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**Agriculture & Natural Resources  
Committee**

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**SSB 5394**

**Brief Description:** Concerning the forest riparian easement program.

**Sponsors:** Senate Committee on Natural Resources & Parks (originally sponsored by Senators Rivers, Takko, Hasegawa, Braun, Chase, Warnick, Honeyford, Rolfes and Zeiger).

**Brief Summary of Substitute Bill**

- Directs the Department of Natural Resources (DNR) to share information regarding the carbon sequestration benefits of the Forest Riparian Easement Program (FREP) with other state programs attempting to quantify carbon storage or account for carbon emissions.
- Directs the DNR to promote the expansion of funding for the FREP as one part of the state's overall climate strategy.

**Hearing Date:** 3/16/17

**Staff:** Robert Hatfield (786-7117).

**Background:**

The Forest Riparian Easement Program.

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 can purchase easements from small forest landowners and hold the easements in the name of the state. Small forest landowners are defined, generally, as landowners who harvest less than an average of 2 million board feet per year. 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.

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*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.*

The easements are intended to represent 50 percent of the value of the unharvested trees, plus the compliance costs for participating in the FREP, including the cost of preparing and recording the forestry riparian easement, and any business and occupation tax and real estate excise tax imposed because of entering into the forestry riparian easement. Once a contract under the FREP is executed, the DNR is required to reimburse the landowner for the actual costs to establish streamside buffers and to mark qualifying timber.

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 must meet all of the following criteria:

- the trees are ones that the owner is required to leave unharvested under fish protection rules or that are made uneconomic to harvest by the forest practices rules;
- the trees are located within or bordering a commercially reasonable harvest unit, or for which an approved forest practices application cannot be obtained due to forest practices rules restrictions; and
- the trees are in certain sensitive areas, including sensitive aquatic areas, channel migration zones, and areas of potentially unstable slopes or landforms.

**Summary of Bill:**

The Department of Natural Resources (DNR) must share information regarding the carbon sequestration benefits of the Forest Riparian Easement Program (FREP) with other state programs attempting to quantify carbon storage or account for carbon emissions.

The DNR is directed to promote the expansion of funding for the FREP as one part of the state's overall climate strategy.

**Appropriation:** None.

**Fiscal Note:** Available.

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