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GOVERNOR OF HAWAII



**STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES**

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**Testimony of
CARTY S. CHANG
Interim Chairperson**

**Before the House Committee on
WATER & LAND**

**Friday, February 6, 2015
9:00 AM
State Capitol, Conference Room 325**

**In consideration of
HOUSE BILL 957
RELATING TO FOREST STEWARDSHIP**

House Bill 957 proposes to amend Chapter 195F, Hawaii Revised Statutes (HRS), by allowing landowners, including long-term leaseholders, interested in participating in the Forest Stewardship Program to be eligible for an increased cost-share reimbursement rate for an approved forest stewardship management plan, as well as improving efficiencies in program implementation and increasing available eligible lands. **The Department of Land and Natural Resources (Department) strongly supports this Administration measure.**

Specifically, House Bill 957 seeks to clarify conditions that must be met by applicants to receive funds under the Forest Stewardship Program, as well as increases the reimbursement rate for the development of forest management plans from 50% to 75%. The proposed amendment improves efficiencies by allowing the Department to: (1) enter into cost-share agreements for the development of management plans separately than long-term program implementation agreements, and (2) comply with the requirements of the State Procurement Code, Chapter 103D, HRS. The Department notes that payments to Forest Stewardship Program participants are made from the Forest Stewardship Special Fund established pursuant to Section 195F-4, HRS.

Currently under Chapter 195F, HRS, the Department through the Board of Land and Natural Resources (BLNR) may enter into long-term cost-share agreements once a forest management plan has been approved. As the development of the management plan is an allowed cost-share practice per the Forest Stewardship Program Chapter 13-109, Hawaii Administrative Rules (HAR), the agreement contracting following the completion, review, and approval of the management plan causes some challenges with following the State Procurement Code, as well as

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generates unease from participants on the available cost-share amount for the completion of this allowed practice. Additionally, the Department's new relationship with the U.S. Department of Agriculture (USDA) allows for cost-share assistance for the implementation of approved Forest Stewardship management plans. Thus landowners now have the opportunity to enroll their approved forest stewardship management plan in the USDA Farm Bill programs and may not enter into a long-term program implementation agreement with the Department.

All Forest Stewardship management plans follow a BLNR approved template and are reviewed, per Chapter 13-109, HAR, at least twice by the Department's Forest Stewardship Advisory Committee that is a compliant state Sunshine Law committee under Chapter 92, HRS, before they are submitted for approval by the BLNR. The total cost for development of Forest Stewardship management plans is between \$3,000 to \$10,000 depending on the size and complexity of the land management project.

The proposed amendment to Chapter 195F, HRS, also removes language that restricts the types of lands that the Department can work with under the program. The statute currently does not allow the Department to provide assistance for the sustainable management of forest product resources, including for agroforestry, unless the land was cleared of native vegetation prior to January 1, 1991. Interest from private landowners in sustainable management of forest resources is increasing, including on agricultural lands that may contain native forest resources. This portion of the amendment is particularly relevant to pasturelands in the state agricultural district that may have never been cleared and still contain a remnant native forest. The technical assistance provided by the program can improve the sustainable management of these lands, recover the overall forest condition and health, and encourage landowners to manage their native forests instead of clearing them.

The Department notes that all land within the conservation district is governed by the conservation district statutes (Chapter 183C, HRS) and rules (Chapter 13-5, HAR) that restricts the type and extent of forest production. Further, Chapter 13-109, HAR, provides for specific management requirements and maintenance of any forest resources managed for production purposes in conjunction with a Forest Stewardship program implementation agreement for a minimum of thirty years.

With over one-half of Hawaii's forested areas being privately owned or managed, the Department recognizes that public-private partnerships are essential to the present and future health of forests throughout the State. The program affords many of Hawaii's private forest owners access to resource experts, as well as provides a plan to improved and sustainable management of the natural resources they steward. The Forest Stewardship Program enables participants to responsibly manage important forest resources that provide vital public and private social, economic, and environmental benefits.

Testimony of The Nature Conservancy of Hawai'i
Supporting H.B. 957 Relating to Forest Stewardship
House Committee on Water and Land
Friday, February 6, 2015, 9:00AM, Room 325

The Nature Conservancy of Hawai'i is a private non-profit conservation organization dedicated to the preservation of the lands and waters upon which life in these islands depends. The Conservancy has helped to protect nearly 200,000 acres of natural lands in Hawai'i. Today, we actively manage more than 35,000 acres in 11 nature preserves on Maui, Hawai'i, Moloka'i, Lāna'i, and Kaua'i. We also work closely with government agencies, private parties and communities on cooperative land and marine management projects.

The Nature Conservancy supports H.B. 957. The DLNR's Forest Stewardship Program is one of several effective tools used by the department to partner with private land owners and managers to care for the state's forest resources. We support the DLNR's proposal in this bill to provide additional funding to Forest Stewardship Program participants to develop management plans and to clarify that the program is open to holders of long-term leases.

Healthy Hawaiian forests that are not overrun by invasive species act like a sponge, collecting rain and moisture, slowly delivering fresh water into streams and aquifers, absorbing greenhouse gases, and reducing runoff and siltation into near shore waters. Hawai'i is already exhibiting all the telltale signs of climate change. UH's 2011 Rainfall Atlas catalogues a century of declining rainfall that is worse in recent decades. September 2014 was the second-hottest in Hawai'i since the 1940s. Three hurricanes took aim at Hawai'i last summer and Iselle, though downgraded to a tropical storm, hit Hawai'i island hard. Fallen albizia trees left Puna a quagmire of damaged houses, blocked roads and downed power lines. At the same time, native 'ōhi'a and koa forests in the area were virtually undamaged. These same native forests are also showing that they are better at capturing rain water and recharging aquifers than invasive species. Clearly, protecting and enhancing the health and function of Hawai'i's forests from the threats of invasive species and severe weather is one of the most important and effective things we can do mitigate some of these impacts and ensure a stable environment.

Thank you for this opportunity to offer our support for this bill.

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