Attachment A

Forestry Riparian Easement Program (FREP)
Public Meeting Notes

February 8, 2012
4:00-6:00 pm
Natural Resource Building, Room 172
1111 Washington St
Olympia, WA

The meeting began at 4:00 pm with an opening welcome by Bridget Moran, Chair of the Forest Practices Board. Bridget stated the focus of the meeting was to initiate a conversation with relevant stakeholders on potential permanent funding sources for the Forestry Riparian Easement Program (FREP). This process is required under ESHB 1509 and will result in a report to the legislature by May 31, 2012.

Dan Pomerenk gave a presentation about the history and current status of the FREP Program. Click here to view the presentation.

Craig Partridge, meeting facilitator, led the group in a public discussion and brainstorming session to collect ideas on potential permanent funding sources for FREP.

The ideas presented during the meeting are grouped in categories below, many similar ideas were voiced.

1. Renewed request to the legislature to more-fully fund FREP using General Fund-State, as these are extra benefits to the general public being provided by small forest landowners

2. Redirect existing funds

    a) Redirect Forest & Fish Support Account (FFSA)
    b) Use a portion of Forest Excise Tax revenues
    c) Redirect a portion of the budgets of DNR, DFW, and Ecology
    d) Redirect Federal ESA Section 6 funds
    e) Use penalty payments for Forest Practices permit violations
    f) Use Forest Practices Class IV General application fee revenue

g) Use Local Conservation Futures funding
h) Redirect some portion of Federal Clean Water Act funding available to the state
i) Redirect environmental mitigation funding from large construction projects, per currently proposed legislation

3. Create a new tax or fee

a) Add a fee to Transfer of Development Rights transactions (Real Estate Excise Tax surcharge?)
b) Increase the Forest Excise Tax
c) Create a new state tax, recognizing the environmental benefits to the general public that are being provided by small forest landowners (SFL)
d) Add a fee to commercial and/or recreational fishing licenses
e) Add a fee to permits for developments that create impervious surfaces in floodplains
f) Add a new Lottery game
g) Increase the Forest Practices application fee
h) Add a voluntary contribution to FREP by adding a checkbox on Vehicle and/or Driver License applications

4. Offer tax exemptions

a) Federal income tax exemption for value of forestry riparian easement (FRE)
b) Forest Excise Tax exemption for value of FRE

5. Seek federal funding through Farm Bill programs administered by Natural Resource Conservation Service and/or other federal agencies.

6. Voluntary donations

7. Reduce regulatory requirements and therefore the need for funding FREP, with the understanding that funding was part of the F&F "deal" for small forest landowners.

The following general comments were stated during the FREP Public Meeting about the SFL program, not potential future funding opportunities for FREP:

- Reduce the need for FREP by reducing the riparian buffer size requirement, offering the low impact template, and/or expanding the 20 acre exempt rule to apply to all SFL harvests

- Need to get a good idea of how large the small forest landowner community is and how many acres owned by small forest landowners are impacted by RMZ rules before we can see how big of a funding issue this really is

- The three state agencies (DOE, WDFW, DNR) need to create a common messaging to gain the social license that growing trees is cool – designing a marketing scheme

- All eligible FRE applications on the waiting list should accrue interest added to the upfront determined value of the FRE

- Shelf the FREP program until funding is available.

Next steps:

DNR will identify a select group of stakeholders to convene and address these potential options for FREP funding.

Craig stated the DNR will continue to take comments on potential permanent funding mechanisms.

Please send additional comments to:

sflo@dnr.wa.gov **or** **DNR Forest Practices**
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