

FINAL ECONOMIC ANALYSIS
Forest Practices Rule Making
Defining “Conversion Activities”
July 2008

PURPOSE

The Forest Practices Board is considering permanent rule making that will add a definition of “conversion activities” to chapter 222-16 WAC. The objectives of this economic analysis are to determine whether the benefits of the proposed rules exceed the costs and to determine whether the proposed rule will impose more than minor costs on businesses in an industry.

Prior to rule adoption, the Administrative Procedure Act (chapter RCW 34.05)¹ requires completion of a cost-benefit analysis to determine whether the probable benefits of the proposal exceed its probable costs. The Regulatory Fairness Act (chapter RCW 19.85)² requires agencies to complete a small business economic impact statement if a proposed rule is expected to impose more than minor costs on businesses in an industry. The purpose of this analysis is to make those determinations.

CONTEXT

The Washington State Legislature amended chapter 76.09 RCW in 2007 to modify notice procedures relating to the conversion of forest land to non-forestry uses. See 2SSB 5883.³ Under the amendment, when a landowner harvests without an approved application or notification or does not state that any land covered by an application or notification will be or is intended to be converted and DNR or local government becomes aware of conversion activities to a use other than commercial timber operations, DNR is required to notify the Department of Ecology and local government. Upon receiving such notice, local government must enforce a six year development prohibition on land that is subject to the notice. RCW 76.09.020 defines “conversion to a use other than commercial timber operation” as a bona fide conversion to an active use which is incompatible with timber growing and as may be defined by forest practices rules. The statute does not define “conversion activities.” Consequently, the Forest Practices Board is considering adding a definition for “conversion activities” to the forest practices rules.

PROPOSED RULE

The proposed rule provides a definition of “conversion activities” as follows:

“Conversion activities” means activities associated with conversions of forest land to land uses other than commercial timber operation. These activities may be occurring during or after timber harvest on forest land. They may include but are not limited to the following:

- (1) Preparation for, or installation of, utilities on the forest practices activity site. The development or maintenance of existing rights of way providing utilities exclusively for

¹ For CBA requirements, see [Chapter 34.05.328 RCW - The Washington State Legislature](#).

² For SBEIS requirements, see [Chapter 19.85.040 RCW - The Washington State Legislature](#).

³ Available at <http://apps.leg.wa.gov/RCW/default.aspx?cite+76.09.020>

other ownerships shall not be considered conversions of forest land (see WAC 222-20-010(5));

- (2) Any of, or any combination of, the following activities in preparation for non-forestry use of the land: Grading, filling, or stump removal;
- (3) Preparation for, or construction of, any structure requiring local government approval;
- (4) Construction of, or improvement of, roads to a standard greater than needed to conduct forest practices activities;
- (5) Clearing for, or expansion of, rock pits for non-forest practices uses or developing surface mines.

ANALYSIS AND CONCLUSIONS

The legislation that prompted this rule proposal benefits forest landowners by eliminating the requirement to file a development moratorium form with a Forest Practices Application or Notification. It also directed DNR to notify local governmental entities if unauthorized conversion activities occurred during or after timber harvest on forest land.

The rule proposal, which is the subject of this analysis, clarifies for DNR field staff, landowners and operators the types of activities that may indicate a landowner is converting forest land to another use unlawfully. It does not change current practice. Eliminating confusion or ambiguity associated with identifying forest land conversion is the primary benefit of the rule proposal. The proposal does not impose any additional costs on the rule-complying community. Therefore, the agency has concluded that:

- There is no requirement to conduct a small business economic impact statement pursuant to chapter RCW 19.85;
- The probable benefits of the rule proposal are greater than the probable costs, taking into account both the qualitative and quantitative benefits and costs and the specific directives of the statute being implemented; and
- After considering alternative versions of the rule, the proposal is the least burdensome alternative for those required to comply with it, and will achieve the general goals and specific objectives of the rule proposal as stated in the “Context” section above.