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SECOND SUBSTITUTE SENATE BILL 5873

State of Washington 66th Legislature 2019 Regular Session

By Senate Ways & Means (originally sponsored by Senators Hawkins and Van De Wege)

READ FIRST TIME 03/01/19.

- 1 AN ACT Relating to establishing a community forests pilot
- 2 project; amending RCW 79.10.030; adding new sections to chapter
- 3 79A.25 RCW; and providing expiration dates.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 <u>NEW SECTION.</u> **Sec. 1.** (1) The legislature finds that:
- 6 (a) Rural lands and communities are important to Washington's
 7 economy, its people, and its environment, and rural-based economies
 8 enhance the economic desirability of the state, help to preserve
 9 traditional economic activities, and contribute to the state's
 10 overall quality of life.
 - (b) Rural communities of diverse types and sizes rely on the many benefits that forests provide, including forest-based economies, forest products, clean air and water, cultural traditions, recreation, climate resilience, wildlife habitat, and important opportunities for experiential learning and education.
- 16 (c) The beneficial relationships between local communities and 17 forests are at risk, including from changes in ownership, management, 18 or land use that have a detrimental impact on the economic condition, 19 public health, recreational activities, or cultural heritage of a 20 community.

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- (2) It is therefore the policy of the state to establish a pilot program to fund community forest projects to empower local communities to establish community forests by acquiring land and managing them as forestland for community benefits and demonstrate the feasibility of establishing an ongoing competitive grant program.
 - (3) This section expires June 30, 2025.

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- NEW SECTION. Sec. 2. The definitions in this section apply throughout sections 1 through 4 of this act unless the context clearly requires otherwise.
 - (1) "Acquisition" means the purchase on a willing seller basis of a fee simple or less than fee simple interest in real property. A less than fee simple interest in real property includes, but is not limited to, options, rights of first refusal, conservation easements, leases, timber rights, mineral rights, and water rights.
 - (2) "Board" means the recreation and conservation funding board.
 - (3) "Community forest management plan" means a tract-specific plan developed with community involvement that guides the management and use of a community forest and includes the following components:
- 19 (a) A description of all land tracts, including acreage and 20 county location, tax assessment, land use, forest type, and 21 vegetation cover;
- 22 (b) Objectives for the community forest and strategies to 23 implement those objectives;
- 24 (c) A description of the long-term use and management of the 25 property;
- 26 (d) Community benefits to be achieved from the establishment of the community forest;
- 28 (e) The role of a community forest in meeting goals of local land 29 use plan, watershed plan, or habitat conservation plan;
- 30 (f) A description of planned timber harvests subject to the state 31 forest practices act according to chapter 76.09 RCW;
 - (g) A description of ongoing activities that promote community involvement in the development and implementation of the community forest management plan;
- 35 (h) Plans for the utilization or demolition of existing 36 structures and proposed needs for further improvements;
- 37 (i) A description of public access and the rationale for any 38 limitations on public access, such as protection of cultural or 39 natural resources or public health and safety concerns;

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(j) Maps of sufficient scale to show the location of the property in relation to roads, communities, and other improvements as well as nearby parks, refuges, or other protected lands and any additional maps required to display planned management activities; and

- (k) A proposed operations plan that shows that the community forest project is at least capable of generating revenue at levels that are, in the long-term and taking into consideration philanthropic donations and endowments, capable of reimbursing management costs.
- (4) "Confer" means a dialogue between sponsors and local county and city officials with the purpose of early review of potential projects. The dialogue may include any matter relevant to a particular project, which may include but need not be limited to: Project purpose and scope; project elements; estimated project cost; costs and benefits to the community; plans for project management and maintenance; and public access.
- (5) "Local agencies" includes a city, county, town, special purpose district, port district, or other political subdivision of the state providing services to less than the entire state.
- (6) "Qualified nonprofit organization" means a nonprofit nature conservancy corporation or association as defined in RCW 84.34.250.
- (7) "Sponsor" includes state agencies, local agencies, tribes, and qualified nonprofit organizations that are permitted to apply for funds for the acquisition and development of community forests under this pilot program.
- (8) "State agencies" includes the state parks and recreation commission, the department of natural resources, the department of enterprise services, the state conservation commission, and the department of fish and wildlife.
- 30 (9) "Tribes" means any Indian tribe whose traditional lands and 31 territories included parts of the state.
- 32 (10) This section expires June 30, 2025.
- NEW SECTION. Sec. 3. (1) The board shall, subject to the availability of amounts appropriated for this specific purpose, establish a pilot community forest program that includes the highest scoring projects from the prioritized list of nonstate owned community forest projects developed pursuant to section 3063, chapter 298, Laws of 2018.

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(2) State agencies, local agencies, tribes, and qualified nonprofit organizations may apply for funds for the acquisition, development, and restoration activities of community forest projects.

- (3) All applicants shall confer with the county or city with jurisdiction over the project area prior to applying for funds for the acquisition of property under this chapter. To the extent possible, projects awarded funding should be consistent with local land use plans or a regional, statewide, or federal recreational or integrated resource enhancement plan.
- (4) To the extent deemed necessary by the board, additional nonstate owned community forest may be included in this pilot program in subsequent biennia for acquisition funding or reporting purposes useful for informing the creation of a competitive grant program. The board shall develop procedures for the inclusion of additional projects in this pilot program.
- (5) All land acquired by a sponsor under this pilot program must be by a voluntary transaction. Eligible applicants must engage in a fair and transparent consultation with the existing landowner in land acquisition negotiations, including a landowner acknowledgment of a state funding request to support acquisition goals to be considered in the application process.
- 22 (6) At a minimum, a sponsor must provide at least fifteen percent 23 matching funds.
 - (7) The projects supported under the community forest pilot program must be managed consistent with the following community forest principles:
 - (a) A community forest is owned and managed by or on behalf of a local community;
 - (b) The governance structure of a community forest ensures collaboration and community participation in, and responsibility for, management decisions and the allocation of revenue generated from the forest;
 - (c) The community has secure and reliable access to the values and benefits of the forest;
- 35 (d) The forest is managed in accordance with a community forest 36 management plan; and
- 37 (e) The conservation values of the forest ecosystem are protected 38 and incorporated into a community forest management plan.
- 39 (8) The types of benefits that may accrue to a community from a 40 community forest include, but are not limited to, the following:

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Economic benefits from timber and nontimber jobs; clean air and water; forest-based experiential learning; stewardship support to other small forest landowners; wildlife habitat; and recreation and culturally important activities.

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- (9) It is presumed that community forests serve the public interest if they have been established through an inclusive, collaborative process, and are managed in accordance with the community forest principles and other requirements of this pilot program. For any project awarded funding under this pilot program, a deed of right must convey to the people of the state of Washington the rights to preserve, protect, and use the property for public purposes consistent with this pilot program. Any action or inaction inconsistent with this deed of right must be treated as a conversion subject to the rules and procedures developed by the board pursuant to subsection (10) of this section.
- (10) Property or property interests acquired under this pilot may not, without prior approval of the board, be converted to a use other than that for which funds were originally approved, including selling or subdividing property. The board shall adopt procedures governing the approval of such a conversion. If the land is not, or ceases to be, used for a community forest, the land shall be conveyed to the state under RCW 79.10.030.
- 23 (11) Any revenue produced from property funded by this pilot 24 program must be retained and reinvested locally and allocated as 25 follows:
- 26 (a) In support of the property management objectives identified 27 in the community forest management plan;
 - (b) In support of other activities that generate or reinforce one or more of the community benefits identified in this section; and
- 30 (c) In furtherance of other activities having a direct benefit to local communities and the general public.
 - (12) This section expires June 30, 2025.
- NEW SECTION. Sec. 4. (1) The board must, consistent with RCW 43.01.036, submit a biannual report to the legislature for the duration of the pilot program. The first report is due October 31, 2020. The reports must summarize the outcomes of the community forest pilot program created under this chapter.
 - (2) The report required under this section must at least include:

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- (a) A breakdown of the number of the total acreage, types of grantees, and preacquisition status, additional fund-raising support and use of land purchased under this pilot program;
- (b) Total or expected revenue derived from each community forest, total timber harvest excise taxes paid by each community forest, and nontimber revenues and general use of revenues;
- (c) Other economic and public benefits considerations, the retention forests, forest health treatments, access to recreation space, jobs supported, enterprise development, and other community wealth building activities that result from community forest activities; and
- 12 (d) Recommendations for developing an ongoing competitive 13 community forest grant program.
 - (3) This section expires June 30, 2025.

- **Sec. 5.** RCW 79.10.030 and 2003 c 334 s 398 are each amended to 16 read as follows:
 - (1) Except as provided in subsection (2) of this section, the department shall manage and control all lands acquired by the state by escheat or under RCW 79.19.010 through 79.19.110, or received under section 3 of this act, and all lands acquired by the state by deed of sale or gift or by devise, except such lands which are conveyed or devised to the state to be used for a particular purpose.
 - (2) When land is acquired by the state by escheat which because of its location or features may be suitable for park purposes, the department shall notify the state parks and recreation commission. The department and the commission shall jointly evaluate the land for its suitability for park purposes, based upon the features of the land and the need for park facilities in the vicinity. Where the department and commission determine that such land is suitable for park purposes, it shall be offered for transfer to the commission, or, in the event that the commission declines to accept the land, to the local jurisdiction providing park facilities in that area. When so offered, the payment required by the recipient agency shall not exceed the costs incurred by the department in managing and protecting the land since receipt by the state.
 - (3) The department may review lands acquired by escheat since January 1, 1983, for their suitability for park purposes, and apply the evaluation and transfer procedures authorized by subsection (2) of this section.

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- NEW SECTION. Sec. 6. Sections 1 through 4 of this act are each added to chapter 79A.25 RCW.
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