SUBSTITUTE HOUSE BILL 1273

State of Washington 66th Legislature 2019 Regular Session

By House Rural Development, Agriculture, & Natural Resources (originally sponsored by Representatives Kretz, Blake, Orcutt, Chapman, Rude, Maycumber, Fitzgibbon, Hoff, MacEwen, Smith, Van Werven, and Tharinger)

READ FIRST TIME 02/01/19.

- 1 AN ACT Relating to analyzing state regulatory impact on small
- 2 forest landowners; creating a new section; and providing an
- 3 expiration date.

10

11

12

13

14

15

16

- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- NEW SECTION. Sec. 1. (1) Small forestland owners own and manage approximately three million two hundred thousand acres of Washington's forestlands and exert a tremendous influence on public resources, including fish bearing streams, water quality, air,
- 9 wildlife habitat, and carbon sequestration.
 - (2) Adoption of the forests and fish report was made possible, in part, by the agreement of small forestland owners who supported the intent of the law despite significant economic impacts to some members of the small forestland owner community. Twenty years after the adoption of the forests and fish report, it is time to evaluate how the increased regulatory burden has impacted small forestland owners and their land.
- 17 (3) When the forests and fish report was adopted, the legislature 18 enacted RCW 76.13.100 as follows:
- "(1) The legislature finds that increasing regulatory requirements continue to diminish the economic viability of small forest landowners. The concerns set forth in RCW 77.85.180 about the

p. 1 SHB 1273

importance of sustaining forestry as a viable land use are particularly applicable to small landowners because of the location of their holdings, the expected complexity of the regulatory requirements, and the need for significant technical expertise not readily available to small landowners. The further reduction in harvestable timber owned by small forest landowners as a result of the rules to be adopted under RCW 76.09.055 will further erode small landowners' economic viability and willingness or ability to keep the lands in forestry use and, therefore, reduce the amount of habitat available for salmon recovery and conservation of other aquatic resources, as defined in RCW 76.09.020.

- (2) The legislature finds that the concerns identified in subsection (1) of this section should be addressed by establishing within the department of natural resources a small forest landowner office that shall be a resource and focal point for small forest landowner concerns and policies. The legislature further finds that a forestry riparian easement program shall be established to acquire easements from small landowners along riparian and other areas of value to the state for protection of aquatic resources. The legislature further finds that small forest landowners should have the option of alternate management plans or alternate harvest restrictions on smaller harvest units that may have a relatively low impact on aquatic resources. The small forest landowner office should be responsible for assisting small landowners in the development and implementation of these plans or restrictions."
 - (4) The twentieth anniversary of the adoption of the forests and fish report into law presents an optimal time to review how the state's regulatory actions, intended to benefit both landowners and habitat, have affected small forestland owners. How have programs intended to make up for the disproportionate economic impact been implemented? What can the legislature do to keep small forestland owners on the landscape, so their land will be available for salmon habitat and water quality rather than converted?
- (5)(a) The school of environmental and forest sciences within the college of the environment at the University of Washington must complete a trends analysis.
- 37 (b) The trends analysis must address, at a minimum, the following 38 questions:
- 39 (i) Have the number of small forestland owners increased or 40 decreased?

p. 2 SHB 1273

1 (ii) (A) Has the acreage held by small forestland owners increased 2 or decreased?

3

4

5

7

8

13

14

1516

17

18 19

2021

22

23

24

25

26

27

28

33

34

37

3839

40

- (B) Of the land no longer owned by small forestland owners, what percentage was converted to nonforest use, became industrial forestland, trust land, or some other use?
- (c)(i) The school of environmental and forest sciences at the University of Washington, using the data from the trends analysis and other pertinent information, must:
- 9 (A) Determine which factors contributed to small forestland 10 owners selling their land;
- 11 (B) Recommend actions the legislature can take to help keep 12 forestland working; and
 - (C) Assess the effectiveness and implementation of the programs created in RCW 76.13.100(2) which described three programs to assist small forestland owners and mitigate the disproportionate economic impact. The assessment must include:
 - (I) Evaluating the effectiveness of the small forest landowner office: Does it have adequate resources and authority to successfully address landowner concerns? Has it received adequate funding to implement fully the duties as assigned through RCW 76.13.110?
 - (II) Forest riparian easement program: Does the structure of the program adequately address economic impact to landowners? Has funding kept up with need? How has the lack of funding affected the stability of riparian habitat?
 - (III) Have meaningful alternate management plans or alternate harvest restrictions been developed for smaller harvest units?
 - (IV) Has the family forest fish passage program addressed economic impact to landowners and fish passage barriers adequately?
- 29 (ii) Would meaningful alternate harvest restrictions reduce the 30 financial burden on the forest riparian easement program?
- 31 (iii) How can the legislature incentivize small forestland owners 32 to maintain their land as forestland?
 - (iv) Could a program be developed to facilitate small forestland owner's participation in carbon markets?
- 35 (6) The University of Washington may reach out to a broad variety 36 of stakeholders for input.
 - (7) The policy analysis must use the trends analysis, the regulatory impact analysis, and other data to provide recommendations on ways the forest practices board and the legislature can provide more effective incentives to encourage continued management of

p. 3 SHB 1273

nonindustrial forests for forestry uses, including traditional timber harvest uses, open space uses, or as part of developing carbon market schemes.

- (8) The University of Washington must report the results of the trends analysis and policy analysis to the appropriate committees of the legislature and the forest practices board by November 1, 2020, with recommendations to improve mitigation measures for small forestland owners and improve retention of working forestland held by small forestland owners.
 - (9) This section expires December 31, 2020.

--- END ---

p. 4 SHB 1273