
**Agriculture & Natural Resources
Committee**

HB 2126

Brief Description: Creating the community forest trust account.

Sponsors: Representatives Lytton, Warnick, Tharinger, Chandler, Blake, Van De Wege, MacEwen, Pettigrew, Dunshee and Stanford; by request of Commissioner of Public Lands.

Brief Summary of Bill

- Creates a new, unappropriated account to be used by the Department of Natural Resources as an accounting tool for community forest trust management.

Hearing Date: 1/16/14

Staff: Jason Callahan (786-7117).

Background:

The Department of Natural Resources (Department) is authorized to create and manage the Community Forest Trust (CFT). The CFT is a discrete category of non-fiduciary trust lands held by the Department and actively managed to generate financial support for the CFT and to sustain working forest conservation objectives.

The Department may acquire parcels for the CFT through purchase, gift, donation, grant, transfer, or other means other than eminent domain. If state trust lands are transferred into the CFT, then the value of that transfer must be provided to the beneficiaries of the trust.

The Department is required to develop criteria for identifying and prioritizing forest land that is suitable for potential inclusion in the CFT. Priority considerations are to be given to lands that meet certain values or conditions. These values and conditions include the active participation of community partners, risk of conversion, buffering of commercial forest lands from development, and enhancing the forest products manufacturing infrastructure.

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.

The Department must submit biennially to the Office of Financial Management and the Legislature a prioritized list that identifies nominated parcels of state land or state forest land that are suitable for transfer into the CFT. The list of nominated parcels must reflect consideration of local nominations. Prior to acquiring land for a CFT, the Department must obtain a commitment from the local community to preserve the land as a working forest. This community commitment must be demonstrated by a reimbursable financial contribution of at least 50 percent of the difference between the parcel's fair market value and its timber value. Each parcel added to the CFT must be accompanied by a management plan developed in cooperation with a local advisory committee.

Revenue produced from CFT lands must first be used to reimburse the Department for its management costs and for funding the management objectives of the land. The Board of Natural Resources may, if it chooses, reimburse the state government and the local partners with any remaining revenue. If reimbursement is provided, it must be provided equally to the state and local partners.

In addition to local advisory committees for individual parcels, the Department may establish a statewide advisory committee for the entire CFT program. Also discretionary to the Department is the creation of local working forest districts. These districts would be partnerships with local governments in order to synchronize the management of CFT lands with other public and private lands located near one another to accomplish a common set of community goals.

The Department has the authority to use certain funds and accounting mechanisms to help account for money connected to the CFT. These include the Real Property Replacement Account, the Park Land Trust Revolving Fund, and the Resource Management Cost Account.

Summary of Bill:

A new, unappropriated account is created and named the Community Forest Trust Account (Account). Money in the Account may only be used for the management of the CFT, including the reimbursement of the Department for CFT management costs, the acquisition of property interest for new CFT lands, and technical assistance grants to local governments.

Funding from the Account may come from the General Fund and any public or private gift, grant, or endowment. The Account must also be used to deposit all monies received by the Department from or for the acquisition, sale, management, or administration of CFT lands. This includes the sale of any valuable materials from CFT lands and any interest earned on relevant investments.

Changes are made to Park Land Trust Revolving Fund and the Resource Management Cost Account to remove their use as a component of CFT accounting management.

Appropriation: None.

Fiscal Note: Not requested.

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