senators Rolfes, Pearson, Honeyford, Cleveland, Hargrove, Hewitt, Fraser, Litzow, Parlette, Kline and McAuliffe; by request of Commissioner of Public Lands).

**Brief History:**

**Committee Activity:**

Agriculture & Natural Resources: 2/20/14, 2/25/14 [DP].

**Floor Activity:**

Passed House: 3/5/14, 81-17.

**Brief Summary of Second Substitute Bill**

- Creates a new, appropriated account to be used by the Department of Natural Resources as an accounting tool for community forest trust management.

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### HOUSE COMMITTEE ON AGRICULTURE & NATURAL RESOURCES

**Majority Report:** Do pass. Signed by 13 members: Representatives Blake, Chair; Lytton, Vice Chair; Buys, Ranking Minority Member; MacEwen, Assistant Ranking Minority Member; Chandler, Dunshee, Haigh, Hurst, Pettigrew, Schmick, Stanford, Van De Wege and Warnick.

**Minority Report:** Do not pass. Signed by 2 members: Representatives Kretz and Orcutt.

**Staff:** Jason Callahan (786-7117).

**Background:**

The Department of Natural Resources (Department) is authorized to create and manage the Community Forest Trust (CFT). The CFT is a discrete category of non-fiduciary trust lands

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held by the Department and actively managed to generate financial support for the CFT and to sustain working forest conservation objectives.

The Department may acquire parcels for the CFT through purchase, gift, donation, grant, transfer, or other means other than eminent domain. If state trust lands are transferred into the CFT, then the value of that transfer must be provided to the beneficiaries of the trust. Each parcel added to the CFT must be accompanied by a management plan developed in cooperation with a local advisory committee.

Revenue produced from CFT lands must first be used to reimburse the Department for its management costs and for funding the management objectives of the land. The Board of Natural Resources may, if it chooses, reimburse the state government and the local partners with any remaining revenue. If reimbursement is provided, it must be provided equally to the state and local partners.

The Department has the authority to use certain funds and accounting mechanisms to help account for money connected to the CFT. These include the Real Property Replacement Account, the Park Land Trust Revolving Fund, and the Resource Management Cost Account.

**Summary of Bill:**

A new, appropriated account is created and named the Community Forest Trust Account (Account). Money in the Account may only be used for the management of the CFT, including the reimbursement of the Department for CFT management costs, the acquisition of property interests for new CFT lands, and technical assistance grants to local governments.

Funding from the Account may come from the General Fund and any public or private gift, grant, or endowment. The Account must also be used to deposit all monies received by the Department from or for the acquisition, sale, management, or administration of CFT lands. This includes the sale of any valuable materials from CFT lands and any interest earned on relevant investments or by the Account itself.

Changes are made to the Park Land Trust Revolving Fund and the Resource Management Cost Account to remove their use as a component of CFT accounting management.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed, except for section 7 relating to the interest earned on the Account, which takes effect upon certification of the Secretary of Transportation that the Department of Transportation has received satisfactory evidence that sufficient funding will be available to complete the phase of the Columbia River Crossing Project that includes the construction of the Columbia River Bridge and landings and that certain agreements relating to tolling for the Columbia River Crossing Project have taken effect.

**Staff Summary of Public Testimony:**

(In support) A separate fund for the CFT allows the Department to segregate funds related to the CFT from other monies tied to other trust holdings. This allows the Department to account for the CFT in a more clear and transparent manner and allows the CFT to work better.

The fund would be better if it were non-appropriated since the timing of many land acquisitions span biennial boundaries and usually originate from a legislative appropriation.

(Opposed) None.

**Persons Testifying:** Senator Rolfes, prime sponsor; and Lisa Largent, Department of Natural Resources.

**Persons Signed In To Testify But Not Testifying:** None.