
**Agriculture & Natural Resources
Committee**

HB 2908

Brief Description: Regarding forest practices regulations that apply to small forest landowners.

Sponsors: Representatives Orcutt, Blake, Kretz, McCune and VanDeWege.

Brief Summary of Bill

- Expands the definition of qualifying timber for the Forest Riparian Easement (FRE) Program to include certain trees left voluntarily unharvested.
- Allows the Small Forest Landowners Office to offer estimates of FRE Program compensation prior to the availability of appropriations to fund the compensation.
- Allows FRE Program compensation to include the costs of hiring experts for the completion of required studies and reports.
- Directs how certain appropriations from the Capital Construction Budget will be utilized.

Hearing Date: 1/31/08

Staff: Jason Callahan (786-7117).

Background:

The Forest Riparian Easement Program

The forest Riparian Easement (FRE) Program is a program managed by the Department of Natural Resources's (DNR) Small Forest Landowner Office (SFLO) to acquire 50 year easements along riparian and other sensitive aquatic areas from small forest landowners that are willing to sell or donate easements to the state [RCW 76.13.120(1)]. The DNR is authorized to purchase easements from small forest landowners and hold the easements in the name of the state [RCW 76.13.120(3)]. The easements are restrictive only, and allow all landowners to engage in

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activities except as necessary to protect the riparian functions of the habitat for the terms of the easement [RCW 76.13.120(5)].

Easements entered into through the FRE program are intended to represent 50 percent of the value of the unharvested trees, plus participation compliance costs [RCW 76.13.140]. Once an FRE contract is executed, the DNR is required to reimburse the landowner for the actual costs involved with the establishment of streamside buffers and timber marking [RCW 76.13.140].

The value of the easement is determined by the DNR based on the fair market value of the timber volume covered by the easement [RCW 76.13.120]. This calculation is made by the DNR after it conducts a timber cruise of 100 percent of the proposed easement [WAC 222-21-040]. The data gathered in the timber cruise is then applied to a stumpage value table to calculate the fair market value [WAC 222-21-045]. Value is calculated only on qualifying timber. Qualifying timber is timber located within a commercially reasonable harvest unit that can not be harvested because of state limitations [RCW 76.13.120].

Exceptions to Riparian Buffers

Although the state's Forest Practice Rules generally have specific restrictions on the amount of harvest allowed near streams and creeks, there is an exemption available from these restrictions for certain landowners. Parcels that are 20 contiguous acres or less are exempt from the modern riparian buffers rule, as long as the owner of the parcel does not own a cumulative total of more than 80 acres. Instead, these landowners can either follow the Forest Practice Rules in place prior to 1999, or work with the DNR to establish an alternative management plan for the riparian portion of the harvest area [RCW 76.13.130].

Summary of Bill:

Qualifying Timber

The definition of qualifying timber for the purposes of the FRE program is expanded. The new definition includes trees located on parcels less than 20 acres in size that are voluntarily left unharvested by the landowner, but only if the trees would have been required to be set aside had the harvest occurred on a larger parcel. Trees left voluntarily unharvested are not considered qualifying timber if the parcel was harvested and converted to a non-forestry use.

The definition of qualifying timber is also expanded to include timber that is left unharvested due to its location on unstable slopes or in a riparian area.

Reimbursing the FRE Program Applicants

The Forest Practices Board is instructed to initiate rulemaking that removes the requirement for the SFLO to send landowners a notice of compensation within 60 days of the completion of the timber cruise. Instead, the SFLO must initiate the process for determining compensation as soon as possible after an application is received.

There is no duty to present an actual offer to a landowner until appropriations allow; however, the SFLO is directed to use any specified funding made available to it from the state's Capital Construction Budget to complete compensation estimates and to execute FRE program contracts to landowners who had submitted an application prior to the bill's effective date.

In addition to reimbursing FRE program applicants for the costs involved with laying out streamside buffers and marking timber, applicants are also entitled to reimbursement for hiring a qualified expert to complete required studies and reports.

Appropriation: None.

Fiscal Note: Requested on January 22, 2008.

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