

SENATE BILL REPORT

SB 5637

As of January 17, 2022

Title: An act relating to increasing forest practices fees to pay for program implementation costs and a new online system for forest practices review.

Brief Description: Increasing forest practices fees to pay for program implementation costs and a new online system for forest practices review.

Sponsors: Senator Rolfes.

Brief History:

Committee Activity: Agriculture, Water, Natural Resources & Parks: 1/18/22.

Brief Summary of Bill

- Increases certain forest practices fees to help cover the cost of the new forest practices online system.
- Authorizes the Department of Natural Resources to periodically increase forest practices application fees by the fiscal growth factor.

SENATE COMMITTEE ON AGRICULTURE, WATER, NATURAL RESOURCES & PARKS

Staff: Jeff Olsen (786-7428)

Background: The Forest Practices Act establishes four classes of forest practices based on the potential for a proposed operation to adversely affect public resources. The Forest Practices Board establishes standards that determine which forest practices are included in each class. Forest practices applications in which the land is to remain in forestry, Class II, III, and IV special, are \$150. This fee is reduced to \$100 for small forest landowners harvesting on a single, contiguous ownership. Class IV general applications involving conversion related activities are \$1,500.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

The Department of Natural Resources (DNR) submitted a report to the Legislature required by a proviso in the 2021-23 biennial operating budget directing DNR to provide recommendations for ways that the forest products industry could help cover the cost of the new forest practices online system. The recommendations include proposed changes to the fees paid for forest practice applications and notifications. One recommendation is to require the payment of fees on all forest practice applications, not just those that generate revenue through commercial timber harvest. In addition, the report recommends that fees should be allowed to change over time based on the consumer price index.

Summary of Bill: Forest practice fees for all forest practices applications are established and other fees are increased to contribute to the costs of the new forest practices online system. The fees for class II, class III, and class IV practices for a small forest landowner are increased from \$100 to \$165. The fees for class II, class III, and class IV practices for other forest landowners are increased from \$150 to \$245.

DNR may increase the forest practices application fee by the fiscal growth factor. After consultation with forestland owners, DNR may propose fee adjustments no more than once every two years. Before adjusting the fee, there must be an evaluation of the maintenance of the self-supporting system, the levels of service, the need for system upgrades, the costs of the Forest Practices program, and inflation. If DNR chooses to adjust the forest practices application fee, it must post notification to the public six months before implementation of the fee increase. Adjustments in the forest practices application fee may only be in increments of no more than \$25 per biennium.

Appropriation: None.

Fiscal Note: Requested on January 15, 2022.

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

Effective Date: The bill takes effect on July 1, 2022.