

HOUSE BILL REPORT

HB 2362

As Reported by House Committee On:
State Government & Tribal Relations

Title: An act relating to modifying joint legislative audit and review committee studies by extending the sunset act, allowing the extension of timelines for conducting studies, and removing barriers to continuing the sustainable harvest study.

Brief Description: Modifying provisions on joint legislative audit and review committee studies.

Sponsors: Representatives Orcutt and Pollet; by request of Joint Legislative Audit & Review Committee.

Brief History:

Committee Activity:

State Government & Tribal Relations: 1/23/24, 1/30/24 [DP].

Brief Summary of Bill

- Pushes the expiration date for the Sunset Act back 10 years to June 30, 2035.
- Requires the Joint Legislative Audit and Review Committee (JLARC) to consider, when developing its biennial work plan, whether a planned review that is part of a mandated, recurring study would provide the Legislature with new or additional information.
- Removes the provision that JLARC is not required to review the Department of Natural Resource's upcoming sustainable harvest calculation for 2025-2034 in the event of pending litigation against the calculation.

HOUSE COMMITTEE ON STATE GOVERNMENT & TRIBAL RELATIONS

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Majority Report: Do pass. Signed by 7 members: Representatives Ramos, Chair; Stearns, Vice Chair; Cheney, Ranking Minority Member; Christian, Assistant Ranking Minority Member; Gregerson, Low and Mena.

Staff: Jason Zolle (786-7124).

Background:

The Joint Legislative Audit and Review Committee.

The Joint Legislative Audit and Review Committee (JLARC) is a statutorily created body consisting of eight members from the Senate and eight members from the House of Representatives, with no more than four members from each house from the same political party. The JLARC conducts a variety of analyses including performance audits, program evaluations, and sunset reviews.

At the end of each legislative session in an odd-numbered year, JLARC must develop and approve a performance audit work plan for the ensuing biennium. The work plan must include a description of each audit and its cost. When considering the work plan, JLARC must consider:

- whether a newly created or significantly altered program warrants continued oversight because of a significant fiscal impact or a high risk of not succeeding;
- whether implementation of the program has significantly failed to meet its goals and objectives;
- whether a follow-up audit would ensure that previous recommendations for improvements were implemented; and
- whether JLARC is required to do an audit by enacted legislation.

The Sunset Act.

The state enacted the Sunset Act in 1977 to provide a system for the review of state entities to determine whether they should be continued, modified, or terminated, and to establish a process to do so. Any entity may be scheduled for sunset review and termination, after which JLARC is tasked with conducting a program and fiscal review of the entity. The entity must establish performance measures against which they are evaluated. Reports are prepared by JLARC during the year prior to termination. Affected entities are entitled to respond to the report. The Sunset Act is itself set to expire on June 30, 2025, but it may be extended by the Legislature for a fixed period of time.

The Sustainable Harvest Program.

The Washington State Department of Natural Resources (DNR) is responsible for managing state-owned lands under its jurisdiction. State law directs the DNR to manage lands that are valuable for forest crops in such a manner that the forest can continue to be harvested on a continuing basis without major prolonged curtailment or cessation. To do so, the DNR is required to calculate a sustainable harvest level, i.e., an amount of timber scheduled for sale in a decade that will allow for sustained logging. The sustainable harvest level must be

approved by the Board of Natural Resources.

The JLARC is required to oversee and conduct an independent review of the DNR's methodologies and data prior to the sustainable harvest calculation for 2025-2034. However, JLARC is not required to do so if there is litigation pending or in progress against the DNR's sustainable harvest calculation.

Summary of Bill:

When developing its biennial work plan, JLARC must also consider whether a planned review that is part of a mandated, recurring study would provide the Legislature with new or additional information.

The expiration date for the Sunset Act is pushed back 10 years to June 30, 2035.

The provision that JLARC is not required to review the DNR's upcoming sustainable harvest calculation for 2025-2034 in the event of pending litigation is removed.

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony:

(In support) The Sunset Act is an important tool to review different agencies and programs and make sure they are living up to their guidelines. Although it does not expire until next year, there are two reasons to pass this bill now. First, 2025 is a long session that finishes in April and the Sunset Act would expire before a bill passed next year goes into effect 90 days after session. Second, JLARC is constantly working on its work plan and scheduling out a couple of years, so it is important to know now if sunset reviews will be continuing into the future. The provision about reviewing DNR's sustainable harvest calculations has been on the books for awhile but because of pending lawsuits, JLARC has not actually done a review. Also, JLARC needs flexibility when making its work plan to be able to defer recurring studies for which JLARC knows in advance there is no change in data and will be no change in its recommendations. Their time would be better spent on other studies that could provide the Legislature with new, valuable information instead.

(Opposed) None.

Persons Testifying: Representative Ed Orcutt, prime sponsor.

Persons Signed In To Testify But Not Testifying: None.