

SENATE BILL REPORT

SB 5873

As of February 20, 2019

Title: An act relating to community forests.

Brief Description: Concerning community forests.

Sponsors: Senators Hawkins and Van De Wege.

Brief History:

Committee Activity: Agriculture, Water, Natural Resources & Parks: 2/19/19.

Brief Summary of Bill

- Creates the Community Forest Grant Program and Community Forestland Account.
- Authorizes state and local agencies, tribes, and qualified nonprofit organizations to apply for funds for the acquisition, development, and restoration activities of community forest projects.

SENATE COMMITTEE ON AGRICULTURE, WATER, NATURAL RESOURCES & PARKS

Staff: Jeff Olsen (786-7428)

Background: The Department of Natural Resources (DNR) is authorized to create and manage the Community Forest Trust (CFT). The CFT is a discrete category of non-fiduciary trust lands held by DNR and actively managed to generate financial support for the CFT and to sustain working forest conservation objectives.

The CFT program must satisfy statutory principles including:

- protecting in perpetuity working forest lands that are at a significant risk of conversion to another land use;
- maintaining the land in a working status;
- generating revenue at levels that are, at a minimum, capable of reimbursing DNR for management costs; and
- providing for ongoing, sustainable public recreational access.

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.

DNR may acquire lands for the CFT through purchase, donation, transfer, or a variety of means other than eminent domain. Once acquired, a CFT must be managed consistent with a management plan developed in cooperation with a local advisory committee. The CFT account is used to manage funds relating to the CFT program including appropriations, funds transfers, and revenue from valuable material sales. DNR may use funds from the account for purposes of the CFT program, such as for CFT acquisitions and reimbursement of its management costs.

In the 2017-19 supplemental capital budget, the Legislature directed DNR to consult with nonprofit stakeholders, counties, municipalities, tribes, and small and large private forest landowners, to develop a nonstate-owned community forest project list and a process to prioritize and recommend projects to the Legislature. The list was due November 1, 2018, and DNR was directed to further prioritize a list of community forest projects to submit to the Legislature as required under the CFT. The project list was required to include projects solicited from both eastern and western Washington having demonstrable community support. An appropriation was provided for DNR to perform an economic and ownership modeling analysis using at least one project proposed through DNR's Rural Communities Partnership Initiative as a case study.

Summary of Bill: The Community Forest Grant Program (grant program) and Community Forestland Account (account) are created. The DNR is responsible for administration of both the grant program and account, and may retain no more than 15 percent of the account funds for administration of the grant program.

Grant program funds must be used for acquisition, development, and restoration activities related to a community forest project. "Project sponsors," defined as state and local agencies, tribes, and nonprofit nature conservancies, may apply for account funds, and must provide a minimum of 15 percent matching funds. To the extent possible, awarded funds must be used consistent with applicable local, state, or federal land use or management plans. Property or property interests acquired with account funds may not be converted to a use other than the use for which funds were originally approved without prior approval from DNR. Project sponsors must coordinate with local county or city officials on a variety of factors that may include project purpose and scope, estimated project cost, public access, and plans for project management and maintenance.

The grant program must be managed consistent with the following community forest principles:

- a community forest is owned and managed by or on behalf of a local community;
- the governance structure of a community forest ensures collaboration and community participation in management decisions and the allocation of revenue generated from the forest;
- the community has secure and reliable access to the values and benefits of the forest;
- the forest is managed in accordance with a community forest management plan; and
- the conservation values of the forest ecosystem are protected and incorporated into a community forest management plan.

Before November 1 of each year, DNR must submit to the Governor a prioritized list of projects proposed to be funded from the account as a part of the grant program. The

Governor may remove projects from the list, and must subsequently submit the amended list as part of the Governor's capital budget request to the Legislature.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: There is interest in developing community forests to save working forest lands and to manage forests locally for multiple values. Community forests are managed for a variety of outcomes including forest resiliency, habitat, and to create local jobs. Community forests are a tool to address contentious issues in forest management. With a large amount of forest land being converted to other uses, a community forest can bring together a diverse group of stakeholders to preserve the land as a working forest. There are currently a number of community forest projects across the state that are ready to receive funding to maintain and protect a working landscape.

OTHER: While there are benefits to the bill, there are also risks including legal, economic, and political risks. The risks could use additional work to figure out how best to manage the program. There are concerns about converting additional private land into public land and the possible loss of jobs. This new program will compete for funding in the capital budget with other important programs such as the Forest Riparian Easement Program and the Family Forest Fish Passage Program.

Persons Testifying: PRO: Senator Brad Hawkins, Prime Sponsor; Brock Milliern, DNR; Dr. Paul Hessberg, USFS; Curt Soper, Chelan-Douglas Land Trust; Jay McLaughlin, Mt Adams Resource Stewards; Max Webster, Washington Environmental Council.

OTHER: Jason Callahan, Washington Forest Protection Association; Heather Hansen, Washington Farm Forestry Association; Matthew Comisky, American Forest Resource Council.

Persons Signed In To Testify But Not Testifying: No one.