26 NEW SECTION. **Sec. 12.** A new section is added to chapter 90.38 RCW 27 to read as follows:

28 (1) Subject to the availability of amounts appropriated for this

29 specific purpose, the department of natural resources is authorized to

30 purchase land to be held in the community forest trust under RCW

31 79.155.040 to serve the purposes of the community forest trust

32 including the protection of Yakima river basin functioning, without

33 complying with the requirements of RCW 79.155.030(1), 79.155.060, or

34 79.155.070, relating to the identification, prioritization, local

35 commitment, and financial contribution normally prerequisite to

36 nominating and acquiring community forest trust lands. The purchase

37 must be reviewed and approved by the board of natural resources. In

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1 its evaluation of this acquisition pursuant to RCW 79.155.040(3), the

2 board is relieved from considering the criteria for identifying and

3 prioritizing land set forth in RCW 79.155.050. Once purchased, the

4 land must be managed by the department of natural resources in

5 consultation with the department of fish and wildlife. Any investment

6 in the land purchase with funds belonging to the common school trust

7 constitutes a loan from the irreducible principal of the common school

8 trust and may only be made if first determined to be a prudent

9 investment by the board of natural resources. An annual interest

10 payment on the loan of nine percent must be paid, with six percent

11 deposited into the common school construction account and three percent

12 deposited into the real property replacement account. Interest begins

13 to accrue on the date the land purchase is completed and is due and

14 payable July 1st following the completion of the state fiscal year.

15 The principal of the loan must be repaid in accordance with the

16 provisions of subsection (3) of this section.

17 (2) The land purchased under this authority must be managed under

18 a transitional postacquisition management plan during the period

19 between the date of purchase and the water supply facility permit and

20 funding milestone or until June 30, 2025, whichever is sooner. The

21 plan must be consistent with RCW 79.155.080(1), provided that the lands

22 acquired as community forest trust lands are not required to generate

23 financial support for their management as would otherwise be required

24 by RCW 79.155.020(2), 79.155.030(2)(d), and 79.155.080(3), and provided

25 further that the authority granted to the department to divest of the

26 property under RCW 79.155.080(4) does not apply to these lands. The

27 department of natural resources must develop the transitional

 $28\ postac quisition$ management plan in consultation with the department of

29 fish and wildlife.

30 (a) The plan must ensure that the land is managed in a manner that

31 is consistent with the Yakima basin integrated plan principles for

32 forest land acquisitions, including the following:

33 (i) To protect and enhance the water supply and protect the

34 watershed;

35 (ii) To maintain working lands for forestry and grazing while

36 protecting key watershed functions and aquatic habitat;

37 (iii) To maintain and where possible expand recreational

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1 opportunities consistent with watershed protection, for activities such 2 as hiking, fishing, hunting, horseback riding, camping, birding, and 3 snowmobiling;

- 4 (iv) To conserve and restore vital habitat for fish, including
- 5 steelhead, spring chinook, and bull trout, and wildlife, including
- 6 deer, elk, large predators, and spotted owls; and
- 7 (v) To support a strong community partnership, in which the Yakama
- 8 Nation, residents, business owners, local governments, conservation
- 9 groups, and others provide advice about ongoing land management.
- 10 (b) The department of natural resources, in consultation with the
- 11 department of fish and wildlife, must establish the Teanaway community
- 12 forest advisory committee that includes representatives from the
- 13 department of ecology, the local community, land conservation
- 14 organizations, the Yakama Nation, the Kittitas county commission, and
- 15 local agricultural interests.
- 16 (c) By June 30, 2015, the department of natural resources must
- 17 complete the transitional postacquisition management plan with a public
- 18 process that involves interested stakeholders, particularly residents
- 19 from Kittitas county, friends of the Teanaway, back country horsemen,
- 20 off-road vehicle and snowmobile users, a representative from Kittitas
- 21 field and stream, hikers and wildlife watchers, and ranchers who graze 22 cattle.
- 23 (3) After the water supply facility permit and funding milestone or
- 24 June 30, 2025, whichever is sooner, the land must be disposed of in the
- 25 following manner:
- 26 (a) If the water supply facility permit and funding milestone
- 27 conditions have been met, the land remains in the community forest
- 28 trust and the transitional postacquisition management plan must be
- 29 converted to a permanent postacquisition management plan with whatever
- 30 updates and amendments are periodically adopted. Under these
- 31 conditions, the remaining principal of any investment in the land
- 32 purchased with funds belonging to the common school trust must be
- 33 repaid to the real property replacement account.
- 34 (b) If the water supply facility permit and funding milestone
- 35 conditions have not been met, the board of natural resources must
- 36 decide between the following dispositions of the land:
- 37 (i) Deposit of the entire amount of land purchased into the

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- 1 ownership of the common school trust for management or disposition for
- 2 the benefit of the common schools; or
- 3 (ii) Disposition under the terms of (a) of this subsection.