

Summary of Proposed Changes to Rules for Establishing Forest Stewardship



About the proposed changes

The Division of Forestry & Wildlife is proposing changes to the Rules for Establishing Forest Stewardship, section 13-109 of the Hawai'i Administrative Rules. These rules describe how our <u>Forest Stewardship</u> <u>Program</u> operates. The primary goals of these proposed changes are to:

- Allow long-term leaseholders to participate in the program
- Allow for an increase in the state cost-share support from 50% to 75% for the development of management plans
- Allow non-timber forest products to qualify for the program
- Allow for greater flexibility for applicants to match state cost-share support with non-state financial assistance programs (e.g., federal, county, and/or private programs).

The summary below describes the meaningful changes proposed for each section of the rules chapter. Other changes that aren't considered as meaningful (like edits for style, consistency, or clarity) aren't summarized here. You can find the full draft of proposed rule changes on our website at <u>dlnr.hawaii.gov/forestry/lap/fsp/2024rules</u>.

Changes to section 13-109-2: Definitions

- This section is clarified by adding several new definitions, including definitions for the terms "landowner," "management dedication term," "program proposal," and "native vegetation."
- This section is clarified by changing some existing definitions. For example, the definition of "forest stewardship advisory committee" is changed by adding Native Hawaiian interests to the committee and referring to federal laws governing State Forest Stewardship Coordinating Committees. Changes were also made to the definitions of "agreement," "applicant," and "potential natural area reserve."
- The definition for Natural Area Partnership Program is removed because it is not relevant to these administrative rules.

Changes to section 13-109-3: Establishment and duties of the Forest Stewardship Advisory Committee (FSAC)

- Previously, only the chair of the Board of Land and Natural Resources could appoint members to the FSAC. Under the new rules, the chair could appoint or authorize a representative to make those appointments.
- The duties of the FSAC are clarified to include reviewing and recommending forest stewardship management plans, financial assistance, program practices, federal Forest Legacy Program proposals and other documents, and applications for FSAC membership.
- The length of an FSAC term is expanded from two years to three years.
- Previously there was no description of how many members sat on the FSAC, though it was noted that seven members would be required as a quorum to do business. The new rules propose that there are 13 FSAC members, of which seven need to be present for a quorum.

Changes to section 13-109-4: Applicant eligibility

- The section about eligibility requirements is simplified by referring to a "landowner", which is now defined at the start of this chapter.
- The use of "property" instead of "private forest" in this section clarifies that non-forested properties are eligible.
- Previously, applicants receiving other government funds were, in general, not eligible for financial assistance (though there were some exceptions made). Under the new rules, applicants receiving other non-state government funds may still be eligible for financial assistance as long as the total amount of assistance across programs does not exceed 90% of the management costs.

Changes to section 13-109-5: Applicant enrollment

- This section clarifies that applicants can receive financial assistance for the development of their plan once the plan is approved (e.g., they do not need to have an implementation agreement to receive payment) and that reimbursement limits are set by law (<u>HRS 195F-6(a)</u>) rather than in the administrative rules.
- This section is simplified by removing the language requiring plans to cover a minimum amount of time. Duration requirements are now specified in the language regarding agreements in section 13-109-8.
- Adds language stating that the administrator can recommend approval of financial assistance.



Changes to section 13-109-6: Establishment of approved forest stewardship practices

- Many of the proposed changes in this section remove lists of specific management practices under the various management categories described here. The removal of these lists makes this section more flexible and less restrictive. Under the new rules, the FSAC can recommend practices to the board, rather than having those practices defined in the administrative rules.
- The term "wood products" is changed to "forest products" to broaden this section to include nontimber forest products (e.g., food, fiber, and medicine).
- The proposed rules remove windbreak and hedgerow establishment as a category.
- The proposed rules add invasive species management as a new category.
- The proposed rules remove Christmas tree production as a non-eligible practice.

Changes to section 13-109-7: Forest stewardship management plan

- This section is simplified by removing a list of topics that should be included in a plan's executive summary (formerly called the "stewardship plan preface") and instead providing examples of useful information
- This section is clarified by adding language that requests the inclusion of new information in forest stewardship management plans, including descriptions of rainfall, the applicant's vision and goals, existing infrastructure, forest health threats, forest products, management objectives, and funds from other financial assistance programs.
- This section is simplified by removing a requirement that maps be provided at a specific scale.

Changes to section 13-109-8: Agreement and conditions

- This section is clarified by referring back to the definition of "agreement" in section 13-109-2.
- This section is simplified by changing "shall" to "may" with regard to certain implementation actions, which will provide greater flexibility in implementation.
- This section is clarified by adding language to require agreements related to timber production to have a management dedication term of at least 20 years, instead of the normal minimum of 10 years.
- This section is simplified by removing language that previously limited reimbursement amounts to 50% of the costs of developing and implementing plans. The new language refers to limits set by law in <u>Hawai'i Revised Statutes section 195F-6(a)</u>. Those limits are currently set at 75% of the costs of developing a plan and 50% of the cost of implementing a plan.
- Previously, applicants were not allowed to use other government program funds for the matching requirement. In the new rules, applicants can use other non-state government program funds, as long as the total amount of funds across programs does not exceed 90% of the management costs.



Changes to section 13-109-9: Reports

- The proposed changes in this section make inspections and payments more flexible by removing language requiring inspection upon submittal of reports and invoices and instead providing the division the right to inspect before making payments.
- This section is simplified by removing language tying the timing and amount of payments to the approval of reports.
- This section is clarified by making language regarding the authority to renegotiate terms of the agreement more specific: the entity with renegotiation authority is changed from "the division" to "the chairperson or chairperson's designee or the authorized representative".

Changes to section 13-109-10: Penalty payback provisions

- This section is clarified by referring specifically to the agreement rather than both the agreement and the management plan.
- The section is clarified by referring to the act of canceling an agreement rather than a default by the applicant.
- This section is simplified by removing a requirement about how interest payments are calculated.

Changes to section 13-109-11: Payback provision for commercial production of timber or other forest products

- This section is expanded to include forest products other than timber
- This section is simplified by removing a definition of commercial timber harvest that relied on the volume of timber per acre.





Forest Stewardship Program Division of Forestry & WIldlife, Hawai'i Department of Land & Natural Resources dlnr.hawaii.gov/forestry/lap/fsp/ <u>foreststewardship@hawaii.gov</u>