# FINAL BILL REPORT E2SHB 1711

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Synopsis as Enacted

**Brief Description**: Prioritizing lands to receive forest health treatments.

**Sponsors**: House Committee on Appropriations (originally sponsored by Representatives Kretz, Springer, Pettigrew, Schmick, Short and Condotta).

House Committee on Agriculture & Natural Resources House Committee on Appropriations Senate Committee on Natural Resources & Parks Senate Committee on Ways & Means

#### **Background:**

#### Department of Natural Resources.

The Department of Natural Resources (DNR) manages a number of different categories of land, each for a specific purpose and under different management requirements. These include approximately 3 million acres of federally granted lands and state forestlands, which the DNR manages to support common schools, counties, and other public institutions.

The DNR has the responsibility over all matters pertaining to forest fire services in the state. The forest fire-related duties of the DNR include enforcing all forest fire-related laws, investigating the cause of forest fires, and accepting the empowerment to directing all forest fire suppression efforts.

#### Resource Management Cost Account.

The Board of Natural Resources is authorized to deduct a percentage of the revenue earned from the activities on the state trust lands. This deduction is transferred to the Resource Management Cost Account within the State Treasury and used to defray costs incurred by the DNR in managing and administering the trusts.

### **Summary:**

The Department of Natural Resources (DNR) is required, to the extent feasible given all applicable trust responsibilities and subject to the availability of appropriated funds, to develop and implement a policy for prioritizing forest health treatments to protect state lands

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and state forestlands, to reduce wildfire losses, to reduce insect infestation and disease, and to improve forest health at a landscape scale.

The DNR's prioritization of parcels to be treated must be based on an evaluation of the economic and noneconomic value of:

- timber or other commercial products removed during any mechanical treatments;
- timber or other commercial products likely to be spared from damage from wildfire;
- homes, structures, agricultural products, and public infrastructure likely to be spared from damage by wildfire;
- impacts to recreation and tourism; and
- ecosystem services such as water quality, air quality, or carbon sequestration.

The DNR must, to the extent feasible given all applicable trust responsibilities and subject to the availability of appropriated funds, identify areas of state lands and state forestlands that would benefit most from forest health treatments at the landscape level for the next 20 years, identify areas that would benefit the most during the next six years, and prioritize specific lands for treatment during the subsequent biennium.

In developing its prioritized list, the DNR should consider land management plans and activities of nearby landowners, if available, including federal and state agencies, local governments, tribes, and private property owners. The DNR may fund forest health treatments on nonstate owned lands provided that the treatments are funded with nontrust funds, and provided the treatments produce a net benefit to the health of state lands and state forestlands.

No later than December 1 of each even-numbered year, the DNR must submit its prioritized list to the Legislature, to the Office of Financial Management, and to the Board of Natural Resources (Board). The report must include a brief summary of the DNR's progress toward treating the state lands and state forestlands included on the preceding biennium's prioritization list a list of lands prioritized for forest health treatments in the next biennium and recommended funding amounts to carry out the treatment activities for the next biennium, including a summary of potential nontimber revenue sources that could be used to finance forest health treatments.

The Forest Health Revolving Account (Account) is created in the State Treasury. The Account must receive funds obtained from forest health treatments and must be used only to fund forest health treatments necessary to improve forest health. Only the Commissioner of Public Lands or the Commissioner's designee may authorize expenditures from the Account. Appropriation is not required for expenditures. The Account is interest-bearing and accrued interest must be credited to the Account.

Beginning in 2018, any unobligated funds in the Account in excess of \$10 million at the end of a calendar year must be disbursed to the appropriate trust beneficiaries as determined by the Board.

If the Board ever determines that the DNR has permanently discontinued the use of the Account for forest health treatments, the Board must disburse to the appropriate trust beneficiaries all remaining funds in the Account attributable to forest health treatments.

The act is null and void if the Legislature does not provide specific funding for the act by June 30, 2017.

## **Votes on Final Passage:**

House 98 0 Senate 48 0 (Senate amended) House 97 0 (House concurred)

Effective: July 23, 2017