# DEPARTMENT OF LAND AND NATURAL RESOURCES DIVISION OF FORESTRY AND WILDLIFE

Amendment and compilation of Chapter 109 Hawaii Administrative Rules

# SUMMARY

- 1. The title of Subchapter 3 is amended.
- 2. §§13-109-1 through 13-109-11 are amended.
- 3. Chapter 109 is compiled.

# Amendment and Compilation of Chapter 109 Hawaii Administrative Rules

1. Chapter 109, Hawaii Administrative Rules, entitled "Rules for Establishing Forest Stewardship", is amended and compiled to read as follows:

## "HAWAII ADMINISTRATIVE RULES

# TITLE 13

#### DEPARTMENT OF LAND AND NATURAL RESOURCES

## CHAPTER 109

RULES FOR ESTABLISHING FOREST STEWARDSHIP

Subchapter 1. General Provisions

\$13-109-1 \$13-109-2 \$13-109-3	Purpose and applicability Definitions Establishment and duties of the forest
	stewardship advisory committee
§13-109-4	Applicant eligibility
§13-109-5	Applicant enrollment
§13-109-6	Establishment of approved forest stewardship practices

Subchapter 2. Management Plan

\$13-109-7 Forest stewardship management plan

Subchapter 3. Agreement with Applicant

§13-109-8	Agreement	and	conditions
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- \$13-109-9 Reports
- \$13-109-10 Penalty payback provisions
- \$13-109-11 Payback provision <u>for commercial production of</u> <u>timber or other forest products</u>

## SUBCHAPTER 1

### GENERAL PROVISIONS

# \$13-109-1 [Purpose and applicability.]Purpose and

**applicability.** The purpose of this section is to provide rules to implement chapter 195F, HRS, which authorizes the board of land and natural resources to establish a forest stewardship program to financially assist applicants to manage, protect, and restore important natural resources on private forest or formerly forested property. [Eff 1/8/99; am and comp ] (Auth: HRS §195F-8) (Imp: HRS §195F-1)

**§13-109-2** [<u>Definitions.</u>] **Definitions.** As used in this chapter, unless the context requires otherwise:

"Administrator" means the administrator of the division of forestry and wildlife, department of land and natural resources.

"Agreement" means a written program <u>forest stewardship</u> management [contract] <u>agreement</u> between the board and applicant[-], in which the parties agree that the board will contribute funding to cover the cost of implementing the forest stewardship management plan.

"Applicant" means any <u>private entity or</u> person having an interest in or holding any encumbrance upon [private] eligible property in the State, <u>as set forth in section 13-109-4</u>, including any <u>private entity or</u> person having a leasehold interest in the real property with an unexpired term of ten or more years.

"Board" means the board of land and natural resources.

"Chairperson" means the chairperson of the board of land and natural resources.

"Department" means the department of land and natural resources.

"Division" means the division of forestry and wildlife, department of land and natural resources.

"Forest stewardship advisory committee" means a group of people representing federal, state, and county resource agencies, private landowners, forest industry, consulting foresters, <u>native Hawaiian interests</u>, and environmental and conservation organizations who advise the administrator. <u>The</u> <u>forest stewardship advisory committee shall meet the</u> <u>requirements for a State Forest Stewardship Coordinating</u> <u>Committee, as set forth in the Cooperative Forestry Assistance</u> <u>Act of 1978, P.L. 91-313, § 19 (codified at 16 U.S.C. §2113</u> (2018)), as amended. "Hold-down rate" means the maximum cost-share rate that the program will pay to an applicant to implement a practice.

"Landowner" means any person having an interest in or holding any encumbrance upon land in the State, including any person having a lease interest in the real property with an unexpired term of ten or more years.

"Management dedication term" means a period in which the applicant agrees to implement and maintain the project site as established under the agreement.

"Management plan" means a written document for the management of a specified area identifying forest stewardship management goals, objectives, and forestry practices necessary for the long-term management of forest resources, fire hazards, timber and wood products, soil and water resources, riparian areas, wetlands, fish and wildlife habitats, and outdoor recreation.

["Natural area partnership program" is a state program as set forth in chapter 195, HRS, and is designed to manage private lands that are of natural area quality that are permanently dedicated to conservation.]

"Native vegetation" means trees, shrubs, and plants endemic or indigenous to Hawaii.

"Potential natural area reserve" means land or water areas within the protective subzone of the conservation district established pursuant to <u>chapter</u> 183C, HRS, intact native natural communities identified by the heritage program pursuant to section 195-2, HRS, and other lands or waters meeting criteria established by the natural [areas] area reserves system [pursuant to section 195-2, HRS.]commission.

"Practice" means a management action that is eligible for program cost-share assistance.

"Program" means the forest stewardship program established in section 195F-3, HRS.

"Program proposal" means a request from a landowner to the program for cost-share assistance for the development of a forest stewardship management plan.

[Eff 1/8/99; am and comp ] (Auth: HRS §195F-8) (Imp: HRS §195F-2)

**\$13-109-3** [Establishment and duties of the forest stewardship advisory committee.]Establishment and duties of the forest stewardship advisory committee. (a) The chairperson shall establish a forest stewardship advisory committee to advise and assist the division to plan, coordinate, and implement the program. The chairperson <u>or the chairperson's</u> designee or the authorized representative shall appoint [<del>a</del> chairperson and] members to the forest stewardship advisory committee. Members shall be volunteers, serve part-time, and shall not be compensated by the program for duties performed.

(b) The forest stewardship advisory committee shall perform the following duties:

- (1) Review and recommend [for approval to the administrator,] program [proposal and management plans prior to board submittal;] proposals to the administrator for approval;
- (2) Review and recommend forest stewardship management plans to the administrator for approval;
- (3) Recommend approval of financial assistance for implementation of forest stewardship management plans to the administrator, prior to board submittal;
- [(2)] (4) Establish and periodically review program practices and recommend hold-down rates for each program practice; [and]
- [(3)] (5) Advise the department on other [program] relevant policies and guidelines[-], including but not limited to local and national initiatives; and
- (6) Review and make recommendations to the administrator regarding federal Forest Legacy Program proposals, grant requests, and projects pursuant to the Cooperative Forestry Assistance Act of 1978, P.L. 91-313, §7 (codified at 16 U.S.C. §2103c (2012)), as amended.
- (7) Review applications for membership on the forest stewardship advisory committee and make recommendations to the chairperson or her designee or the authorized representative for approval.

(c) The forest stewardship advisory committee shall meet quarterly each year, with each member serving [two-year] threeyear staggered terms. The chairperson or the chairperson's designee or the authorized representative may appoint members to consecutive terms.

(d) The forest stewardship advisory committee shall maintain a record of its activities and actions.

(e) Any action taken by the forest stewardship advisory committee shall be by a simple majority of its members.

(f) [Seven] The forest stewardship advisory committee shall consist of thirteen members. Seven members of the forest stewardship advisory committee shall constitute a quorum to do business. [Eff 1/8/99; am and comp ] (Auth: HRS \$195F-8) (Imp: HRS \$195F-3) **§13-109-4** [Applicant eligibility.] Applicant eligibility.

(a) [In order to] To qualify under this program, [applicants] an applicant shall be [private individuals, joint owners, private organizations, private associations, or corporations.] a landowner, as set forth in section 13-109-2.

(b) Applicants are eligible to receive program assistance if [private forest] property is:

- (1) Managed by applying approved practices, as defined by
  [chapter] section 195F-5(b), HRS[-;];
- (2) Managed so as not to degrade native vegetation, as defined by section 195F-2, HRS[-], while applicant is implementing approved forest stewardship management plan as set forth in section 195F-5, HRS[-]; and
- (3) <u>A minimum of five contiguous acres that will be</u> dedicated to the program.

(c) Applicants are ineligible to receive program assistance, if [private] otherwise eligible property is:

- Leasehold for a period of less than ten years following program approval;
- [(2) Managed under existing federal, state, or private financial assistance programs. Private forest lands managed under existing federal, state, or private sector financial and technical assistance programs may be eligible for assistance if the applicant agrees to comply with the requirements of the program or if forest management practices are expanded or enhanced to meet the requirements of this section;] or
- [(3)] (2) A potential natural area reserve[. as defined in this chapter].

[(d) A minimum of five contiguous acres of private property shall be dedicated to the program.]

(d) Private lands managed under existing federal, county, or private sector financial and/or technical assistance programs in conjunction with the forest stewardship program are not eligible to receive more than ninety per cent of the total cost of the forest management practices from all financial and technical assistance programs. [Eff 1/8/99; am and comp ] (Auth: HRS \$195F-8) (Imp: HRS \$195F-6)

\$13-109-5 [Applicant enrollment.] Applicant enrollment.

(a) Applicants [found] eligible under section 13-109-4 shall follow these steps for program enrollment:

 Applicants shall submit a program proposal to the forest stewardship advisory committee for consideration. The proposal shall describe the applicant's forest management objectives, including proposed practices  $[\tau]$  and the nature of the forest resources to be managed. The forest stewardship advisory committee shall recommend for approval to the administrator, eligible proposals that adequately address current program priorities. Program priorities include, but are not limited to:

- (A) Enhancement and protection of key watershed areas in the public interest;
- (B) Development or adaptation of new forestry and conservation techniques for Hawaii;
- (C) [Provision] Provisions for economic diversification and rural employment; and
- (D) Preservation or restoration of especially valuable natural resources, including native plants, animals, and ecosystems.
- Applicants whose program proposals are recommended for (2) approval by the forest stewardship advisory committee  $[\tau]$  and approved by the administrator, may prepare and submit a [program] forest stewardship management plan pursuant to section 195F-5(a), HRS, for consideration to the forest stewardship advisory committee [. The program management plan shall cover a minimum of ten years.] as provided in section 13-109-7(a). Applicants are eligible to receive reimbursement payments from the division in an amount not to exceed the limits set forth in section 195F-6(a), HRS, for the development of a forest stewardship management plan after the forest stewardship management plan is recommended for approval by the forest stewardship advisory committee and approved by the administrator.
- (3) Reimbursement for the development of a forest stewardship plan shall be subject to approval of the forest stewardship management plan by the board, or the board's designee.

(b) Upon approval of the [program] forest stewardship management plan by the forest stewardship advisory committee[<del>,</del> the] and administrator, the administrator may recommend to the board, approval of financial assistance for implementation of all or selected portions of the forest stewardship management plan, subject to availability of funding. The division shall also prepare [and enter into] an agreement pursuant to section 195F-6(c)(3), HRS, between the applicant and board [for approval], as provided in section [13-109-7(a).] 13-109-8(a), for approval by the board. The [program] forest stewardship management plan shall be attached as an [addendum] exhibit to the agreement. (c) Upon board approval of the agreement, the applicant is responsible for implementing the practices described in the [program management plan] agreement for the duration of the [approved project implementation period.] management dedication term. [Eff 1/8/99; am and comp ] (Auth: HRS \$195F-8) (Imp: HRS \$\$195F-5, 195F-6)

\$13-109-6 [Establishment of approved forest stewardship practices.]Establishment of approved forest stewardship practices. (a) A list of forest stewardship management practices shall be eligible for cost-share assistance as provided in section [195F-5,] 195F-5(b), HRS. [They] The eligible categories of forest stewardship practices include, but are not limited to:

(1) Applicant forest stewardship <u>management</u> plan development [enables applicants] to define [their] the forest management objectives and the specific management practices that [they] will [employ] be employed to achieve these objectives[-];

(2) Reforestation and afforestation [establishes] to establish or [reestablishes diverse] reestablish forest stands through natural regeneration, planting, or direct seeding for conservation purposes, windbreaks, and sustained [timber] production[. A list of eligible program practice components includes: (A) Site preparation;

- (B) Seedling purchase and/or production;
- (C) Seedling planting;
- (D) Fertilization and/or soil amendments;
- (E) Weed and/or moisture control; and
- (3) Forest and agroforest [improvement improves] <u>management to improve</u> forest stand productivity, stand vigor, forest health, <u>aesthetic quality, fire</u> <u>prevention, and the value and quality of [wood]</u> forest products. [A list of eligible program practice components includes:
  - (A) Release of desirable tree species;
  - (B) Noncommercial thinning;
  - (C) Control of undesirable plant species;
  - (D) Fertilization and/or soil amendments; and
  - (E) Tree seedling protection, including predator control.
- (4) Windbreak and hedgerow establishment establishes, maintains, and renovates windbreaks and hedgerows to

reduce soil erosion and conserve soil and water resources. A list of eligible program practice components includes:

(A) Site preparation;

- (B) Seedling purchase and/or production;
- (C) Seedling planting
- (D) Fertilization and/or soil amendments;
- (E) Weed and/or moisture control;
- (F) Non-commercial thinning;
- (G) Mulching; and
- [(5)] (4) Soil and water protection and improvement
  [maintains or improves] to maintain or improve water
  quality and soil productivity on forested land and
  along waterways. [A list of eligible program practice
  components includes:
  - (A) Critical area revegetation;
  - (B) Mulching;
  - (C) Water diversion; and
- [(6)] (5) Riparian and wetland protection [protects,

restores, and improves] to protect, restore, and improve wetlands and riparian areas to maintain water quality and enhance habitat. [A list of eligible program practice components includes:

- (A) Site preparation;
- (B) Seedling purchase and/or production;
- (C) Seedling planting;
- (D) Fertilization and/or soil amendments;
- (E) Establish permanent vegetative cover;
- (F) Streambank stabilization; and
- [(7)] (6) [Wildlife] Native fish and wildlife habitat improvement [restores, improves, or establishes] and management to restore, improve, maintain, or establish permanent upland and/or wetland habitat for [specific game, non-game, non-native or] native fish and wildlife species. [A list of eligible program practice components includes:
  - (A) Control of undesirable plant species;
  - (B) Site preparation;
  - (C) Wildlife watering units;
  - (D) Seedling purchase and/or production;
  - (E) Seedling planting;

- (F) Fertilization and/or soil amendments; and
- (G) Tree seedling protection, including predator control.]; and
- (7) [-(8)] Forest recreation enhancement [establishes and enhances] to establish and enhance forest recreation[-A list of eligible program practice components includes:

(A) Trail construction

- (b) Harvesting practices, and practices] opportunities.
- (8) Invasive species management to control and manage incipient or established invasive species.

(b) The forest stewardship advisory committee shall recommend to the board eligible practices for use under the program.

[(b)] (c) [Harvesting practices and practices] Practices involving [Christmas tree or] orchard production are not eligible for program cost-share assistance. [Eff 1/8/99; am and comp ] (Auth: HRS §195F-8) (Imp: HRS §195F-5)

#### SUBCHAPTER 2

#### MANAGEMENT PLAN

\$13-109-7 [Forest stewardship management plan.] Forest
stewardship management plan. (a) The forest stewardship
management plan shall include:

- (1) Cover sheet. This page lists the applicant's name and address; location of [private] property described in the plan; the name, address, title, and phone number of the person completing the plan; and the date the plan is completed.
- (2) Signature page. This page shall be signed by the applicant, person preparing the plan, and by the administrator certifying that the plan meets the criteria established for the program.
- (3) [Stewardship plan preface.] Executive summary. This [form, when checked off by the person writing the program management plan,\_ lists the natural resource values:
  - (A) Reforestation;
  - (B) Soil and water quality;
  - (C) Agroforestry;
  - (D) Forest health;
  - (E) Archaeological or cultural resources;
  - (F) Wildlife enhancement;
  - (C) Threatened and Endangered species; and

(H) Native resources.

that the applicant has considered to qualify this program plan as a stewardship project.] section summarizes the property description, past and current land uses, current forest conditions (e.g., forest type, vegetation, wildlife, forest health, threats, and other resource concerns), landowner vision and goals, and management objectives.

- (4) Introduction. This [portion of the plan] section briefly describes [private] the property being dedicated to the program, current and historic land uses, including any commercial uses, <u>elevation</u>, rainfall, topography, the applicant's overall vision and goals, and a concise summary of the applicant's specific forest management objectives.
- (5) Land and resource description. This [portion] section describes the physical and ecological characteristics of the property being dedicated to the program, including existing vegetation, [slope, elevation, aspect,] existing infrastructure, access, soil and watershed conditions, fish and wildlife habitats, threats to forest health and function, forest products, recreational and aesthetic values, historic or cultural resources, and threatened and endangered species pursuant to chapter 195D, HRS.
- (6) [Recommended] Management objectives and recommended practices. This [portion] section describes the specific forest management objectives and one or more forest stewardship practices as recommended by the person writing the applicant's program management plan as provided in section 13-109-6(a)(1) to (8).
- (7) Practice implementation schedule. This [portion] section summarizes the annual practices and estimates corresponding annual costs for the duration of the approved project implementation period in a table format. [H] The schedule shall outline the program practices, approved program reimbursements, and the applicant's costs.
- (8) Budget summary. This [portion] section estimates the annual total costs contributed by the program, any other contributing financial assistance program, and applicant for the duration of the approved project implementation period.
- (9) [Program map. A program map or topographic map at one inch equals twenty-four thousand feet scale] Project maps. Maps, such as a location map, project attribute map, and soil map, shall be attached to the [program]

forest stewardship management plan. The [map] maps
shall delineate the area which the applicant is
dedicating to the program. [Eff 1/8/99; am and
comp ] (Auth: HRS §195F-8) (Imp: HRS
\$195F-5)

## SUBCHAPTER 3

#### AGREEMENT WITH APPLICANT

\$13-109-8 [Agreement and conditions.] Agreement and conditions. (a) The division [shall] may recommend an agreement, as set forth in section 13-109-2, for the applicant's implementation for all or portions of a forest stewardship management plan, pursuant to section 13-109-5(b).

(b) The division may develop, process, and administer an agreement with the applicant for board approval that shall include:

- The scope of work and time of performance to implement program practices;
- (2) The applicant's compensation for implementing approved program practices;
- (3) Amendment procedures to the applicant's <u>forest</u> stewardship management plan;
- (4) Procedures to inspect completed program practices;
- (5) Applicant's program management plan; and
- (6) Other terms and conditions as determined by the board. [The agreement shall be for a minimum of ten years.

(b)] (c) The agreement, as set forth section 13-109-2, shall be for a minimum of ten years. Depending upon the management objectives, goals, and schedule, the applicant [can choose to accept a] and division may agree to a longer program management dedication term [of greater than 10 years]. An agreement, as set forth in section 13-109-2, that includes management practices associated with timber production shall require a management dedication term of a minimum of twenty years.

[<del>(c)</del>] <u>(d)</u> Applicants with a board approved forest stewardship management plan and agreement, as set forth in section 13-109-2, subject to availability of funds, shall:

(1) Receive [reimbursed] reimbursement payments from the division [up to fifty per cent of the total actual costs] in an amount not to exceed the limits set forth in section 195F-6(a), HRS, to [develop and] implement practices in the applicant's approved [program practices] forest stewardship management plan not to

exceed a total amount per year per applicant as [designated] approved by the [division;] board;

- (2) Be required to [spend] expend the applicant's funds before seeking reimbursement payments from the division[; and
- (3) Not use other federal, state, or county government program funds for the applicant's fund matching requirements]. The applicant may use funds provided by federal, county, or private sector financial and technical assistance programs to fulfill the applicant's cost-share requirement; provided that the funds supplied from all financial and technical assistance programs do not cover more than ninety per cent of the actual cost of forest management practices;
- [(d) Other conditions include:
- (1) Reimbursement payments to the applicant shall: [(A)](3) [Be] Receive reimbursement payments within the hold-down rates that were established for each program practice [by] based on recommendation of the forest stewardship advisory committee; [(B) Not be made for a management practice that is funded through another government program; [<del>(C)</del>] (4) [Not be made] Receive reimbursement payments only for [any] work [not] identified in the [program] forest stewardship management plan; and [<del>(D)</del>] (5) [Not be made] Receive reimbursement payments for program practices implemented [prior] subsequent to the board approving the [program] agreement. [Eff 1/8/99; am and comp 1 (Auth: HRS §195F-8) (Imp: HRS §195F-6)

**§13-109-9** [<u>Reports.</u>]<u>Reports.</u> (a) The applicant shall submit [<u>semiannual</u>] <u>semi-annual</u> progress reports every six months to the division for each year in which the applicant receives program funding. The reports shall detail program accomplishments, areas requiring technical advice, and any proposed modifications to the program management plan and other conditions deemed necessary by the board to implement the purposes of chapter 195F, HRS.

(b) [Upon applicant's submittal of progress reports and program practice invoices,] Before making any reimbursement payments, the division shall have the right to inspect and approve the work on [private] the property after prior notice has been [made] given to the applicant. [Upon approval, the division shall reimburse the applicant an amount up to fifty per cent of the total actual cost to implement approved management practices and based on the program budget in the agreement and as provided in section 13-109-8(d)(1)(A) to (D).

(c) In the event that the applicant determines in good faith that it is unable to [fulfill its financial and program management obligations,] implement the agreement, the [division] chairperson or the chairperson's designee or the authorized representative may renegotiate the terms of the agreement with the applicant. Terms of the agreement shall include:

- (1) Reestablishment of management priorities;
- (2) Deferral or discontinuation of the specified work; or
- (3) An extension of time to accomplish the specified work. [Eff 1/8/99; am and comp ] (Auth: HRS \$195F-8) (Imp: HRS \$1925F-6)

\$13-109-10 [Penalty payback provisions.] Penalty payback
provisions. (a) Failure by the applicant to comply with the
[management plan and] agreement terms may result in the
cancellation of the [forest stewardship designation.] agreement
by the board.

(b) In the event that the <u>agreement is cancelled</u> [the applicant defaults on the agreed terms between the board and applicant], the applicant shall promptly pay the State the following payback and penalty moneys:

- If [the applicant defaults] cancelled in the first three years following the initial date of the agreement, the applicant shall pay back all matching funds to the State;
- (2) If [the applicant defaults] <u>cancelled</u> after the first three years following the initial date of the agreement, the applicant shall pay back matching funds received for the immediately preceding three years to the State; and
- (3) A penalty provision consisting of an interest payment as determined in the agreement between the board and applicant shall be added to the [refund] payment due to the State. [Interest payment shall be calculated on an annual per cent of funds received by the applicant.] [Eff 1/8/99; am and comp ] (Auth: HRS §195F-8) (Imp: HRS §195F-7)

\$13-109-11 [Payback provision for commercial timber production.]Payback provision for commercial production of timber or other forest products. If an applicant's primary management objective is commercial [timber] production [r] of timber or other forest products, the board may require as a condition to receiving state matching funds a payback provision that a certain percentage of all matching state funds be paid back to the State upon each commercial [timber] harvest as set forth in the [contract] agreement between the board and the applicant. [A commercial timber harvest as used herein is defined as a certain minimum volume of timber removed per acre from a certain minimum acreage of the applicant's property as determined by the division or as set forth in the contract between the board and the applicant.] [Eff 1/8/99; am and comp ] (Auth: HRS §195F-8) (Imp: HRS §195F-4)

2. Material, except source notes and other notes, to be repealed is bracketed and stricken. New material is underscored.

3. Additions to update source notes and other notes to reflect these amendments and compilation are not underscored.

4. These amendments to and compilation of Chapter 109, Hawaii Administrative Rules, shall take effect ten days after filing with the Office of the Lieutenant Governor.

I certify that the foregoing are copies of the rules, drafted in the Ramseyer format pursuant to the requirements of section 91-4.1, Hawaii Revised Statutes, which were adopted on \_\_\_\_\_\_ and filed with the Office of the Lieutenant

Governor.

DAWN N. S. CHANG Director of Department of Land and Natural Resources APPROVED AS TO FORM:

Deputy Attorney General