SENATE BILL REPORT SB 5463

As Reported By Senate Committee On: Natural Resources, Ocean & Recreation, February 15, 2007 Ways & Means, February 27, 2007

Title: An act relating to forest fire protection assessments.

Brief Description: Modifying forest fire protection assessments.

Sponsors: Senators Jacobsen, Rockefeller, Morton, Rasmussen and Shin; by request of Department of Natural Resources.

Brief History:

Committee Activity: Natural Resources, Ocean & Recreation: 1/22/07, 2/15/07 [DPS-

WM].

Ways & Means: 2/21/07, 2/27/07 [DPS(NROR), w/oRec].

SENATE COMMITTEE ON NATURAL RESOURCES, OCEAN & RECREATION

Majority Report: That Substitute Senate Bill No. 5463 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Jacobsen, Chair; Rockefeller, Vice Chair; Morton, Ranking Minority Member; Fraser, Hargrove, Poulsen, Spanel and Stevens.

Staff: Curt Gavigan (786-7437)

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Substitute Senate Bill No. 5463 as recommended by Committee on Natural Resources, Ocean & Recreation be substituted therefor, and the substitute bill do pass. Signed by Senators Prentice, Chair; Fraser, Vice Chair, Capital Budget Chair; Pridemore, Vice Chair, Operating Budget; Zarelli, Ranking Minority Member; Brandland, Fairley, Hatfield, Hobbs, Keiser, Kohl-Welles, Oemig, Parlette, Rasmussen, Regala, Rockefeller and Tom.

Minority Report: That it be referred without recommendation.

Signed by Senators Honeyford and Schoesler.

Staff: Kirstan Arestad (786-7708)

Background: Forest landowners in Washington must furnish adequate protection against the spread of fire on their forestland. The Department of Natural Resources (DNR) provides fire

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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.

protection for forestlands whenever a landowner does not do so. Statute defines "forestland" as unimproved land with enough trees or flammable material to create a fire menace to life or property. Sagebrush and grass areas east of the Cascade mountains may be considered forestland if such lands are adjacent to, or intermingled with, tree growth.

<u>Forest Fire Protection Assessment Rate:</u> DNR imposes a forest fire protection assessment on those lands it protects. The assessment rate is: (1) a flat fee of \$14.50 for each parcel; and (2) \$.25 on each acre exceeding 50 acres.

Assessment Refunds: An owner who has paid assessments on two or more parcels, each less than 50 acres and located in the same county, may obtain a partial refund from DNR. If all parcels together are less than 50 acres, the refund equals the flat fee assessments paid reduced by the total of: (1) \$14; and (2) the total amounts retained by the county to defray collection costs. If the parcels total 50 or more acres, the refund equals the flat fee assessments paid reduced by the total of: (1) \$14; (2) \$.25 for each acre exceeding 50 acres; and (3) the total amounts retained by the county.

Summary of Bill: The bill increases the current forest fire protection assessment rate from: (1) \$14.50 to \$17.50 for each parcel; and (2) \$.25 to \$.27 on each acre exceeding 50 acres.

DNR may, with the advice of the Forest Fire Advisory Board, increase the assessment rate to keep up with inflation. The increase may not exceed the cumulative amount of the implicit price deflator since the later of: (1) the effective date of this bill; or (2) the date of a subsequent rate increase.

The bill also adjusts the refund formula for eligible landowners consistent with the \$3 per parcel and two cent per acre assessment rate increase. If all parcels together are less than 50 acres, the refund equals the flat fee assessments paid reduced by the total of: (1) \$17; and (2) the total amounts retained by the county. If the parcels total more than 50 or more acres, the refund equals the flat fee assessments paid reduced by the total of: (1) \$17; (2) \$.27 for each acre exceeding 50 acres; and (3) the total amounts retained by the county.

EFFECT OF CHANGES MADE BY RECOMMENDED SUBSTITUTE AS PASSED COMMITTEE (Natural Resources, Ocean & Recreation): The authority granted to DNR in the underlying bill to increase forest fire protection assessment rates to keep up with inflation is removed.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony (Natural Resources, Ocean & Recreation): PRO: It has been 16 years since the Forest Fire Protection Assessment flat fees were increased and five years since a per acre increase. In that time, costs for fire protection have gone up, while revenues from the assessment have not. An assessment increase is necessary to keep DNR's fire protection program performing at its current level.

CON: The Department must consult more with the private landowners about the fire program. Increased private responsibility for fire protection is unfair since most forest health and fire problems originate on federal lands.

OTHER: Private landowners should share equitably in providing forest protection funds, but the Legislature should approve all assessment rate increases.

Persons Testifying (Natural Resources, Ocean & Recreation): PRO: Vicki Christiansen, DNR; Scott Merryman, Office of Financial Management.

CON: Rick Nelson, Washington Cattlemen's Association; Bill Pickell, Washington Contract Loggers Association.

OTHER: Debora Munguia, Washington Forest Protection Association.

Staff Summary of Public Testimony (Ways & Means): PRO: It has been 16 years since the forest fire protection assessment parcel fee has been increased and five years since the per acre fee has been increased. This bill stabilizes and follows the intent of the Legislature by keeping costs of fire protection equitably shared. Fire preparedness is funded by Forest Fire Protection Assessment and the General Fund. Suppression is funded solely by the state General Fund. This bill would allow for sufficient number of fire fighters to keep fires small and manageable. Keeping fires small is prudent for the state. We spent \$64 million on fighting forest fires this past year.

Persons Testifying (Ways & Means): PRO: Senator Jacobsen, prime sponsor; Vicki Christiansen, DNR.

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