

ACT 144

H.B. NO. 424

A Bill for an Act Relating to Forest Reserves.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. The legislature finds that a sustainable forest products industry can help revitalize rural economies and expand local business activities after the downsizing of Hawaii's sugar industry. This can be done without compromise, and in fact, enhance the watershed and native resource values of Hawaii's public forest reserves.

Responsible management and utilization of public forest resources are integral components of a sustainable forest products industry. The forest reserve system was set up to be as self-sustaining as possible, but public land managers have been using revenue from timber and other forest products to fund essential forest management work. Existing budgets allow for only sixty acres per year to be harvested and reforested sustainably. Thus, the commercial management of public forests makes little contribution to the recovery and growth of Hawaii's economy. Reforestation and other essential forest management projects must be funded if sustainable commercial harvesting operations are to contribute significantly to the management of the forest reserve system and to the economy.

The legislature further finds that a portion of the value derived from the use of existing forest resources should be reinvested in order to reforest and manage harvested areas and to more effectively manage other forest resources within the forest reserve system. Revenues derived from the harvest of plantation and naturalized non-native forest resources can support the reforestation and management of harvested areas, and also contribute to the enhanced management of native forest resources and critical watersheds. Furthermore, harvesting operations will create jobs and demand for value-added processing facilities. This can all be accomplished without negatively impacting existing general funds or existing native forest resources.

The purpose of this Act is to:

- (1) Provide for the reforestation and maintenance of timber management areas;
- (2) Enhance the management of public forest reserves in order to improve Hawaii's natural environment and economy; and
- (3) Develop environmental education and training programs for the public.

The purposes set forth are intended to be funded through the reinvestment of income derived from the harvesting of forest products from forest reserves and the sale of tree seedlings from state nurseries.

SECTION 2. Section 183-16, Hawaii Revised Statutes, is amended to read as follows:

**“§183-16 Income from forest [reserve.] reserves. (a) Any moneys accrued from:**

- (1) The harvest of non-native forest products from forest reserves;
- (2) The harvest of native forest products from degraded forests as defined in section 186-5.5, within forest reserves;

- (3) The sale of forest products found dead and lying on the ground; or  
 (4) The sale of tree seedlings from state nurseries;  
shall be deposited into the forest stewardship fund.  
 [In case any] (b) Any other moneys [accrue] accrued from any forest  
reserve[, or the products thereof], or the sale of tree seedlings from state nurseries,  
the moneys] shall be deposited [with the state director of finance to the credit of] into  
the general fund."

SECTION 3. Section 195F-3, Hawaii Revised Statutes, is amended to read as follows:

- "[§195F-3] Establishment of the forest stewardship program.** (a) There is established a forest stewardship program to be administered by the board to assist private landowners in managing, protecting, and restoring important watersheds, native vegetation, timber resources, fish and wildlife habitats, isolated populations of rare and endangered plants, and other lands that are not recognized as potential natural area reserves.  
 (b) The program shall reimburse landowners for a portion of the landowners' total costs in developing and implementing approved forest stewardship management plans[, as set forth in] pursuant to this chapter.  
 (c) The program shall assist in the forest stewardship of public lands and in developing education and training programs for sustainable forestry pursuant to section 195F-4(a)(2)."

SECTION 4. Section 195F-4, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

- "(a) There is established a special fund within the state treasury known as the forest stewardship fund [from which payments] which shall be used as follows:  
 (1) Payments shall be made by the board pursuant to agreements entered into with qualified landowners to further the purposes of this chapter[.]; and  
 (2) Moneys collected from the harvest of non-native forest products from forest reserves, from the harvest of native forest products from degraded forests as defined in section 186-5.5, within forest reserves, from forest products found dead and lying on the ground, or from the sale of tree seedlings from the state nurseries, shall be used for the following activities:  
     (A) Replanting, managing, and maintaining designated timber management areas;  
     (B) Enhancing the management of public forest reserves with an emphasis on restoring degraded koa forests; and  
     (C) Developing environmental education and training programs pertaining to sustainable forestry;  
provided that funding for the purposes described in subparagraphs (B) and (C) may not occur unless the activities described in approved management plans pertaining to subparagraph (A) are adequately funded."

SECTION 5. Section 195F-6, Hawaii Revised Statutes, is amended by amending subsection (e) to read as follows:

- "(e) The board shall submit annually a detailed report to the governor and legislature [setting forth] that shall:  
 (1) Identify management objectives that have been completed[, on private lands resulting from payments made pursuant to section 195F-4(a)(1)]

and provide an analysis of problems and issues encountered in meeting or failing to meet objectives as set forth in the management plans[, the financial condition of the fund, and management objectives for the next year.];

- (2) Identify all reforestation, forest management, education, and training objectives that have been completed as a result of any expenditures made pursuant to section 195F-4(a)(2);
- (3) Describe the financial condition of the fund, including receipts and expenditures from the previous fiscal year; and
- (4) Set forth plans and management objectives for the next fiscal year.’’

SECTION 6. Statutory material to be repealed is bracketed. New statutory material is underscored.

SECTION 7. This Act shall take effect on July 1, 1999.

(Approved June 28, 1999.)