

HOUSE BILL REPORT

2SSB 5574

As Reported By House Committee On:
Natural Resources

Title: An act relating to the return of state forest board transfer lands back to counties.

Brief Description: Concerning the return of state forest board transfer land.

Sponsors: Senate Committee on Natural Resources (originally sponsored by Senators Hargrove, A. Anderson, Snyder, McDonald, Owen, Long, Rasmussen, Swecker, Heavey, Morton, Deccio, Johnson, Loveland, Hale, Sutherland, Strannigan, Palmer, Moyer, Hochstatter, West, Drew, Haugen, Quigley, Bauer and Roach).

Brief History:

Committee Activity:

Natural Resources: 3/28/95 [DPA].

HOUSE COMMITTEE ON NATURAL RESOURCES

Majority Report: Do pass as amended. Signed by 15 members: Representatives Fuhrman, Chairman; Buck, Vice Chairman; Pennington, Vice Chairman; Basich, Ranking Minority Member; Regala, Assistant Ranking Minority Member; Beeksma; Cairnes; Elliot; G. Fisher; Jacobsen; Romero; Sheldon; Stevens; B. Thomas and Thompson.

Staff: Linda Byers (786-7129).

Background: In the early 1900s and up through the 1930s, counties took possession of a number of forestland parcels as a result of tax delinquencies. In many cases, the timber had already been harvested from these lands prior to the forfeiture of the property to the counties.

During this same time period, the state Legislature grew concerned about reforestation in the state. In 1927 and again in 1935, the Legislature determined that the forest lands forfeited to the counties should be deeded to the state and become part of state forest lands. Some 540,000 acres of land were thus transferred to state management. These are called forest board transfer lands.

Forest board transfer lands are held as trust lands and administered by the Department of Natural Resources. The state may not sell these lands; however, the lands may be

leased, and timber and other products may be sold. Up to 25 percent of the gross income from leases and product sales goes into the Forest Development Account and is used by the department to manage these lands. The remainder goes back to the county and is distributed in the same manner as general tax revenues are distributed.

Summary of Amended Bill: The Legislature directs the Legislative Budget Committee to study the policies and economic elements of the management of state forest board lands. The study is to include the following subjects:

- The role of forest board lands in the state's sustained yield calculations and the effect of removing all or part of those lands on income, yield, and management policies;
- The appropriate levels of management for forest board lands and an analysis of costs of such management;
- The economic and forest practice implications of separating the forest board lands from the total lands managed by the department;
- The effects of transfer to counties on county expenditures and income on a county-by-county basis;
- The effects of a transfer on public access, recreation, and the management of other public and private lands;
- The long and short-term effects on private timber manufacturing;
- A comparison of forest management procedures and costs between Grays Harbor County and similar forest board and state trust lands;
- Potential changes in state and county employment due to changes in management;
- A comparison of the present and past costs of reforestation and management of similar state trust lands and forest board lands; and
- An examination of the best possible methods and procedures to transfer board lands to the counties.

The study and recommendations to the Legislature are to be completed by December 1, 1995.

Amended Bill Compared to Substitute Bill: The substitute bill includes a null and void clause; the amended bill does not.

Appropriation: None.

Fiscal Note: Requested on March 28, 1995.

Effective Date of Amended Bill: Ninety days after adjournment of session in which bill is passed. However, the bill is null and void unless funded in the budget.

Testimony For: There is a lot of concern about the management of these lands and the revenues from them. A lot of questions have been raised about transferring the lands back to the counties, so this will have the LBC study the issue. Hopefully the study results will break down the barriers to transferring the lands in the future. This isn't as good as the original bill, but half a loaf is better than none. The Board of Natural Resources study will be completed by then also.

Testimony Against: Please remove the null and void clause.

Testified: Senator Jim Hargrove, prime sponsor; Gus Kuehne, Independent Forest Products Association; Pat Hamilton, Pacific County Commissioner; and Benjamin Lonn, Washington Commercial Forest Action Committee (all in favor).