CERTIFICATION OF ENROLLMENT

HOUSE BILL 1372

Chapter 198, Laws of 2025

69th Legislature
2025 Regular Session

JOINT LEGISLATIVE AUDIT AND REVIEW COMMITTEE—STUDIES

EFFECTIVE DATE: July 27, 2025

Passed by the House April 17, 2025
Yeas 96 Nays 0

LAURIE JINKINS

Speaker of the House of Representatives

Passed by the Senate April 5, 2025
Yeas 48 Nays 0

JOHN LOVICK

President of the Senate

Approved May 2, 2025 10:47 AM

BOB FERGUSON

Governor of the State of Washington

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 1372** as passed by the House of Representatives and the Senate on the dates hereon set forth.

BERNARD DEAN

Chief Clerk

FILED

May 5, 2025

Secretary of State
State of Washington

HOUSE BILL 1372

AS AMENDED BY THE SENATE

Passed Legislature - 2025 Regular Session

State of Washington 69th Legislature 2025 Regular Session

By Representatives Orcutt, Pollet, Klicker, and Ley

Read first time 01/17/25. Referred to Committee on State Government & Tribal Relations.

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; and amending RCW 43.131.900, 43.131.051, 76.04.516, and 44.28.083.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

Sec. 1. RCW 43.131.900 and 2013 c 44 s 2 are each amended to read as follows:

RCW 43.131.010 through 43.131.150 expire June 30, ((~~2025~~)) 2045, unless extended by law for an additional fixed period of time.

Sec. 2. RCW 43.131.051 and 2000 c 189 s 4 are each amended to read as follows:

The joint legislative audit and review committee shall conduct a program and fiscal review of any entity scheduled for termination under this chapter. This program and fiscal review shall be completed and a preliminary report prepared during the calendar year prior to the date established for termination. These reports shall be prepared in the manner set forth in RCW 44.28.071 and 44.28.075. The legislative auditor, as defined in RCW 44.28.005, must develop and implement criteria to ensure that the staff resources and associated

costs devoted to program reviews are proportionate to the size and complexity of the program budget. Upon completion of its preliminary report, the joint legislative audit and review committee shall transmit copies of the report to the office of financial management and any affected entity. The final report shall include the response, if any, of the affected entity and the office of financial management in the same manner as set forth in RCW 44.28.088, except the affected entity and the office of financial management shall have sixty days to respond to the report. The joint legislative audit and review committee shall transmit the final report to the legislature, to the state entity affected, to the governor, and to the state library.

Sec. 3. RCW 76.04.516 and 2022 c 297 s 967 are each amended to read as follows:

(1) By December 1st of each even-numbered year, and in compliance with RCW 43.01.036, the department must report to the governor and legislature on the following:

(a) The type and amount of the expenditures made, by fiscal year, and for what purpose, from the wildfire response, forest restoration, and community resilience account created in RCW 76.04.511 and from expenditures made from the general fund for implementation of chapter 297, Laws of 2022;

(b) The amount of unexpended and unobligated funds in the wildfire response, forest restoration, and community resilience account and recommendations for the disbursement to local districts;

(c) Progress on implementation of the wildland fire protection 10-year strategic plan including, but not limited to, how investments are reducing human-caused wildfire starts, lowering the size and scale and geography of catastrophic wildfires, reducing the communities, landscapes, and population at risk, and creating resilient landscapes and communities;

(d) Progress on implementation of the 20-year forest health strategic plan as established through the forest health assessment and treatment framework pursuant to RCW 76.06.200 including, but not limited to: Assessment of fire prone lands and communities that are in need of forest health treatments; forest health treatments prioritized and conducted by landowner type, geography, and risk level; estimated value of any merchantable materials from forest health treatments; and number of acres treated by treatment type, including the use of prescribed fire;

(e) Progress on developing markets for forest residuals and biomass generated from forest health treatments.

(2) The department must include recommendations on any adjustments that may be necessary or advisable to the mechanism of funding dispensation as created under chapter 298, Laws of 2021.

(3) The report required in this section should support existing department assessments pursuant to RCW 79.10.530 and 76.06.200.

(4)(a)(i) Prior to the determination of the 2025-2034 sustainable harvest calculation as required by RCW 79.10.320, the department must hire an independent third-party contractor to assist it in updating its forest inventory by increasing the intensity of forest sample plots on all forestlands over the next two biennium. The department's sustainable harvest calculation technical advisory committee must be involved in the design, development, and implementation of this forest inventory update.

(ii) For purposes of this subsection, "forest inventory" means the collection of sample data to estimate a range of forest attributes including, but not limited to, standing volume, stored carbon, habitat attributes, age classes, tree species, and other inventory attributes, including information needed to estimate rates of tree growth and associated carbon sequestration on department lands.

(iii) The department's sustainable harvest calculation technical advisory committee must bring forward recommendations for regular maintenance and updates to the forest inventory on a ten-year basis.

(b) Prior to the determination of the 2025-2034 sustainable harvest calculation as required by RCW 79.10.320, the department must hire a third-party contractor to review, analyze, and advise the department's forest growth and yield modeling, specific to all types of forested acres managed by the department. The department's sustainable harvest calculation technical advisory committee must be involved in the design, review, and analysis of the department's forest growth and yield modeling.

(c) Prior to the determination of the 2025-2034 sustainable harvest calculation as required by RCW 79.10.320 ((~~and in the absence of any litigation, pending or in progress, against the department's sustainable harvest calculation~~)), the joint legislative audit and review committee established in chapter 44.28 RCW must oversee and conduct an independent review of the methodologies and data being utilized by the department in the development of the sustainable

harvest calculation, including the associated forest inventory, forest growth, harvest and yield data, and modeling techniques that impact harvest levels. In carrying out the review, the joint legislative audit and review committee shall:

(i) Retain one or more contractors with expertise in forest inventories, forest growth and yield modeling, and operational research modeling in forest harvest scheduling to conduct the technical review;

(ii) Be a member of department's sustainable harvest calculation technical advisory committee, along with one of its contractors selected in (c)(i) of this subsection; and

(iii) Prior to the department's determination of the sustainable harvest calculation under RCW 79.10.320, ensure that a completed independent review and report with findings and recommendations is submitted to the board of natural resources and the legislature.

(d) Upon receiving the report from the joint legislative audit and review committee required under (c)(iii) of this subsection, the board of natural resources shall determine whether modifications are necessary to the sustainable harvest calculation prior to approving harvest level under RCW 79.10.320.

Sec. 4. RCW 44.28.083 and 2010 c 26 s 3 are each amended to read as follows:

(1) At the conclusion of the regular legislative session of each odd-numbered year, the joint legislative audit and review committee shall develop and approve a performance audit work plan for the ensuing biennium. The biennial work plan may be modified, as necessary, at the conclusion of other legislative sessions to reflect actions taken by the legislature and the joint committee. The work plan shall include a description of each performance audit, and the cost of completing the audits on the work plan shall be limited to the funds appropriated to the joint committee. Approved performance audit work plans shall be transmitted to the entire legislature by July 1st following the conclusion of each regular session of an odd-numbered year and as soon as practical following other legislative sessions.

(2) Among the factors to be considered in preparing the work plans are:

(a) Whether a program newly created or significantly altered by the legislature warrants continued oversight because (i) the fiscal

impact of the program is significant, or (ii) the program represents a relatively high degree of risk in terms of reaching the stated goals and objectives for that program;

(b) Whether implementation of an existing program has failed to meet its goals and objectives by any significant degree;

(c) Whether a follow-up audit would help ensure that previously identified recommendations for improvements were being implemented; ((~~and~~))

(d) Whether legislative changes to the program require delaying the review until sufficient data is available;

(e) Whether an assignment for the joint committee to conduct a performance audit has been mandated in legislation; and

(f) Whether a planned review that is part of a mandated, recurring study would provide the legislature with new or additional information.

(3) The legislative auditor may consult with the chairs and staff of appropriate legislative committees, the state auditor, and the director of financial management in developing the performance audit work plan.

Passed by the House April 17, 2025.
Passed by the Senate April 5, 2025.
Approved by the Governor May 2, 2025.
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