# HOUSE BILL REPORT HB 2084

#### As Reported by House Committee On:

Natural Resources, Ecology & Parks

**Title:** An act relating to trust land management.

**Brief Description:** Concerning trust land management.

**Sponsors:** Representative B. Sullivan.

**Brief History:** 

**Committee Activity:** 

Natural Resources, Ecology & Parks: 2/24/05, 3/1/05 [DPS].

## **Brief Summary of Substitute Bill**

• Requires the Department of Natural Resources to submit a report to the Legislature that details its success in meeting the expectations the Board of Natural Resources have set for the implementation of the newly adopted sustainable yield harvest plan.

### HOUSE COMMITTEE ON NATURAL RESOURCES, ECOLOGY & PARKS

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 10 members: Representatives B. Sullivan, Chair; Upthegrove, Vice Chair; Buck, Ranking Minority Member; Kretz, Assistant Ranking Minority Member; Blake, DeBolt, Dickerson, Eickmeyer, Hunt and Williams.

**Minority Report:** Do not pass. Signed by 1 member: Representative Orcutt.

**Staff:** Jason Callahan (786-7117).

### **Background:**

The state is the trustee of nearly 3 million acres of upland properties. Roughly two-thirds of these properties are forested, with the majority of the other parcels managed for agriculture or commercial development. Due to a mix of authorities, including state law, the state Constitution, and the state's federal enabling act, these lands are held by the state in trust for specified trust beneficiaries. In total, there are 18 trust beneficiaries that derive some level of economic benefit from the management of these trust lands. The beneficiaries include common schools, the state universities, community colleges, counties, and the state's capital budget.

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The management of state lands is governed by a number of statutes, and includes implementation of policies on multiple use and sustainable harvest. To accomplish the latter, a new sustainable harvest plan was recently adopted by the Board of Natural Resources (Board) to guide state management for the next ten years. This plan details the amount of timber that will be harvested from state land over the next decade.

### **Summary of Substitute Bill:**

The Department of Natural Resources (Department) is required to submit a report to the Legislature that details its success in meeting the expectations the Board has set for the implementation of the newly adopted sustainable yield harvest plan. The report must also identify any barriers to meeting these expectations that result from funding inadequacies.

## **Substitute Bill Compared to Original Bill:**

The original bill temporarily authorized the Board to increase the maximum amount of a transaction on state lands that is retained in the Resources Management Cost Account from 25 percent to 30 percent, increased the maximum percentage of timber sales that can be carried out through the contract harvesting program from 10 percent to 30 percent, added an appointee of the Department of Fish and Wildlife onto the Board, made certain changes to the Department's authority to exchange real property, directed the State Auditor to audit the Resources Management Cost Account, commissioned a performance audit of the implementation of the sustainable harvest plan, and required the Department to report on ways that revenue from state lands can be increased without harvesting more trees.

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**Appropriation:** None.

**Fiscal Note:** Requested on February 16, 2005.

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

**Testimony For:** (In support of original bill) This bill gives the Department the revenue it needs to implement the sustainable yield harvest plan and to increase revenue to the trust beneficiaries. It will also assure that reporting and accountability measures will be enacted, provides greater flexibility to address forest health issues, and allows the Department to manage property more efficiently.

The Department has worked hard to make their organization more efficient, and needs this revenue to make investments for the beneficiaries. The Department has streamlined as much as it can, and now needs this additional revenue. The sustainable harvest level took years to calculate, and now needs to be the target of state investments. Asking the Department to report on these investments is complimentary to the increase in the management fee. The fee increase is important enough to be in stand alone legislation.

The Department can be more productive as a property manager if they have the flexibility to be agile and responsive in the marketplace. Current law limits flexibility to purchase lands when they become available.

Testimony Against: None.

**Persons Testifying:** Representative B. Sullivan, prime sponsor; Bob Dick, American Forest Resource Council; Miguel Perez-Gibson, Cascade Land Conservancy; Brenda Hood, Superintendent of Public Education; Doug Sutherland, Commissioner of Public Lands; and Heath Packard, Audubon Society.

Persons Signed In To Testify But Not Testifying: None.