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**SUBSTITUTE HOUSE BILL 1546**

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**State of Washington 66th Legislature 2019 Regular Session**

**By** House Rural Development, Agriculture, & Natural Resources (originally sponsored by Representatives Blake, Walsh, Chapman, Kretz, Orcutt, Shewmake, and Tharinger)

AN ACT Relating to the proposed department of natural resources' marbled murrelet long-term conservation strategy; adding a new section to chapter 43.30 RCW; and creating new sections.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

NEW SECTION. **Sec.**  The legislature finds that the department of natural resources has been working for more than three years to develop a marbled murrelet long-term conservation strategy to incorporate in the 1997 state lands habitat conservation plan.

The legislature further finds that in August 2018, the department of natural resources released a revised draft environmental impact statement analyzing eight alternatives for the long-term conservation strategy. Alternatives A, B, C, D, E, and H set aside from management between nine thousand acres (alternative B) to forty-three thousand acres (alternative H) of trust lands. Alternative H was selected as the preferred alternative. Two of the options analyzed, alternatives F and G, would set aside up to one hundred thirty-three thousand acres of trust lands, beyond alternative H, and conflict with the state's trust mandate to the beneficiaries.

The legislature further finds that the department of natural resources released two documents on October 31, 2018, to provide additional economic impact analysis data related to the long-term conservation strategy. The department of natural resources updated the draft financial analysis for the sustainable harvest calculation. However, the analysis does not provide projected revenue or cash flow impacts to individual trust beneficiaries, including counties and junior taxing districts, that receive revenue from state trust land timber sales. Further, the analysis does not disclose harvest volumes by trust or junior taxing districts beyond the planning decade fiscal years 2015 to 2024.

The legislature further finds that the department of natural resources has prepared a "losses and gains" analysis of management options to meet their requirements under chapter 255, Laws of 2018 (marbled murrelet habitat information report). The "losses and gains" analysis only analyzed the revenue impact in the first decade for some beneficiaries, fiscal years 2015 to 2024, of a fifty-year plan and relied on regional and statewide economic multipliers and assumptions to estimate potential private sector job impacts related to alternative H. The analysis does not provide fiscal impact data for individual county beneficiaries and associated junior taxing districts.

The legislature further finds that the decision to permanently exclude timber management on state trust lands has long-lasting economic, environmental, and social consequences to the citizens of Washington and to the beneficiaries of trust lands managed by the department. Therefore, the legislature finds that to ensure that a decision is made with the utmost care and transparency, and is made with the interest of the trust beneficiaries and the citizens they provide services for, further analysis by the joint legislative audit and review committee is necessary.

NEW SECTION. **Sec.**  (1) The department of natural resources must analyze the harvest volume and revenue impacts of the department of natural resources' preferred alternative, alternative H, for the long-term conservation strategy to all department of natural resources' trust beneficiaries, including local governments and junior taxing districts. The analysis must consider the impacts of the preferred alternative compared to both the interim strategy, alternative A, and to the five hundred eighty-seven thousand acres of baseline long-term forest cover set aside under the 1997 habitat conservation plan.

(2) The analysis must report, at a minimum, by ten-year periods as identified below:

(a) Fiscal years 2015 to 2024;

(b) Fiscal years 2025 to 2034;

(c) Fiscal years 2035 to 2044;

(d) Fiscal years 2045 to 2054;

(e) Fiscal years 2055 to 2064; and

(f) Fiscal years 2065 to 2074.

(3) At a minimum, the report must provide the following data for each trust beneficiary, including individual counties and junior taxing districts, by each of the six periods listed in subsection (2) of this section:

(a) Revenue;

(b) Sustainable harvest volume;

(c) Acres available for management; and

(d) Acres deferred by age class.

(4) The department of natural resources must consult with representatives of trust beneficiaries to seek input and guidance on the method of analysis, type of data, and sources of data needed for the analysis.

NEW SECTION. **Sec.**  A new section is added to chapter 43.30 RCW to read as follows:

(1) The board may not adopt a marbled murrelet long-term conservation strategy until the analysis required under section 2 of this act has been finalized and:

(a) Made available for public review and comment for at least thirty days, including a public hearing to receive input on the analysis; and

(b) Transmitted to the appropriate committees of the legislature along with a summary of the comments received under (a) of this subsection.

(2) Lands identified for potential set-aside from timber management under the marbled murrelet long-term conservation strategy alternatives that are not included within the department's preferred alternative are not subject to any limitation on management activities relating to marbled murrelet conservation following the issuance of a final environmental impact statement by the department.

(3) The legislature recognizes that forested stands that are set aside for marbled murrelet conservation can benefit from active management to enhance the development of murrelet habitat. Accordingly, when evaluating whether lands should be set aside, the department should work with the federal government to preserve, to the maximum extent possible, the department's ability to conduct active forest management on such lands.

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