

S.B. NO. 1126

JAN 28 2015

A BILL FOR AN ACT

RELATING TO FOREST STEWARDSHIP.

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

1 SECTION 1. Section 195F-1, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "[~~F~~]**\$195F-1**[~~F~~] **Findings and purpose.** The legislature
4 finds that:

5 (1) Much of the forest land in Hawaii is privately
6 owned[~~F~~] and managed;

7 (2) The capacity to protect important watersheds and
8 native Hawaiian plants and animals and to produce
9 renewable forest resources is significantly dependent
10 on these privately [~~owned~~] managed forest and formerly
11 forested lands;

12 (3) The factors essential to the quality of life in
13 Hawaii, including our water and air quality, mild
14 climate, and habitat available for plants and animals
15 unique to these islands, can be maintained and
16 improved through good stewardship of [~~private~~]
17 privately managed forest lands;

S.B. NO. 1126

1 (4) To accomplish these purposes, the present system of
2 state and federal financial and technical assistance
3 programs needs to be expanded to promote the long-term
4 management of additional privately [~~owned~~] managed
5 forest and formerly forested lands throughout the
6 State; and

7 (5) A forest stewardship program should be established to
8 supplement the natural area reserves system's programs
9 under chapter 195 by encouraging [~~private~~] landowners
10 of privately [~~owned~~] managed forest and formerly
11 forested lands that cannot qualify as potential
12 natural area reserves to make long-term commitments to
13 protect, maintain, and restore important watersheds,
14 timber resources, fish and wildlife habitats, isolated
15 populations of rare and endangered plants, native
16 vegetation, and other lands that provide significant
17 public benefits.

18 The purpose of this chapter is to establish a program to
19 financially assist landowners in managing, protecting, and
20 restoring important natural resources in Hawaii's forested and
21 formerly forested lands."

S.B. NO. 1126

1 SECTION 2. Section 195F-2, Hawaii Revised Statutes, is
2 amended by adding a new definition to be appropriately inserted
3 and to read as follows:

4 "Program implementation agreement" means a written forest
5 stewardship management contract between the board and program
6 applicant."

7 SECTION 3. Section 195F-3, Hawaii Revised Statutes, is
8 amended by amending subsection (a) to read as follows:

9 "(a) There is established a forest stewardship program to
10 be administered by the board to assist [~~private landowners in~~
11 ~~managing, protecting, and restoring~~] landowners of privately
12 managed forest to manage, protect, and restore important
13 watersheds, native vegetation, timber and other forest product
14 resources, fish and wildlife habitats, isolated populations of
15 rare and endangered plants, and other lands that are not
16 recognized as potential natural area reserves."

17 SECTION 4. Section 195F-5, Hawaii Revised Statutes, is
18 amended by amending subsections (a) and (b) to read as follows:

19 "(a) To participate in the forest stewardship program, the
20 applicant landowner shall prepare and submit [~~to the board~~] a
21 forest stewardship management plan that shall:

S.B. NO. 1126

1 (1) Identify and describe activities to be undertaken by
2 the landowner to protect soil, water, aesthetic
3 quality, recreation, timber, water, fish, wildlife,
4 and native plant resources on the land in a manner
5 that is compatible with the objectives of the program,
6 is consistent with this chapter, and qualifies under
7 the board's list of approved activities;

8 (2) Be signed by all parties having an interest in or
9 holding any encumbrance upon the property, and shall
10 state that the parties agree to comply with the plan
11 upon its approval; and

12 (3) Be approved by the board and available for public
13 review.

14 (b) The board and other cooperating natural resource
15 management agencies shall develop a list of approved management
16 activities and practices that shall be eligible for cost-share
17 assistance under the program in the following areas:

18 (1) Enhanced management and maintenance of vegetation on
19 vital watershed lands;

20 (2) Sustainable growth and management of forests for
21 timber and other forest products on lands [~~from which~~

1 ~~all or most of the native vegetation had been removed~~
2 ~~prior to January 1, 1991];~~

3 (3) Protection, restoration, and enhancement of native
4 plants and animals;

5 (4) Management, maintenance, and restoration of forests
6 for shelterbelts, windbreaks, aesthetic quality, and
7 other conservation purposes [~~on lands from which all~~
8 ~~or most of the native vegetation had been removed~~
9 ~~prior to January 1, 1991];~~

10 (5) Agroforestry management on lands [~~from which all or~~
11 ~~most of the native vegetation had been removed prior~~
12 ~~to January 1, 1991];~~

13 (6) Management and maintenance of native fish and wildlife
14 habitats;

15 (7) Management of outdoor recreational opportunities; and

16 (8) Other activities approved by the board, which are
17 consistent with this chapter."

18 SECTION 5. Section 195F-6, Hawaii Revised Statutes, is
19 amended as follows:

20 (1) By amending subsection (a) to read as follows:

21 "(a) Payments from the forest stewardship fund shall not
22 exceed [~~fifty~~];

S.B. NO. 1126

1 (1) Seventy-five per cent of the total cost of the
2 landowner in developing [~~and implementing~~] an approved
3 management plan~~[-]~~; and

4 (2) Fifty per cent of the total cost of the landowner in
5 implementing an approved management plan.

6 Total payments to any one landowner shall be determined by the
7 board, and the reasonable value of material, goods, and services
8 contributed toward the management plan by the landowner shall be
9 included in determining the amount of the landowner's cost. The
10 landowner shall be required to spend private funds before
11 reimbursements are made. In-kind services such as heavy
12 equipment and existing sources of labor may be utilized as a
13 portion of the landowner's contribution in implementing the
14 management plan that is consistent with this chapter."

15 (2) By amending subsections (c), (d), and (e) to read as
16 follows:

17 "(c) To receive funds under the forest stewardship
18 program, an applicant shall:

19 (1) Be a landowner of [~~private~~] privately managed forest
20 that is not managed under existing federal, state, or
21 private sector financial and technical assistance
22 programs and that is not recognized as a potential

S.B. NO. 1126

1 natural area reserve. [~~Private forest lands managed~~
2 Privately managed forest under existing federal,
3 state, or private sector financial and technical
4 assistance programs may be eligible for assistance
5 under this program if the landowner agrees to comply
6 with the requirements of the program or if forest
7 management activities are expanded or enhanced to meet
8 the requirements of this chapter;

9 (2) Prepare and submit a forest stewardship management
10 plan as set forth in section 195F-5; and

11 (3) Enter into [~~an~~] a program implementation agreement
12 with the board [~~to do the following:~~], upon approval
13 of the forest stewardship management plan by the
14 board. Upon approval of the program implementation
15 agreement by the board, the applicant shall:

16 (A) Undertake and maintain the approved activities
17 under the management plan for not fewer than ten
18 years, unless the board approves modifications in
19 the plan;

20 (B) Complete all approved activities under the
21 management plan within the timetable agreed upon

S.B. NO. 1126

1 by the board and the landowner consistent with
2 the intent of this chapter;

3 (C) Submit an annual progress report to be reviewed
4 by the board for each year in which the landowner
5 receives support under the program. This report
6 shall detail accomplishments, areas requiring
7 technical advice, and any proposed modifications
8 of the management plan; and

9 (D) Other conditions deemed necessary by the board to
10 implement the purposes of this chapter.

11 (d) The board shall review the annual progress report and
12 shall determine whether the landowner has met the objectives of
13 the management plan. To facilitate the review, the department
14 shall have the right to make inspections of the forest land
15 after prior landowner notification. The board may approve
16 alteration of the management plan to adapt to current
17 conditions. Amendments to the management plan shall be
18 available for public review.

19 (e) The board shall submit annually a detailed report to
20 the governor and legislature that shall:

21 (1) Identify management objectives that have been
22 completed on [~~private lands~~] privately managed forest

S.B. NO. 1126

Report Title:

Forest Stewardship Program

Description:

Clarifies conditions that must be met by applicants to receive funds under the Forest Stewardship Program.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

JUSTIFICATION SHEET

DEPARTMENT: Land and Natural Resources

TITLE: A BILL FOR AN ACT RELATING TO FOREST STEWARDSHIP.

PURPOSE: To clarify conditions that must be met by applicants to receive funds under the Forest Stewardship Program.

MEANS: Amend sections 195F-1, 195F-2, 195F-3(a), 195F-5(a) and (b), and 195F-6(a) and (c)-(e), Hawaii Revised Statutes.

JUSTIFICATION: The Forest Stewardship Program (Program) provides technical and financial assistance to private landowners or long-term leaseholders of forests in managing, protecting, and restoring important natural resources in Hawaii's forested and formerly forested lands. Over one-half of Hawaii's forested areas are privately managed. The Program enables participants to responsibly manage important forest resources that provide vital public and private socioeconomic and environmental benefits.

With the withdrawal of much of Hawaii's agricultural industries, including sugar and pineapple, the Program encourages the restoration, forest production, and conservation of degraded agricultural areas with native forest systems. The Program also serves to stimulate investment in forestry as an economically viable land-use alternative that supplies Hawaii's rural communities with a source of revenue, provides locally grown products and energy to reduce Hawaii's dependence on imported goods, and contributes environmental benefits, such as clean water and habitat for Hawaii's native wildlife.

The Program allows landowners to access natural resource experts to help program

participants responsibly and sustainably manage forest resources. This knowledge transfer improves the management of privately managed forest lands, which benefits the public by increasing freshwater resources, providing habitat for native wildlife, reducing soil erosion and sedimentation on to coral reefs, identifying and controlling invasive species, and creating smart sustainable communities.

Specifically, the bill seeks to accomplish the following:

- (1) Increase the reimbursement rate to help program participants cover the cost of developing an approved forest stewardship management plan;
- (2) Clarify that program applicants must enter into a program implementation agreement with the Board of Land and Natural Resources upon approval of the forest stewardship management plan to receive program funding;
- (3) Clarify that long-term leaseholders are eligible to participate in the Program; and
- (4) Add a definition of "program implementation agreement" for clarity.

Impact on the public: This bill proposes to allow landowners, including long-term leaseholders, participating in the Program to be eligible for reimbursement at an increased rate to help cover the total cost of developing an approved forest stewardship management plan. Many of the landowners who enroll in the Program would not have been able to pursue sustainable management of forest resources without the financial assistance made available through the Program. The forest stewardship management plans benefit the public by restoring native species, controlling invasive species, protecting forest watersheds, and increasing green jobs and education, while sustaining resources for future generations.

Impact on the department and other agencies:
This bill proposes to allow the Department to provide increased financial assistance to participants in the Program for the development of a management plan. By clarifying conditions that must be met by applicants to receive funds under the Program, this bill will also allow the Department to work with complimentary programs through the United States Department of Agriculture that may provide cost-share support for the implementation of approved forest stewardship management plans, while relieving some of the larger financial burden on the Department for supporting the total cost of a program implementation agreement. Supporting the public-private partnerships established by the Program is essential to the present and future health of forest resources.

GENERAL FUND: None.
OTHER FUNDS: None.
PPBS PROGRAM
DESIGNATION: LNR 172.
OTHER AFFECTED
AGENCIES: None.
EFFECTIVE DATE: Upon approval.