

# HOUSE BILL REPORT

## ESB 6211

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**As Reported by House Committee On:**  
Agriculture & Natural Resources  
Appropriations

**Title:** An act relating to the federal lands revolving account.

**Brief Description:** Concerning the federal lands revolving account.

**Sponsors:** Senators Hawkins, Rolfes, Van De Wege and Takko; by request of Department of Natural Resources.

**Brief History:**

**Committee Activity:**

Agriculture & Natural Resources: 2/9/18 [DP];  
Appropriations: 2/24/18, 2/26/18 [DP].

**Brief Summary of Engrossed Bill**

- Defines a "Good Neighbor Agreement" to mean an agreement entered into between the state and the United States Forest Service or United States Bureau of Land Management to conduct forestland, watershed, and rangeland restoration activities on federal lands.
- Creates the Federal Lands Revolving Account, into which must be deposited all receipts from the proceeds of Good Neighbor Agreements.

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### HOUSE COMMITTEE ON AGRICULTURE & NATURAL RESOURCES

**Majority Report:** Do pass. Signed by 8 members: Representatives Blake, Chair; Chapman, Vice Chair; Buys, Ranking Minority Member; Dent, Assistant Ranking Minority Member; Fitzgibbon, Lytton, Pettigrew and Walsh.

**Staff:** Robert Hatfield (786-7117).

**Background:**

The United States Congress first authorized a Good Neighbor pilot program in 2000 between the United States Forest Service (USFS) and the Colorado State Forest Service. Since that

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time, the Good Neighbor Authority program has expanded to include the Bureau of Land Management (BLM) in addition to the USFS, and to encompass all 50 states and Puerto Rico. Under Good Neighbor Authority agreements, state agencies are authorized to undertake a broad array of land management activities on USFS and BLM lands, including fuels management and forest, range, and fisheries habitat restoration.

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**Summary of Bill:**

Within the statute governing public lands management, a "Good Neighbor Agreement" means an agreement entered into between the state and the United States Forest Service or United States Bureau of Land Management to conduct forestland, watershed, and rangeland restoration activities on federal lands.

The Federal Lands Revolving Account (Account) is created in the custody of the State Treasurer. All receipts from the proceeds of Good Neighbor Agreements must be deposited into the Account, as well as all legislative transfers, gifts, grants, and federal funds designated for use in conjunction with a Good Neighbor Agreement. Expenditures from the Account are subject to the limitations of the agreements under which the proceeds were generated, and may be used only for the planning and implementation of Good Neighbor Agreements, including management or administrative costs, and relevant goods or services. Only the Commissioner of Public Lands or his or her designee may authorize expenditures from the Account. An appropriation is not required for expenditures. Interest on the Account accrues to the benefit of the account.

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**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill contains an emergency clause and takes effect immediately.

**Staff Summary of Public Testimony:**

(In support) The Department of Natural Resources (DNR) has entered into a Good Neighbor Agreement with the United States Forest Service (USFS), which allows state crews to carry out much needed work on federal lands. The bill passed unanimously out of the Senate. It also has an emergency clause so that as soon as the Governor signs the bill, the DNR will be able to start processing revenues coming in from the federal government.

The USFS is being tasked to do more with less, and it is important to have an all-hands-on-deck approach to doing work on federal lands. The work that would be facilitated under Good Neighbor Agreements is a very important part of the DNR's forest health 20-year plan. There are 2.7 million acres of forest land on the east side of the state in need of restoration, 40 percent of which is on federal land. Good Neighbor Agreements would not be limited to an impact on the east side; Good Neighbor Agreements will also work on the

forests on the west side of the state. The bill will help push the limit on federal lands by providing supportive capacity to USFS and Bureau of Land Management lands. The federal government has reduced resources available to complete its forest management activities.

This bill, which builds on legislative efforts of last year to put together a strategic plan for Washington forests, represents one of the tools to implement that plan. The bill also builds off prescribed fire work that has been the subject of other legislation. The bill provides an ability to get people back to work on the ground, improving forest quality and habitat.

The USFS manages 8 million acres of forest land in Washington, which represents 37 percent of forest land in Washington. Since the 1990s, there has been a drastic reduction in the amount of harvest and management on federal lands. The USFS doesn't have the money it used to have to do management. The USFS now spends about half of its budget fighting fires. The approach made possible by this bill takes what the DNR is good at, timber management, and then draws on that knowledge to do work on federal lands where the federal government doesn't have enough capacity. With revenues from projects, such as timber revenue, the Good Neighbor Agreement model provides a mechanism for the state to retain a portion of that revenue, which can then be used to fund additional work. The Colville and Olympic National Forests are areas where there have been successful collaborations in the past, and those would be good areas for Good Neighbor Agreement projects.

(Opposed) None.

**Persons Testifying:** Senator Hawkins, prime sponsor; Trevor McConchie, Department of Natural Resources; Heath Heikkila, American Forest Resource Council; and Tom Bugert, The Nature Conservancy.

**Persons Signed In To Testify But Not Testifying:** None.

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## HOUSE COMMITTEE ON APPROPRIATIONS

**Majority Report:** Do pass. Signed by 33 members: Representatives Ormsby, Chair; Robinson, Vice Chair; Chandler, Ranking Minority Member; MacEwen, Assistant Ranking Minority Member; Stokesbary, Assistant Ranking Minority Member; Bergquist, Buys, Caldier, Cody, Condotta, Fitzgibbon, Graves, Haler, Hansen, Harris, Hudgins, Jinkins, Kagi, Lytton, Manweller, Pettigrew, Pollet, Sawyer, Schmick, Senn, Springer, Stanford, Sullivan, Taylor, Tharinger, Vick, Volz and Wilcox.

**Staff:** Dan Jones (786-7118).

**Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Agriculture & Natural Resources:**

No new changes were recommended.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill contains an emergency clause and takes effect immediately.

**Staff Summary of Public Testimony:**

(In support) The bill is supported by the Department of Natural Resources.

(Opposed) None.

**Persons Testifying:** Dave Warren, Department of Natural Resources.

**Persons Signed In To Testify But Not Testifying:** None.