# CERTIFICATION OF ENROLLMENT

## SECOND SUBSTITUTE SENATE BILL 6144

Chapter 218, Laws of 2004

58th Legislature 2004 Regular Session

FOREST HEALTH IMPROVEMENT

EFFECTIVE DATE: 3/29/04

Passed by the Senate March 11, 2004 YEAS 48 NAYS 0

## BRAD OWEN

# President of the Senate

Passed by the House March 10, 2004 YEAS 96 NAYS 0

# FRANK CHOPP

Speaker of the House of Representatives

## CERTIFICATE

I, Milton H. Doumit, Jr., Secretary of the Senate of the State of Washington, do hereby certify that the attached is SECOND SUBSTITUTE SENATE BILL 6144 as passed by the Senate and the House of Representatives on the dates hereon set forth.

# MILTON H. DOUMIT JR.

Secretary

Approved March 29, 2004.

FILED

March 29, 2004 - 3:17 p.m.

GARY F. LOCKE

Governor of the State of Washington

Secretary of State State of Washington

## SECOND SUBSTITUTE SENATE BILL 6144

## AS AMENDED BY THE HOUSE

Passed Legislature - 2004 Regular Session

# State of Washington 58th Legislature 2004 Regular Session

**By** Senate Committee on Ways & Means (originally sponsored by Senators Morton and Deccio)

READ FIRST TIME 02/10/04.

- AN ACT Relating to opportunities and strategies for improving forest health in Washington; amending RCW 79.15.510, 79.15.520, and 79.15.500; amending 2003 c 313 s 13 (uncodified); adding new sections to chapter 76.06 RCW; adding a new section to chapter 79.15 RCW; creating new sections; providing expiration dates; and declaring an
- 6 emergency.
- 7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 8 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 76.06 RCW 9 to read as follows:
- 10 (1) The legislature finds that Washington faces serious forest
- 11 health problems where forests are overcrowded or trees are infested
- 12 with or susceptible to insects, diseases, wind, ice storms, and fire.
- 13 The causes and contributions to these susceptible conditions include
- 14 fire suppression, past timber harvesting and silvicultural practices,
- 15 and the amplified risks that occur when the urban interface penetrates
- 16 forest land.
- 17 (2) The legislature further finds that forest health problems may
- 18 exist on forest land regardless of ownership, and the state should

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- explore all possible avenues for working in collaboration with the federal government to address common health deficiencies.
- 3 (3) The legislature further finds that healthy forests benefit not 4 only the economic interests that rely on forest products but also 5 provide environmental benefits, such as improved water quality and 6 habitat for fish and wildlife.

NEW SECTION. Sec. 2. A new section is added to chapter 76.06 RCW to read as follows:

- (1) The commissioner of public lands is designated as the state of Washington's lead for all forest health issues.
- (2) The commissioner of public lands shall strive to promote communications between the state and the federal government regarding forest land management decisions that potentially affect the health of forests in Washington and will allow the state to have an influence on the management of federally owned land in Washington. Such government-to-government cooperation is vital if the condition of the state's public and private forest lands are to be protected. These activities may include, when deemed by the commissioner to be in the best interest of the state:
- 20 (a) Representing the state's interest before all appropriate local, 21 state, and federal agencies;
  - (b) Assuming the lead state role for developing formal comments on federal forest management plans that may have an impact on the health of forests in Washington; and
  - (c) Pursuing in an expedited manner any available and appropriate cooperative agreements, including cooperating agency status designation, with the United States forest service and the United States bureau of land management that allow for meaningful participation in any federal land management plans that could affect the department's strategic plan for healthy forests and effective fire prevention and suppression, including the pursuit of any options available for giving effect to the cooperative philosophy contained within the national environmental policy act of 1969 (42 U.S.C. Sec. 4331).
- 35 (3) The commissioner of public lands shall report to the chairs of 36 the appropriate standing committees of the legislature every year on

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- 1 progress under this section, including the identification, if deemed
- 2 appropriate by the commissioner, of any needed statutory changes,
- 3 policy issues, or funding needs.
- 4 <u>NEW SECTION.</u> **Sec. 3.** The commissioner of public lands shall
- 5 develop a statewide plan for increasing forest resistance and
- 6 resilience to forest insects, disease, wind, and fire in Washington by
- 7 December 30, 2004. In developing the statewide plan, the commissioner
- 8 shall work with and consult the work group created in section 4 of this
- 9 act.
- 10 <u>NEW SECTION.</u> **Sec. 4.** (1) A work group is created to study
- 11 opportunities to improve the forest health issues enumerated in section
- 12 1 of this act that are facing forest land in Washington and to help the
- 13 commissioner of public lands develop a strategic plan under section 3
- 14 of this act. The work group may, if deemed necessary, identify and
- 15 focus on regions of the state where forest health issues enumerated in
- 16 section 1 of this act are the most critical.
- 17 (2)(a) The work group is comprised of individuals selected on the
- 18 basis of their knowledge of forests, forest ecology, or forest health
- 19 issues and, if determined by the commissioner of public lands to be
- 20 necessary, should represent a mix of individuals with knowledge
- 21 regarding specific regions of the state. Members of the work group
- 22 shall be appointed by the commissioner of public lands, unless
- 23 otherwise specified, and shall include:
- 24 (i) The commissioner of public lands or the commissioner's
- 25 designee, who shall serve as chair;
- 26 (ii) A representative of a statewide industrial timber landowner's
- 27 group;
- 28 (iii) A landowner representative from the small forest landowner
- 29 advisory committee established in RCW 76.13.110;
- 30 (iv) A representative of a college within a state university that
- 31 specializes in forestry or natural resources science;
- 32 (v) A representative of an environmental organization;
- 33 (vi) A representative of a county that has within its borders
- 34 state-owned forest lands that are known to suffer from the forest
- 35 health deficiencies enumerated in section 1 of this act;

- 1 (vii) A representative of the Washington state department of fish 2 and wildlife;
- 3 (viii) A forest hydrologist, an entomologist, and a fire ecologist,
  4 if available;
- 5 (ix) A representative of the governor appointed by the governor; 6 and
  - (x) A representative of a professional forestry organization.
- 8 (b) In addition to the membership of the work group outlined in 9 this section, the commissioner of public lands shall also invite the 10 full and equal participation of:
- (i) A representative of a tribal government located in a region of the state where the forest health issues enumerated in section 1 of this act are present; and
- (ii) A representative of both the United States forest service and the United States fish and wildlife service stationed to work primarily in Washington.
  - (3) The work group shall:

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- (a) Determine whether the goals and requirements of chapter 76.06 RCW are being met with regard to the identification, designation, and reduction of significant forest insect and disease threats to public and private forest resources, and whether the provisions of chapter 76.06 RCW are the most effective and appropriate way to address forest health issues;
- 24 (b) Study what incentives could be used to assist landowners with 25 the costs of creating and maintaining forest health;
  - (c) Identify opportunities and barriers for improved prevention of losses of public and private resources to forest insects, diseases, wind, and fire;
  - (d) Assist the commissioner in developing a strategic plan under section 3 of this act for increasing forest resistance and resilience to forest insects, disease, wind, and fire in Washington;
- 32 (e) Develop funding alternatives for consideration by the 33 legislature;
- 34 (f) Explore possible opportunities for the state to enter into 35 cooperative agreements with the federal government, or other avenues 36 for the state to provide input on the management of federally owned 37 land in Washington;

- (g) Develop recommendations for the proper treatment of infested and fire and wind damaged forests on public and private lands within the context of working with interdisciplinary teams under the forest practices act to ensure that forest health is achieved with the protection of fish, wildlife, and other public resources;
  - (h) Analyze the state noxious weed control statutes and procedures (chapter 17.10 RCW) and the extreme hazard regulations adopted under the forest protection laws, to determine if the policies and procedures of these laws are applicable, or could serve as a model to support improved forest health; and
  - (i) Recommend whether the work group should be extended beyond the time that the required report has been submitted.
  - (4) The work group shall submit to the department of natural resources and the appropriate standing committees of the legislature, no later than December 30, 2004, its findings and recommendations for legislation that is necessary to implement the findings.
- 17 (5) The department of natural resources shall provide technical and 18 staff support from existing staff for the work group created by this 19 section.
  - (6) This section expires June 30, 2005.

- NEW SECTION. Sec. 5. A new section is added to chapter 79.15 RCW to read as follows:
  - (1) The legislature intends to ensure, to the extent feasible given all applicable trust responsibilities, that trust beneficiaries receive long-term income from timber lands through improved forest conditions and by reducing the threat of forest fire to state trust forest lands.
  - (2) In order to implement the intent of subsection (1) of this section, the department may initiate contract harvesting timber sales, or other silvicultural treatments when appropriate, in specific areas of state trust forest land where the department has identified forest health deficiencies as enumerated in section 1 of this act. All harvesting or silvicultural treatments applied under this section must be tailored to improve the health of the specific stand, must be consistent with any applicable state forest plans and other management agreements, and must comply with all applicable state and federal laws and regulations regarding the harvest of timber by the department of natural resources.

- 1 (3) In utilizing contract harvesting to address forest health 2 issues as outlined in this section, the department shall give priority 3 to silvicultural treatments that assist the department in meeting 4 forest health strategies included in any management or landscape plans 5 that exist for state forests.
- 6 **Sec. 6.** RCW 79.15.510 and 2003 c 313 s 3 are each amended to read 7 as follows:
  - (1) The department may establish a contract harvesting program ((by)) for directly contracting for the removal of timber and other valuable materials from state lands and for conducting silvicultural treatments consistent with section 5 of this act.
- 12 (2) The contract requirements must be compatible with the office of financial management's quide to public service contracts.
- 14 (3) The department may not use contract harvesting for more than 15 ten percent of the total annual volume of timber offered for sale. 16 <u>However, volume removed primarily to address an identified forest</u> 17 <u>health issue under section 5 of this act may not be included in</u> 18 <u>calculating the ten percent annual limit of contract harvesting sales.</u>
- 19 **Sec. 7.** RCW 79.15.520 and 2003 c 313 s 4 are each amended to read 20 as follows:
- 21 (1) The contract harvesting revolving account is created in the custody of the state treasurer. All receipts from the gross proceeds 22 23 of the sale of logs from a contract harvesting sale must be deposited into the account. Expenditures from the account may be used only for 24 25 the payment of harvesting costs incurred on contract harvesting sales and for payment of costs incurred from silvicultural treatments 26 necessary to improve forest health conducted under section 5 of this 27 Only the commissioner or the commissioner's designee may 28 29 authorize expenditures from the account. The board of natural 30 resources has oversight of the account, and the commissioner must periodically report to the board of natural resources as to the status 31 of the account, its disbursement, and receipts. The account is subject 32 to allotment procedures under chapter 43.88 RCW, but an appropriation 33 is not required for expenditures. 34
- 35 (2) When the logs from a contract harvesting sale are sold, the 36 gross proceeds must be deposited into the contract harvesting revolving

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account. Moneys equal to the harvesting costs must be retained in the 1 2 account and be deducted from the gross proceeds to determine the net The net proceeds from the sale of the logs must be 3 distributed in accordance with RCW ((43.85.130))  $\underline{43.30.325}(1)(b)$ . The 4 final receipt of gross proceeds on a contract harvesting sale must be 5 retained in the contract harvesting revolving account until all 6 7 required costs for that sale have been paid. The contract harvesting revolving account is an interest-bearing account and the interest must 8 9 be credited to the account. The account balance may not exceed one 10 million dollars at the end of each fiscal year. Moneys in excess of one million dollars must be disbursed according to RCW ((76.12.030,11 12 <del>76.12.120</del>)) <u>79.22.040</u>, <u>79.22.050</u>, and <u>79.64.040</u>. If the department 13 permanently discontinues the use of contract harvesting sales, any sums 14 remaining in the contract harvesting revolving account must be returned to the resource management cost account and the forest development 15 account in proportion to each account's contribution to the initial 16 17 balance of the contract harvesting revolving account.

18 **Sec. 8.** RCW 79.15.500 and 2003 c 313 s 2 are each amended to read 19 as follows:

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The definitions in this section apply throughout ((this chapter)) RCW 79.15.500 through 79.15.530 and section 5 of this act unless the context clearly requires otherwise.

- (1) "Commissioner" means the commissioner of public lands.
- (2) "Contract harvesting" means a timber operation occurring on state forest lands, in which the department contracts with a firm or individual to perform all the necessary harvesting work to process trees into logs sorted by department specifications. The department then sells the individual log sorts.
  - (3) "Department" means the department of natural resources.
  - (4) "Harvesting costs" are those expenses related to the production of log sorts from a stand of timber. These expenses typically involve road building, labor for felling, bucking, and yarding, as well as the transporting of sorted logs to the forest product purchasers.
- 34 (5) "Net proceeds" means gross proceeds from a contract harvesting sale less harvesting costs.
- 36 (6) "Silvicultural treatment" means any vegetative or other

- 1 treatment applied to a managed forest to improve the conditions of the
- 2 stand, and may include harvesting, thinning, prescribed burning, and
- 3 pruning.
- 4 **Sec. 9.** 2003 c 313 s 13 (uncodified) is amended to read as follows:
- By December 31, 2006, the department of natural resources must provide a report to the appropriate committees of the legislature ((concerning)) that provides:
- 9 <u>(1) An accounting of</u> the costs and effectiveness of the contract 10 harvesting program; and
- 11 (2) A summary of sales carried out under the contract harvesting
- 12 program primarily for silvicultural treatments that are permitted under
- 13 <u>section 5 of this act</u>. ((The report must be submitted by December 31,
- 14 <del>2006.</del>))
- 15 <u>NEW SECTION.</u> **Sec. 10.** Sections 5 through 8 of this act are
- 16 intended to provide interim tools to the department of natural
- 17 resources to address forest health issues on state land prior to the
- 18 completion of the assignment given to the work group in section 4 of
- 19 this act. As such, sections 5 through 8 of this act expire December
- 20 31, 2007.
- ${\tt NEW}$  SECTION. Sec. 11. This act is necessary for the immediate
- 22 preservation of the public peace, health, or safety, or support of the
- 23 state government and its existing public institutions, and takes effect
- 24 immediately.

Passed by the Senate March 11, 2004.

Passed by the House March 10, 2004.

Approved by the Governor March 29, 2004.

Filed in Office of Secretary of State March 29, 2004.