

---

---

Second Session, Forty-second Parliament  
70 Elizabeth II, 2021  
Legislative Assembly of British Columbia

---

---

**BILL 28**

**FOREST AMENDMENT ACT, 2021**

---

---

Honourable Katrine Conroy  
Minister of Forests, Lands, Natural Resource Operations and Rural Development

---

---

## **Explanatory Notes**

SECTION 1: *[Forest Act, section 54.6]* makes a housekeeping amendment.

SECTION 2: *[Forest Act, section 130]*

- is consequential to amendments made by this Bill to the Act;
- describes when interest begins to run in the case of an amount due under an assessment made under section 142.52 (6) or 142.61 (4) (b), as added by this Bill to the Act.

SECTION 3: *[Forest Act, section 142.1]*

- adds definitions for the purposes of amendments made by this Bill to Part 11.1 of the Act;
- clarifies the circumstances in which Part 11.1 of the Act applies.

MINISTER OF FORESTS, LANDS, NATURAL RESOURCE  
OPERATIONS AND RURAL DEVELOPMENT

**BILL 28 – 2021**

**FOREST AMENDMENT ACT, 2021**

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of British Columbia, enacts as follows:

**PART 1 – FINANCE AMENDMENTS**

- 1** *Section 54.6 (1) (a) (i) of the Forest Act, R.S.B.C. 1996, c. 157, is amended by striking out “section 130 of the Forest Act” and substituting “section 130”.*
- 2** *Section 130 (1) (b) is amended*
  - (a) by striking out “and” at the end of subparagraph (i),*
  - (b) in subparagraph (ii) by striking out “142.61 (4)” and substituting “142.61 (4) (a)” and by adding “and” at the end of the subparagraph, and*
  - (c) by adding the following subparagraph:*
    - (iii) an assessment made under section 142.52 (6) or 142.61 (4) (b), the interest runs from the applicable date on which the fee in lieu is deemed to have been due under section 142.52 (7), .*
- 3** *Section 142.1 is amended*
  - (a) in subsection (1) by adding the following definitions:*
    - “exemption” means an exemption given under section 128;*
    - “fee in lieu” means a fee stipulated in an exemption;*
    - “permit” means a permit referred to in section 129 (b); , and*
  - (b) by repealing subsection (2) and substituting the following:*
    - (2) This Part applies to the following:*
      - (a) the harvesting of Crown timber if the harvesting occurs on or after March 30, 2006;*
      - (b) stumpage and the payment of stumpage if the stumpage relates to Crown timber harvested on or after March 30, 2006;*

SECTION 3: *[Forest Act, section 142.1 – continued]*

SECTION 4: *[Forest Act, section 142.2]* authorizes forest revenue officials to enter land or premises and conduct inspections or audits for specified purposes.

SECTION 5: *[Forest Act, section 142.3]* is consequential to amendments made by this Bill to the Act.

SECTION 6: *[Forest Act, section 142.31]* authorizes forest revenue officials to require persons to provide information and produce specified records for the purposes of ensuring compliance with provisions of the Act, the regulations or an agreement that relate to specified circumstances.

SECTION 7: *[Forest Act, section 142.42]* is consequential to amendments made by this Bill to the Act.

- (c) the removal from British Columbia of timber referred to in section 127.1 (a) or wood residue referred to in section 127.1 (b) if the removal occurs on or after the date on which this paragraph comes into force;
- (d) a fee in lieu and the payment of a fee in lieu if the fee in lieu relates to
  - (i) a permit granted under an exemption on or after the date on which this paragraph comes into force, or
  - (ii) timber referred to in section 127.1 (a) or wood residue referred to in section 127.1 (b) that is removed from British Columbia on or after the date on which this paragraph comes into force.

**4 Section 142.2 (1) is repealed and the following substituted:**

- (1) Subject to subsection (2), a forest revenue official may enter, at any reasonable time, on any land or premises and conduct an inspection or audit referred to in section 142.21 for the purposes of ensuring compliance with the provisions of this Act, the regulations or an agreement that relate to any of the following:
  - (a) the harvesting of Crown timber;
  - (b) stumpage or the payment of stumpage;
  - (c) the removal from British Columbia of timber referred to in section 127.1 (a) or wood residue referred to in section 127.1 (b);
  - (d) a fee in lieu or the payment of a fee in lieu.

**5 Section 142.3 is amended**

- (a) in subsection (2) by striking out “section 142.6 (3)” and substituting “section 142.6 (3) or (3.1)”, and**
- (b) in subsection (3) by striking out “142.51 (4) or (5) or” and substituting “142.51 (4) or (5), 142.52 (4), (5) or (6) or”.**

**6 Section 142.31 is amended**

- (a) in subsection (1) by striking out “For the purpose of ensuring compliance with the provisions of this Act, the regulations or an agreement that relate to the harvesting of Crown timber, stumpage or the payment of stumpage,” and substituting “For the purposes described in section 142.2 (1),”, and**
- (b) in subsection (3) by striking out “142.51 (4) (a) or (b)” and substituting “142.51 (4) (a) or (b) or 142.52 (4) or (5) (a) or (b)”.**

**7 Section 142.42 (2) is amended by striking out “a provision referred to in section 142.7” and substituting “a provision referred to in section 142.7 (a) to (c)”.**

SECTION 8: *[Forest Act, heading to Division 3 of Part 11.1]* replaces the heading to Division 3 of Part 11.1 of the Act.

SECTION 9: *[Forest Act, section 142.51]* is consequential to amendments made by this Bill to the Act.

SECTION 10: *[Forest Act, section 142.52]*

- authorizes the commissioner to estimate amounts of fees in lieu
  - required to be paid in respect of permits granted under exemptions, or
  - that would have been required to be paid in respect of permits that were required but not granted under an exemption;
- authorizes the commissioner to assess specified persons for estimated amounts of fees in lieu.

**8** *The heading to Division 3 of Part 11.1 is repealed and the following substituted:*

**Division 3 – Assessment of Stumpage, Fees in Lieu,  
Penalties and Interest .**

**9** *Section 142.51 (5) is amended by striking out “section 130 (1) (b)” and substituting “section 130 (1) (b) (ii)”.*

**10** *The following section is added:*

**Assessment of estimated fee in lieu and interest**

- 142.52** (1) If it appears to the commissioner, from an inspection or audit of any records or from other information available, that an amount of a fee in lieu is required to be paid in respect of a permit granted under an exemption, the commissioner may estimate the amount of the fee in lieu.
- (2) If it appears to the commissioner, from an inspection or audit of any records or from other information available, that
- (a) timber or wood residue to which an exemption applies has been removed from British Columbia, and
  - (b) a permit required under the exemption was not granted in respect of the removal of the timber or wood residue,
- the commissioner may estimate the amount of the fee in lieu that would have been required to be paid in respect of the permit if the permit had been granted.
- (3) The commissioner may make an estimate under subsection (1) or (2) in a manner and form and by a procedure the commissioner considers adequate.
- (4) If an estimate is made under subsection (1), the commissioner may assess the holder of the permit for the amount estimated under that subsection.
- (5) If an estimate is made under subsection (2), the commissioner may assess one or both of the following for the amount estimated under that subsection:
- (a) the person who removed from British Columbia the timber or wood residue;
  - (b) a person who, for compensation or reward, arranged or facilitated the removal from British Columbia of the timber or wood residue.
- (6) After assessing a person under subsection (4) or (5), the commissioner may assess the amount of interest payable under section 130 (1) (b) (iii) on the amount assessed.

SECTION 10: *[Forest Act, section 142.52 – continued]*

SECTION 11: *[Forest Act, section 142.6]* limits the period that the commissioner may consider in making an assessment under section 142.52 (4) or (5), as added by this Bill to the Act.

SECTION 12: *[Forest Act, section 146.61]* authorizes the commissioner to assess a penalty against a person who is assessed under section 142.52 (4) or (5), as added by this Bill to the Act.



- (7) For the purposes of this Part and section 130,
- (a) a fee in lieu estimated under subsection (1) is deemed to have been due on the date on which the permit was granted, and
  - (b) a fee in lieu estimated under subsection (2) is deemed to have been due on January 1 of the year in which the timber or wood residue referred to in that subsection was removed from British Columbia.

**11 Section 142.6 is amended**

- (a) in subsection (1) by striking out “section 142.51 (4)” and substituting “section 142.51 (4) or 142.52 (4) or (5)” and by striking out “that Crown timber” and substituting “the timber or wood residue that is the subject of the assessment”,**
- (b) in subsection (2) by striking out “section 142.51 (4)” and substituting “section 142.51 (4) or 142.52 (4) or (5)” and by striking out “person under section 142.51” and substituting “person under section 142.51 or 142.52, as applicable”,**
- (c) by adding the following subsection:**
- (3.1) If a person referred to in section 142.52 (4) or (5) (a) or (b) files a document with the commissioner in a form and containing the information required by the commissioner within a period of 6 years from the date the fee in lieu referred to in section 142.52 (1) or (2), as applicable, is deemed to have been due under section 142.52 (7), consenting to waive subsection (1) of this section and to allow the commissioner in making an assessment under section 142.52 to consider a different period, the commissioner may consider any period to which the person consents. , **and**
- (d) in subsection (4) by striking out “subsection (3)” and substituting “subsection (3) or (3.1)”.**

**12 Section 142.61 is amended**

- (a) in subsections (1) and (2) by striking out “a person under section 142.51 (4)” and substituting “a person under section 142.51 (4) or 142.52 (4) or (5)” and by striking out “the assessment under section 142.51 (4)” and substituting “the assessment under that section”, and**

SECTION 12: *[Forest Act, section 146.61 – continued]*

SECTION 13: *[Forest Act, sections 142.7 and 142.71]*

- provides that persons assessed under section 142.52 (4), (5) or (6), as added by this Bill to the Act, must pay to government the amounts assessed;
- requires the commissioner to serve notice of an assessment made under section 142.52 (4), (5) or (6), as added by this Bill to the Act.

SECTION 14: *[Forest Act, section 142.81]*

- provides that evidence that an assessment has been made under section 142.52 (4), (5) or (6), as added by this Bill to the Act, is proof that the amount assessed is due and owing;
- provides that an amount assessed under section 142.52 (4), (5) or (6), as added by this Bill to the Act, is valid and binding.

SECTION 15: *[Forest Act, section 142.9]* provides for appeals to the revenue minister of assessments made under section 142.52 (4), (5) or (6), as added by this Bill to the Act.

***(b) by repealing subsection (4) and substituting the following:***

- (4) After assessing a penalty against a person under subsection (1) or (2), the commissioner may do the following:
  - (a) if the penalty is assessed in relation to an assessment made under section 142.51 (4), assess the amount of interest payable under section 130 (1) (b) (ii) on the amount assessed for the penalty;
  - (b) if the penalty is assessed in relation to an assessment made under section 142.52 (4) or (5), assess the amount of interest payable under section 130 (1) (b) (iii) on the amount assessed for the penalty.

***13 Sections 142.7 and 142.71 are repealed and the following substituted:***

**Payment of assessed amount**

**142.7** In addition to any other money required to be paid to the government in the circumstances set out in section 130 (1.1), a person assessed under any of the following provisions must pay to the government the amount assessed under that provision:

- (a) section 142.51 (4) or (5);
- (b) section 142.52 (4), (5) or (6);
- (c) section 142.61 (1), (2) or (4).

**Notice of assessment**

**142.71** After making an assessment under a provision referred to in section 142.7 (a) to (c), the commissioner must serve on the person assessed a notice of assessment that sets out the amount assessed under the provision.

***14 Section 142.81 (1) and (2) is amended by striking out “under section 142.51 (4) or (5) or 142.61 (1), (2) or (4)” and substituting “under a provision referred to in section 142.7 (a) to (c)”.***

***15 Section 142.9 (1) is repealed and the following substituted:***

- (1) If a person disputes an assessment made under any of the following provisions, the person or the person’s agent may appeal to the revenue minister in accordance with this section:
  - (a) section 142.42 (1);
  - (b) section 142.51 (4) or (5);
  - (c) section 142.52 (4), (5) or (6);
  - (d) section 142.61 (1), (2) or (4).

SECTION 16: *[Forest Act transition – authority to specify date]* authorizes the Lieutenant Governor in Council to make a regulation to amend section 142.1 (2) (c) and (d) of the *Forest Act*, as added by this Bill, to specify the date on which those paragraphs come into force.

SECTION 17: *[Forest Act, section 1]* amends a definition and defines “area-based licence” and “licence area” for the purposes of the Act.

SECTION 18: *[Forest Act, section 1]* adds a definition consequential to the addition by this Bill of Part 15 to the Act.

## Transitional Provisions

### **Forest Act transition – authority to specify date**

- 16 The Lieutenant Governor in Council may make a regulation to amend section 142.1 (2) (c) and (d) (i) and (ii) of the *Forest Act*, as enacted by this Act, by striking out “the date on which this paragraph comes into force” and substituting the actual date on which the paragraph comes into force.

## PART 2 – FORESTS, LANDS, NATURAL RESOURCE OPERATIONS AND RURAL DEVELOPMENT AMENDMENTS

### 17 *Section 1 (1) of the Forest Act, R.S.B.C. 1996, c. 157, is amended*

- (a) *in paragraph (a) of the definition of “allowable annual cut” by striking out “in respect of a tree farm licence area, community forest agreement area, first nations woodland licence area, woodlot licence area or timber supply area,” and substituting “in respect of a timber supply area or the licence area of an area-based licence,” and*

(b) *by adding the following definitions:*

“area-based licence” means the following:

- (a) a tree farm licence;
- (b) a community forest agreement;
- (c) a first nations woodland licence;
- (d) a woodlot licence;

“licence area” means the following:

- (a) in relation to a tree farm licence, the tree farm licence area;
- (b) in relation to a community forest agreement, the community forest agreement area;
- (c) in relation to a first nations woodland licence, the first nations woodland licence area;
- (d) in relation to a woodlot licence, the woodlot licence area;
- (e) in relation to a timber licence, the area of land to which the timber licence applies; .

### 18 *Section 1 (1) is amended by adding the following definition:*

“special purpose area” means an area of Crown land that is designated under Division 2 of Part 15 as a special purpose area; .

SECTION 19: *[Forest Act, section 1.2]* authorizes the chief forester to delegate the chief forester’s powers and duties.

SECTION 20: *[Forest Act, section 8]*

- amends subsection (1) (a) consequential to the addition by this Bill of the definitions of “area-based licence” and “licence area” to section 1 of the Act;
- clarifies that section 8 (5) applies in respect of an allowable annual cut that is determined, reduced or adjusted under any provision of the Act.

SECTION 21: *[Forest Act, section 8.1]* removes an unnecessary provision.

SECTION 22: *[Forest Act, section 12]* is consequential to the removal by this Bill of community salvage licences from the Act.

SECTION 23: *[Forest Act, section 14]* is consequential to the repeal by this Bill of section 58 of the Act.

SECTION 24: *[Forest Act, section 35.1]* is consequential to the addition by this Bill of Part 6.1 to the Act.

SECTION 25: *[Forest Act, section 36]* is consequential to the repeal by this Bill of section 60 of the Act.

SECTION 26: *[Forest Act, Division 7.2 of Part 3]* removes authority to enter into community salvage licences.

SECTION 27: *[Forest Act, section 47.3]* is consequential to the removal by this Bill of community salvage licences from the Act.

**19** *The following section is added to Part 1:*

**Delegation of chief forester's powers and duties**

- 1.2** (1) The chief forester, in writing, may
- (a) delegate a power or duty of the chief forester under this Act to
    - (i) a person employed in a ministry, or
    - (ii) a class of persons employed in a ministry,
  - (b) provide directions that are binding on the delegate respecting the exercise of the power or the performance of the duty, and
  - (c) vary or revoke a delegation or direction.
- (2) In respect of a power or duty delegated under this section, this Act and the regulations apply to the delegate as they apply to the chief forester.

**20** *Section 8 is amended*

*(a) by repealing subsection (1) (a) and substituting the following:*

- (a) the Crown land in each timber supply area, excluding the Crown land in the licence areas of area-based licences, and , **and**

*(b) in subsection (5) by striking out “In respect of an allowable annual cut determined under subsection (1),” and substituting “In respect of an allowable annual cut determined under this Act,”.*

**21** *Section 8.1 (2) is repealed.*

**22** *Section 12 (1) (f) is repealed.*

**23** *Section 14 (1) (a) is amended by striking out “subject to sections 15, 16 and 58” and substituting “subject to sections 15 and 16”.*

**24** *Section 35.1 is repealed.*

**25** *Section 36 (3) (c) is amended by striking out “subject to sections 37, 38, 39 and 60” and substituting “subject to sections 37, 38 and 39”.*

**26** *Division 7.2 of Part 3 is repealed.*

**27** *Section 47.3 is amended*

- (a) in subsection (1) by striking out “community salvage licence,”*
- (b) by repealing subsection (3) (a) (ii),*

SECTION 27: *[Forest Act, section 47.3 – continued]*

SECTION 28: *[Forest Act, section 49.1]* is consequential to the addition by this Bill of the definition of “area-based licence” to section 1 of the Act.

SECTION 29: *[Forest Act, section 53]* is consequential to the repeal by this Bill of sections 60 to 60.95 of the Act and the addition by this Bill of Parts 15 and 16 to the Act.

SECTION 30: *[Forest Act, section 54.4]* is consequential to the removal by this Bill of community salvage licences from the Act.

SECTION 31: *[Forest Act, heading to Division 3 of Part 4]* is consequential to the repeal by this Bill of sections 60 to 60.95 of the Act and the addition by this Bill of Parts 15 and 16 to the Act.

SECTION 32: *[Forest Act, section 58]* removes a requirement that is no longer relevant.

SECTION 33: *[Forest Act, section 58.21]* hyphenates a phrase for consistency with current drafting style.

SECTION 34: *[Forest Act, sections 60 to 60.95]* is consequential to the addition by this Bill of Parts 15 and 16 to the Act.

SECTION 35: *[Forest Act, section 62.1]* adds definitions for the purposes of sections 63 to 63.05, as added by this Bill to the Act.



*(c) in subsection (3) (a) (iv) by striking out “a community salvage licence or”, and*

*(d) in subsections (3) (b) and (4) (a) by striking out “community salvage licence,”.*

28 *Section 49.1 (1) is amended by striking out “In this section,” and substituting “In this section and despite the definition of “area-based licence” in section 1 (1),”.*

29 *Section 53 (1) is amended by repealing the definition of “deletion period”.*

30 *Section 54.4 (1) (b) (iv) is repealed.*

31 *The heading to Division 3 of Part 4 is repealed and the following substituted:*

**Division 3 – Extensions, Increases and Reductions .**

32 *Section 58 is repealed.*

33 *Section 58.21 (3) (d) is amended by striking out “2 year period” and substituting “2-year period”.*

34 *Sections 60 to 60.95 are repealed.*

35 *The following section is added:*

**Definitions for sections 63 to 63.05**

62.1 In this section and in sections 63 to 63.05:

“**base-level allowable annual cut**” means the allowable annual cut prescribed as the base-level allowable annual cut for ungrouped licences and groups of licences;

“**combined allowable annual cut**”, in relation to a group of licences, means the combined total of the allowable annual cuts authorized for each licence in the group of licences;

“**combined allowable annual cut reduction**”, in relation to a group of licences, means the share of a timber supply area reduction that applies to the group of licences, as determined under section 63.02 and, if applicable, section 63.03;

“**group of licences**” means 2 or more licences that are in a group of licences, as determined under section 63.01;

“**licence**” means a forest licence;

“**timber supply area reduction**”, in relation to a timber supply area, means the amount of reduction in the allowable annual cut for the timber supply area that is to be distributed among the licences in that timber supply area, as determined under section 63 (2) (a);

“**ungrouped licence**” means a licence that is not in a group of licences.

SECTION 36: *[Forest Act, section 63]* updates the process by which the minister is authorized to reduce the allowable annual cuts of forest licences in a timber supply area if the allowable annual cut for the timber supply area is reduced under section 8.

SECTION 37: *[Forest Act, sections 63.01 to 63.05]* provides for the determinations that the minister is authorized or required to make, and the methods that the minister is authorized or required to use, to reduce the allowable annual cuts of forest licences for the purposes of section 63 of the Act, as repealed and replaced by this Bill.

**36 Section 63 is repealed and the following substituted:**

**Reduction among licences in timber supply area**

- 63** (1) If the allowable annual cut determined for a timber supply area is reduced under section 8 for any reason, other than a reduction in the area of land in the timber supply area, the minister may reduce the allowable annual cuts of the licences in the timber supply area.
- (2) To reduce the allowable annual cuts of the licences referred to in subsection (1), the minister must do the following:
- (a) determine how much of the reduction in the allowable annual cut determined for the timber supply area is to be distributed among the licences;
  - (b) determine under section 63.01
    - (i) which licences are in a group of licences, and
    - (ii) which licences are ungrouped licences;
  - (c) distribute the timber supply area reduction among the groups of licences and ungrouped licences by using the methods set out in section 63.02 and, if applicable, section 63.03;
  - (d) if the combined allowable annual cut of a group of licences is reduced as a result of the distribution under paragraph (c), distribute that combined allowable annual cut reduction among those licences by using the methods set out in section 63.04 and, if applicable, section 63.05.
- (3) A reduction under subsection (2) to the allowable annual cut of a licence takes effect when notice of the reduction is served on the holder of the licence.
- (4) When a reduction to the allowable annual cut of a licence takes effect, the licence is deemed to be amended to reflect the reduction.

**37 The following sections are added:**

**Determining groups of licences**

- 63.01** (1) For the purposes of section 63 (2) (b), the minister may determine that 2 or more licences are in a group of licences if either of the following applies:
- (a) each of the licences is singly held by the same person;
  - (b) each of the licences is held, singly or jointly, only by persons who are related persons in respect of each other.
- (2) If the minister determines under subsection (1) that a licence is in a group of licences, notice of the determination must be served on the holder of the licence.

SECTION 37: *[Forest Act, sections 63.01 to 63.05 – continued]*

- (3) Within 30 days after the holder of a licence has been served notice under subsection (2), the holder may request the minister to reconsider the determination made under subsection (1) on the grounds that the determination is inaccurate with respect to the licence.
- (4) A request under subsection (3) must include a statement setting out why the holder considers that the determination is inaccurate with respect to the holder's licence.
- (5) If the minister receives a request under subsection (3), the minister must, before distributions are made under sections 63.02 to 63.05,
  - (a) confirm or reverse the determination, and
  - (b) give to the holder written reasons for the confirmation or reversal made under paragraph (a) of this subsection.

**Distributing timber supply area reductions  
among groups of licences and ungrouped licences**

**63.02** (1) To distribute a timber supply area reduction under section 63 (2) (c), the minister must do the following with respect to the groups of licences and ungrouped licences in the timber supply area, other than the groups of licences and ungrouped licences referred to in subsection (2) of this section:

- (a) determine the share of the reduction that applies to each group of licences and each ungrouped licence by using the following formula:

$$\text{share} = \text{TSA reduction} \times \frac{\text{AAC}}{\text{Total AAC}}$$

where

TSA reduction = the timber supply area reduction;

AAC = the combined allowable annual cut of the group of licences or the allowable annual cut of the ungrouped licence, as applicable;

Total AAC = the sum of the following:

- (i) the total of all combined allowable annual cuts of the groups of licences;
  - (ii) the total of all allowable annual cuts of the ungrouped licences;
- (b) reduce the combined allowable annual cut of each group of licences by the share of the reduction determined for that group under paragraph (a);
  - (c) reduce the allowable annual cut of each ungrouped licence by the share of the reduction determined for that ungrouped licence under paragraph (a);

SECTION 37: *[Forest Act, sections 63.01 to 63.05 – continued]*

- (d) if, after being reduced under paragraph (b), the combined allowable annual cut of a group of licences is less than the base-level allowable annual cut, adjust the combined allowable annual cut so that it equals the base-level allowable annual cut;
- (e) if, after being reduced under paragraph (c), the allowable annual cut of an ungrouped licence is less than the base-level allowable annual cut, adjust the allowable annual cut so that it equals the base-level allowable annual cut;
- (f) if an adjustment is made to a combined allowable annual cut under paragraph (d) or to an allowable annual cut under paragraph (e), do the following:
  - (i) determine the remaining part of the timber supply area reduction that is left to be distributed by adding the amounts of the adjustments that were made to combined allowable annual cuts and allowable annual cuts under paragraphs (d) and (e);
  - (ii) determine which of the groups of licences still have a combined allowable annual cut that is greater than the base-level allowable annual cut;
  - (iii) determine which of the ungrouped licences still have an allowable annual cut that is greater than the base-level allowable annual cut;
  - (iv) repeat the steps in paragraphs (a) to (e) but apply them with respect to
    - (A) the remaining part of the timber supply area reduction determined under subparagraph (i) of this paragraph, and
    - (B) the groups of licences and ungrouped licences referred to in subparagraphs (ii) and (iii) of this paragraph, as reduced under paragraph (b) or (c), as applicable;
- (g) repeat the steps in paragraph (f) as necessary until one of the following occurs:
  - (i) the timber supply area reduction is fully distributed among the groups of licences and ungrouped licences;
  - (ii) each group of licences has a combined allowable annual cut, and each ungrouped licence has an allowable annual cut, that is equal to the base-level allowable annual cut.

SECTION 37: *[Forest Act, sections 63.01 to 63.05 – continued]*



- (2) The following are excluded from a distribution under subsection (1):
- (a) each group of licences in the timber supply area that has a combined allowable annual cut that is less than the base-level allowable annual cut;
  - (b) each ungrouped licence in the timber supply area that has an allowable annual cut that is less than the base-level allowable annual cut;
  - (c) each licence that is a prescribed licence or is in a prescribed class of licence.

**Distributing remaining part of timber supply area  
reduction among groups of licences and ungrouped licences**

- 63.03** (1) In this section, “**remaining part**”, in respect of a timber supply area reduction, means the part of the timber supply area reduction, if any, that is not fully distributed after using the method set out in section 63.02.
- (2) This section applies if the minister’s use of the distribution methods under section 63.02 (1) results in the outcome referred to in paragraph (g) (ii) of that provision.
- (3) In the circumstances referred to in subsection (2), the minister must distribute the remaining part of the timber supply area reduction among all the groups of licences and ungrouped licences in the timber supply area, including the groups of licences and ungrouped licences referred to in section 63.02 (2) (a) and (b) but not including the licences referred to in section 63.02 (2) (c), by doing the following:
- (a) determining the share of the remaining part that applies to each group of licences and each ungrouped licence by using the following formula:

$$\text{share} = \text{remaining part} \times \frac{\text{AAC}}{\text{Total AAC}}$$

where

remaining part = the remaining part;

AAC = the combined allowable annual cut of the group of licences or the allowable annual cut of the ungrouped licence, as applicable, after reductions are made under section 63.02;

Total AAC = the sum of the following:

- (i) the total of all combined allowable annual cuts of the groups of licences after reductions are made under section 63.02;
- (ii) the total of all allowable annual cuts of the ungrouped licences after reductions are made under section 63.02;

SECTION 37: *[Forest Act, sections 63.01 to 63.05 – continued]*

- (b) reducing the combined allowable annual cut of each group of licences by the share of the remaining part determined for that group of licences under paragraph (a);
- (c) reducing the allowable annual cut of each ungrouped licence by the share of the remaining part determined for that ungrouped licence under paragraph (a).

**Distributing combined allowable annual cut reductions among licences in groups of licences**

**63.04** (1) To carry out the distribution of a combined allowable annual cut reduction under section 63 (2) (d), the minister must do the following with respect to the licences in the group of licences, other than the licences referred to in subsection (2) of this section:

- (a) determine the share of the combined allowable annual cut reduction that applies to each licence by using the following formula:

$$\text{share} = \text{reduction} \times \frac{\text{AAC}}{\text{Total AAC}}$$

where

reduction = the combined allowable annual cut reduction;

AAC = the allowable annual cut of the licence;

Total AAC = the total of all the allowable annual cuts of the licences, not including the total of all the allowable annual cuts of the licences referred to in subsection (2);

- (b) reduce the allowable annual cut of each licence by the share of the reduction determined for that licence under paragraph (a);
- (c) if, after being reduced under paragraph (b), the allowable annual cut of a licence is less than the base-level allowable annual cut, adjust the allowable annual cut so that it equals the base-level allowable annual cut;
- (d) if an adjustment is made to an allowable annual cut under paragraph (c), do the following:
  - (i) determine the remaining part of the combined allowable annual cut reduction that is left to be distributed by adding the amounts of the adjustments that were made to allowable annual cuts under paragraph (c);

SECTION 37: *[Forest Act, sections 63.01 to 63.05 – continued]*

- (ii) determine which of the licences still have an allowable annual cut that is greater than the base-level allowable annual cut;
  - (iii) repeat the steps in paragraphs (a) to (c) but apply them with respect to
    - (A) the remaining part of the combined allowable annual cut reduction determined under subparagraph (i) of this paragraph, and
    - (B) the licences referred to in subparagraph (ii) of this paragraph, as reduced under paragraph (b);
  - (e) repeat the steps in paragraph (d) as necessary until one of the following occurs:
    - (i) the combined allowable annual cut reduction is fully distributed among the licences;
    - (ii) each licence has an allowable annual cut that is equal to the base-level allowable annual cut.
- (2) A licence is excluded from a distribution under subsection (1) if the licence has an allowable annual cut that is less than the base-level allowable annual cut.

**Distributing remaining part of combined allowable annual cut reduction among licences in groups of licences**

- 63.05** (1) In this section, “**remaining part**”, in respect of a combined allowable annual cut reduction, means the part of the combined allowable annual cut reduction, if any, that is not fully distributed after using the method set out in section 63.04.
- (2) This section applies if the minister’s use of the distribution methods under section 63.04 (1) results in the outcome referred to in paragraph (e) (ii) of that provision.
- (3) In the circumstances referred to in subsection (2), the minister must distribute the remaining part of the combined allowable annual cut reduction among all the licences in the group of licences, including the licences referred to in section 63.04 (2), by doing the following:
- (a) determining the share of the remaining part that applies to each licence by using the following formula:

$$\text{share} = \text{remaining part} \times \frac{\text{AAC}}{\text{Total AAC}}$$

SECTION 37: *[Forest Act, sections 63.01 to 63.05 – continued]*

SECTION 38: *[Forest Act, section 63.1]* is consequential to the repeal and replacement by this Bill of section 63 of the Act.

SECTION 39: *[Forest Act, section 72]* is consequential to the addition by this Bill of the definition of “area-based licence” to section 1 of the Act.

SECTION 40: *[Forest Act, section 75.21]* is consequential to the removal by this Bill of community salvage licences from the Act.

SECTION 41: *[Forest Act, section 75.92]* is consequential to the addition by this Bill of Parts 15, 17 and 18 to the Act.

SECTION 42: *[Forest Act, section 76]* is consequential to the removal by this Bill of community salvage licences from the Act.

SECTION 43: *[Forest Act, section 80]* adds a cross-reference to section 8 (10) of the Act so that the section also applies to allowable annual cut reductions determined for the management area as defined in the *Haida Gwaii Reconciliation Act*.

SECTION 44: *[Forest Act, section 80.01]* is consequential to the addition by this Bill of section 264 to the Act.

SECTION 45: *[Forest Act, section 83]* is consequential to the addition by this Bill of the definition of “area-based licence” to section 1 of the Act.

where

remaining part = the remaining part;

AAC = the allowable annual cut of the licence after reductions are made under section 63.04;

Total AAC = the total of all allowable annual cuts of the licences after reductions are made under section 63.04;

(b) reducing the allowable annual cut of each licence by the share of the remaining part determined for that licence under paragraph (a).

**38 Section 63.1 (2) is amended by striking out “For the purposes of section 63 (2)” and substituting “For the purposes of section 63 (1)”.**

**39 Section 72 (1) is amended by striking out “means the holder of a tree farm licence, timber licence, community forest agreement, first nations woodland licence or woodlot licence” and substituting “means the holder of a timber licence or area-based licence”.**

**40 Section 75.21 is amended**

**(a) by repealing subsection (1), and**

**(b) in subsections (2), (3) and (4) by striking out “licence” wherever it appears and substituting “forestry licence to cut”.**

**41 Section 75.92 is amended by striking out “section 8, 9, 61, 63 or 173” and substituting “section 8, 9, 61, 63, 173, 185, 202 or 273 or Part 18”.**

**42 Section 76 is amended**

**(a) in subsections (1) (c) and (3.1) (a) by striking out “43.8 (g.1),”, and**

**(b) by repealing subsection (1.1) (c.1).**

**43 Section 80 (2) (a) is amended by striking out “sections 8 (1) and (2)” and substituting “sections 8 (1), (2) and (10)”.**

**44 Section 80.01 is repealed.**

**45 Section 83 (2), (3), (4) and (5) (a) is amended by striking out “a tree farm licence, community forest agreement, first nations woodland licence or woodlot licence” and substituting “an area-based licence”.**

SECTION 46: *[Forest Act, Part 6.1]* adds a new Part that requires the holder of an area-based licence to prepare and maintain inventories of specified resources and features in the licence area.



46 *The following Part is added:*

## **PART 6.1 – FOREST RESOURCE INVENTORIES**

### **Definitions for Part 6.1**

**102.1** In this Part:

“**forest resource**” means a resource or feature set out in section 102.2 (1);

“**information**” includes a record;

“**recreation resource**” has the same meaning as in the *Forest and Range Practices Act*;

“**visual resource**” means a resource or feature in relation to which a visual quality objective is established under the *Forest and Range Practices Act*.

### **Requirement to prepare and maintain forest resource inventories**

**102.2** (1) The holder of an area-based licence must, in accordance with this Part, prepare and maintain a complete and accurate inventory of each of the following resources and features in the licence area:

- (a) timber;
- (b) soil and terrain;
- (c) water resources, including streams, wetlands, lakes and riparian areas;
- (d) fish and wildlife;
- (e) ecosystems;
- (f) recreation resources;
- (g) visual resources.

(2) The chief forester may specify the form in which the holder of an area-based licence must prepare and maintain an inventory of a forest resource.

### **Time periods within which forest resource inventories must be prepared**

**102.3** (1) In this section, “**pre-existing licence**” means a licence that is in effect on January 1, 2022.

(2) The holder of an area-based licence that is entered into after January 1, 2022 must prepare an inventory of each forest resource by no later than 2 years after the date the area-based licence is entered into.

(3) Subsection (2) does not apply if the area-based licence is a replacement for another licence.

SECTION 46: *[Forest Act, Part 6.1 – continued]*

- (4) The holder of a tree farm licence that is a pre-existing licence must prepare an inventory of each forest resource by no later than January 1, 2024.
- (5) The holder of a community forest agreement, first nations woodland licence or woodlot licence that is a pre-existing licence must prepare an inventory of each forest resource by no later than January 1, 2026.

**Content of forest resource inventory**

- 102.4** (1) An inventory of a forest resource must include sufficient information about the forest resource such that a professional forester who is relying on the inventory could do all the following, to the standard expected of a professional forester:
- (a) assess the impacts that the following would have on the forest resource:
    - (i) timber harvesting;
    - (ii) road construction, road maintenance, road use and road deactivation;
    - (iii) wildfire, disease and insect infestation;
  - (b) assess the impact that management of the forest resource would have on the timber supply in the licence area;
  - (c) prepare the following in relation to the licence area:
    - (i) an operational plan that meets the requirements under the *Forest and Range Practices Act*;
    - (ii) a management plan that meets the requirements under this Act or the licence;
  - (d) advise the holder of the area-based licence about the actions that are necessary to adequately manage and conserve the forest resource.
- (2) The chief forester may specify information that must be included in an inventory of a forest resource.

**Maintenance of forest resource inventory**

- 102.5** (1) After the holder of an area-based licence has prepared an inventory of a forest resource, the holder must maintain the inventory in accordance with the following requirements:
- (a) within each of the applicable time periods described in subsection (2), the holder must review the information in the inventory to determine whether the information is complete and accurate;
  - (b) if information in the inventory is determined to be no longer complete and accurate, the holder must update the inventory by adding complete and accurate information about the forest resource.

SECTION 46: *[Forest Act, Part 6.1 – continued]*

- (2) The review of an inventory of a forest resource must be carried out
  - (a) at least once in the 10-year period following the date the inventory is first prepared,
  - (b) at least once in each successive 10-year period following, as applicable,
    - (i) the date a determination is made that the information included in the inventory is complete and accurate, or
    - (ii) the date the inventory is updated by adding complete and accurate information about the forest resource, and
  - (c) at other times that may be specified by regulation.

**Requirement to keep records  
respecting forest resource inventory**

- 102.6** (1) Information that the holder of an area-based licence includes in the holder's inventory of a forest resource must be kept
- (a) for a period of 10 years following the date the inventory of the forest resource is first prepared, or
  - (b) if the information is added to the inventory of the forest resource after the inventory is first prepared, for a period of 10 years following the date the information is added.
- (2) The holder of an area-based licence must keep a record of the following dates that relate to the holder's inventory of a forest resource:
- (a) each date a determination under section 102.5 (1) (a) is made as to whether information included in the inventory is complete and accurate;
  - (b) each date the inventory is updated under section 102.5 (1) (b) by adding complete and accurate information about the forest resource.

**Requirement to submit  
forest resource inventory to chief forester**

- 102.7** (1) The holder of an area-based licence must, within or at each of the applicable times described in subsection (2), submit the following to the chief forester:
- (a) the information included in the holder's inventory of a forest resource;
  - (b) the record of dates relating to the forest resource that the holder is required to keep under section 102.6 (2).
- (2) Unless a later date is permitted by the chief forester, the information and record of dates referred to in subsection (1) must be submitted to the chief forester
- (a) within 30 days after the chief forester requests the holder to submit the information and record of dates,

SECTION 46: *[Forest Act, Part 6.1 – continued]*

- (b) on the expiration, surrender or cancellation of the area-based licence, and
  - (c) at other times that may be specified by regulation.
- (3) Subsection (2) (b) does not apply in respect of the expiration, surrender or cancellation of an area-based licence if the holder enters into a replacement agreement that has the same licence area.
- (4) Information and records of dates submitted under this section must be submitted in the form and manner specified by the chief forester.

**Requirement to review  
forest resource inventory in special circumstances**

- 102.8** (1) The chief forester may, by order, require the holder of an area-based licence to conduct a review and make the determinations and, if applicable, the updates described in section 102.5 (1) if the chief forester considers that a portion of the licence area has been significantly impacted by any of the following:
- (a) wildfire, disease or insect infestation;
  - (b) windthrow;
  - (c) a prescribed natural event.
- (2) Unless a later date is specified in an order under subsection (1), the holder to which the order relates must complete the review, and make the required determinations and updates, by no later than 2 years after the effective date of that order.

**Verification of information  
in forest resource inventory**

- 102.9** (1) In this section, “**inventory official**” means a person designated by the minister as an inventory official.
- (2) For the purposes of verifying information in an inventory of a forest resource prepared by the holder of an area-based licence, an inventory official may do any of the following:
- (a) require a person to produce for inspection or copying records that relate to the information;
  - (b) enter, at any reasonable time, onto land in the licence area to carry out surveys, tests or examinations;
  - (c) pass over land for the purposes of accessing land in the licence area.

SECTION 47: *[Forest Act, section 102.1]* is consequential to the repeal and replacement of section 150.3 of the *Forest and Range Practices Act*, as enacted by section 42 of the *Forest and Range Practices Amendment Act, 2019*.

SECTION 48: *[Forest Act, section 111]* is consequential to the addition by this Bill of the definition of “area-based licence” to section 1 of the Act.

SECTION 49: *[Forest Act, section 115]* is consequential to the addition by this Bill of the definition of “area-based licence” to section 1 of the Act.

SECTION 50: *[Forest Act, section 141.1]* requires a person that is subject to an order, exemption or condition to comply with the order, exemption or condition.

SECTION 51: *[Forest Act, section 146]* is consequential to the repeal by this Bill of section 60.6 of the Act.

SECTION 52: *[Forest Act, section 151]* clarifies regulation-making powers.

SECTION 53: *[Forest Act, section 151]* provides authority to make different regulations for different circumstances and to make regulations that adopt specified instruments.



**47** *Section 102.1 is amended in the definition of “visual resource” by striking out “visual quality objective” and substituting “visual quality requirement”.*

**48** *Section 111 (1) (a) is amended by striking out “timber licence, tree farm licence, community forest agreement, first nations woodland licence, community salvage licence or woodlot licence” and substituting “timber licence or area-based licence”.*

**49** *Section 115 (1) is amended by striking out “tree farm licence, community salvage licence, community forest agreement, first nations woodland licence, woodlot licence,” and substituting “area-based licence,”.*

**50** *The following section is added:*

**Duty to comply with orders, exemptions and conditions**

**141.1** If a person is the subject of an order, exemption or condition under this Act, the person must comply with the order, exemption or condition.

**51** *Section 146 (2) (a) is amended by striking out “section 60.6, 68, 70 (2) or 112 (1)” and substituting “section 68, 70 (2) or 112 (1)”.*

**52** *Section 151 is amended by adding the following subsections:*

(1.01) Without limiting subsection (1), the Lieutenant Governor in Council may make regulations respecting any matter for which regulations are contemplated by this Act.

(1.02) The authority to make regulations under another provision of this Act does not limit subsection (1), (1.01) or (1.1).

**53** *Section 151 (1.1) is amended*

*(a) in paragraph (c) by striking out “for different persons, places, things or transactions” and substituting “for different persons, places, things, circumstances or transactions”, and*

*(b) by adding the following paragraph:*

(e) adopt by reference, in whole or in part and with any changes considered appropriate by the Lieutenant Governor in Council, a regulation, code, standard or rule

(i) enacted as or under a law of a jurisdiction in Canada, or

(ii) set by a provincial, national or international body or any other body that makes codes, standards or rules.

SECTION 54: *[Forest Act, section 151]* provides authority for specified instruments to be adopted as amended from time to time.

SECTION 55: *[Forest Act, section 151]* is consequential to the addition by this Bill of section 151 (1.02) to the Act.

SECTION 56: *[Forest Act, section 151]* provides authority to make regulations respecting compensation under section 175.2 of the Act, as repealed and replaced by this Bill.

SECTION 57: *[Forest Act, section 151]* provides authority to make retroactive regulations for the purposes of section 151 (2) (m.2) of the Act, as repealed and replaced by this Bill.

SECTION 58: *[Forest Act, section 170]*

- is consequential to the addition by this Bill of the definition of “area-based licence” to section 1 of the Act;
- clarifies how a suspended or varied permit, licence or plan may be restored when an area ceases to be a designated area;
- clarifies that suspensions referred to in section 170 of the Act, as amended by this Bill, are not suspensions for the purposes of specified provisions of the Act.

**54 Section 151 is amended by adding the following subsection:**

(1.2) Unless stated otherwise, a regulation, code, standard or rule referred to in subsection (1.1) (e) is adopted as amended from time to time.

**55 Section 151 (2) is amended by striking out “Without limiting subsection (1), the Lieutenant Governor in Council may” and substituting “The Lieutenant Governor in Council may”.**

**56 Section 151 (2) (m.2) is repealed and the following substituted:**

(m.2) compensation for the purposes of section 175.2, including but not limited to regulations that do any of the things described in section 265 (2), 266 or 267; .

**57 Section 151 (9) is repealed and the following substituted:**

(9) If a regulation under subsection (2) (m.2) is made on or before December 31, 2026, the regulation may be made retroactive to a date not earlier than the date this subsection comes into force and, if made retroactive, is deemed to have come into force on the specified date.

**58 Section 170 is amended**

**(a) by repealing subsection (3) (h) and substituting the following:**

(h) the management plan for an area-based licence or pulpwood agreement; ,

**(b) by repealing subsection (4) and substituting the following:**

(4) If a permit, licence or plan is suspended or varied under subsection (2) (a) and the Crown land to which the suspension or variation relates ceases to be a designated area, the minister may, by order,

(a) restore the permit, licence or plan, in whole or in part, and

(b) extend the term of the permit, licence or plan, as that permit, licence or plan relates to the area that has ceased to be a designated area.

(4.1) The period of time by which the minister may extend the term of the permit, licence or plan under subsection (4) (b) must not exceed the period of time that remained on the term of the permit, licence or plan as at the effective date of the suspension or variation. , **and**

**(c) by repealing subsection (10) and substituting the following:**

(10) A suspension referred to in this section is not a suspension for the purposes of sections 15 (2) (a) and (c), 36 (2) (a) and (c), 46 (2) (a) and (c), 58.1 (3) (b), 59.1 (12) and (14) and 81 (1) (a), (2) (a) and (b) and (4).

SECTION 59: *[Forest Act, section 173]*

- is consequential to the repeal and replacement by this Bill of section 63 of the Act;
- is consequential to the addition by this Bill of the definition of “area-based licence” to section 1 of the Act.

SECTION 60: *[Forest Act, section 175.1]* hyphenates a phrase for consistency with current drafting style.

SECTION 61: *[Forest Act, section 175.2]* aligns compensation under Part 13 with compensation under Part 16, as added by this Bill to the Act.

**59 Section 173 is amended**

**(a) by repealing subsection (1),**

**(b) by repealing subsection (3) and substituting the following:**

(3) If the allowable annual cut of a timber supply area is reduced under subsection (2), the minister may distribute all or part of the reduction among the forest licences in the timber supply area in accordance with section 63 (2) and, for this purpose, section 63 (4) applies. ,

**(c) by repealing subsections (4) and (5),**

**(d) in subsection (7) by striking out “that affects a timber supply area, tree farm licence area, forest licence, community forest agreement area, first nations woodland licence area or woodlot licence area” and substituting “that affects a timber supply area, a forest licence or the licence area of an area-based licence” and by striking out “for the timber supply area, tree farm licence area, forest licence, community forest agreement area, first nations woodland licence area or woodlot licence area” and substituting “for the timber supply area, forest licence or licence area of the area-based licence”, and**

**(e) in subsection (10) by striking out “the allowable annual cut for the timber supply area, tree farm licence area, community forest agreement area, first nations woodland licence area, woodlot licence area, or forest licence that was affected by the order” and substituting “the allowable annual cut for the timber supply area, forest licence or licence area of the area-based licence that was affected by the order”.**

**60 Section 175.1 is amended by striking out “4 year period” and substituting “4-year period”.**

**61 Section 175.2 is repealed and the following substituted:**

**Compensation for fifth and subsequent years of designation**

**175.2 (1) In this section:**

“**compensable period**”, in relation to Crown land that is specified as a designated area, means the period that

(a) starts 4 years after the date the Crown land becomes a designated area, and

(b) ends when the Crown land ceases to be a designated area;

“**established practices**” has the same meaning as in section 226;

“**net income**” has the same meaning as in section 226.

SECTION 61: *[Forest Act, section 175.2 – continued]*

SECTION 62: *[Forest Act, Parts 15 and 16]*

- authorizes the Lieutenant Governor in Council to designate an area of Crown land as a special purpose area for an access purpose or a non-timber production purpose or for one or more first nation purposes, BCTS licence purposes or community forest agreement purposes;
- requires the chief forester to specify and determine certain matters relating to the impacts of a special purpose area on an area-based licence, non-TFL timber licence and timber supply area, including impacts relating to the harvest profile and allowable annual cut for the licence area and timber supply area;
- deletes Crown land from the licence area of an area-based licence or timber licence if the special purpose area overlaps the licence area;
- requires the minister to reduce the allowable annual cuts of forest licences in a timber supply area if the allowable annual cut for the timber supply area is reduced by the chief forester as a result of a special purpose area;

- (2) The holder of an agreement is entitled to compensation if
  - (a) an area of Crown land that is specified as a designated area continues as a designated area for more than 4 years, and
  - (b) the allowable annual cut of the agreement is reduced under section 173.
- (3) Subject to the adjustments under subsection (4), the compensation to which the holder of an agreement is entitled under this section is an amount determined by the minister based on the net income that would have been earned on the sale of harvested timber if, during each year of the compensable period,
  - (a) the volume of the harvested timber had been equal to the amount by which the allowable annual cut of the agreement is reduced under section 173,
  - (b) the timber had been harvested from the harvest profile that supports the allowable annual cut of the agreement, as specified by the chief forester for the purposes of this section, and
  - (c) the timber had been harvested and sold in accordance with established practices.
- (4) After determining the net income amount under subsection (3), the minister must
  - (a) adjust the compensation, in accordance with the regulations, to reflect the amount of income tax that would be payable, and
  - (b) make other adjustments that may be required by regulation.

**62** *The following Parts are added:*

## **PART 15 – SPECIAL PURPOSE AREAS**

### **Division 1 – Definitions for Part 15**

#### **Definitions for Part 15**

**180** In this Part:

“**access purpose**” means the use of Crown land for any of the following:

- (a) access to Crown timber;
- (b) a right of way for a highway, pipeline or power transmission;
- (c) access to water storage;

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*

- authorizes the minister or an authorized official to amend, suspend or cancel rights under specified agreements, licences and permits, as those agreements, licences or permits relate to a special purpose area;
- imposes restrictions on entering into specified agreements, licences and permits in relation to a special purpose area;
- authorizes the minister to deactivate a road, or to suspend, amend or cancel rights in relation to a road or timber production improvement, if the road or timber production improvement is located in a special purpose area;
- prohibits the construction of new roads or timber production improvements in a special purpose area;
- provides for compensation for holders of specified agreements, licences and permits in relation to certain impacts resulting from the designation of an area as a special purpose area.



**“ancillary road structure”** means any of the following structures, whether moveable or non-moveable, located on Crown land:

- (a) a bridge, culvert or gate;
- (b) livestock fencing;
- (c) a prescribed structure;

**“authorized official”**, in relation to an agreement, licence or permit referred to in this Part, means a person who has authority under this Act or the *Forest Practices Code of British Columbia Act* to enter into, issue or amend the agreement, licence or permit;

**“construct”** includes reconstruct, reactivate, upgrade or replace;

**“cutting permit area”**, in relation to a cutting permit, means the area of land to which the cutting permit applies;

**“information”** includes a record;

**“non-TFL timber licence”** means a timber licence that has a licence area that is not in the licence area of a tree farm licence;

**“non-timber production purpose”** means the use of Crown land for a purpose other than the following:

- (a) a timber production purpose;
- (b) an access purpose;
- (c) a purpose referred to in section 182 [*designation for first nation purpose, BCTS licence purpose or community forest agreement purpose*];

**“profile of timber”**, in relation to a licence area or timber supply area, means the composition of timber in the area, having regard to the following factors:

- (a) the types of timber in the area;
- (b) the types of terrain in the area;
- (c) other factors that the chief forester considers relevant;

**“road”** means a road or a portion of a road;

**“timber production improvement”** means an improvement that is for a timber production purpose but does not include the following:

- (a) a road or ancillary road structure;
- (b) a prescribed improvement;

**“timber production purpose”** means the use of land for purposes ancillary to timber production, including the use of land for the following:

- (a) a logging camp;
- (b) a log dump or dry land sort;
- (c) a temporary timber processing site;
- (d) an airstrip, helipad or other landing site for aircraft used for timber harvesting or transporting timber;

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*

- (e) a facility ancillary to timber production;
- (f) a prescribed purpose;

**“volume-based portion”**, in relation to a timber supply area, means the portion of the timber supply area for which the chief forester is required to make an allowable annual cut determination under section 8 (1) (a) [*allowable annual cut*].

## **Division 2 – Designation of Special Purpose Areas**

### **Designation for access purpose or non-timber production purpose**

- 181** The Lieutenant Governor in Council may, by regulation, designate an area of Crown land as a special purpose area so that the Crown land may be used for one of the following purposes:
- (a) an access purpose;
  - (b) a non-timber production purpose.

### **Designation for first nation purpose, BCTS licence purpose or community forest agreement purpose**

- 182** (1) The Lieutenant Governor in Council may, by regulation, designate an area of Crown land as a special purpose area so that Crown land or timber may be used for any one or more of the purposes referred to in this section.
- (2) An area of Crown land may be designated as a special purpose area for any of the following first nation purposes:
- (a) disposing of a fee simple interest in Crown land to a first nation to implement or further an agreement between the first nation and the government respecting treaty-related measures, interim measures or economic measures;
  - (b) entering into one or more of the following with a first nation or its representative:
    - (i) a community forest agreement under section 43.51 (1) (a) [*direct award of community forest agreements*];
    - (ii) a first nations woodland licence;
    - (iii) a woodlot licence under section 47.3 (1) (a) [*direct award of specified licences*];
    - (iv) a forest licence under section 47.3 (1) (a);
  - (c) increasing the licence area or allowable annual cut of one or more agreements or licences referred to in paragraph (b).
- (3) An area of Crown land may be designated as a special purpose area for the purposes of entering into one or more BCTS licences.

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*

- (4) An area of Crown land may be designated as a special purpose area for either of the following purposes:
- (a) entering into one or more community forest agreements under
    - (i) section 43.2 [*applications for community forest agreements*], or
    - (ii) section 43.51 (1) (b);
  - (b) increasing the licence area or allowable annual cut of one or more community forest agreements referred to in paragraph (a) of this subsection.

**Purpose and cancellation date of designation**

- 183** (1) A regulation that designates an area of Crown land as a special purpose area must specify the following:
- (a) the purpose or purposes of the special purpose area;
  - (b) the date the designation is cancelled.
- (2) Subject to section 184, the date specified under subsection (1) (b) must not be more than 3 years after the effective date of the designation, but the designation may be cancelled before that specified date.

**Limits on power to extend designation**

- 184** (1) In this section, “**original cancellation date**”, in relation to the designation of an area as a special purpose area, means the cancellation date of the designation as at the effective date of the designation.
- (2) The Lieutenant Governor in Council’s power to amend the original cancellation date by specifying a later cancellation date for the designation of an area as a special purpose area is restricted as follows:
- (a) the amendment may be made only once;
  - (b) the amendment may not be made earlier than one year before the original cancellation date;
  - (c) the later cancellation date may not be more than 3 years after the original cancellation date.

**Division 3 – Impacts and Restrictions on  
Area-Based Licences and Timber Licences**

**Impacts on harvest profile and AAC of area-based licence**

- 185** (1) If an area designated as a special purpose area overlaps the licence area of an area-based licence, the chief forester must do all of the following:
- (a) specify the harvest profile for the licence area by identifying the components of the profile of timber that the chief forester considers could be harvested to support the allowable annual cut for the licence area as at the effective date of the designation;

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*

- (b) determine the amount by which the allowable annual cut for the licence area will be reduced, if at all, when Crown land is deleted from the licence area under
    - (i) section 189 [*deletion of licence area from area-based licence or timber licence*],
    - (ii) section 190 [*order for early deletion of licence area*], or
    - (iii) section 191 [*order to extend deletion if special purpose area overlaps cutting permit area*];
  - (c) if a reduction is determined under paragraph (b), specify the adjusted allowable annual cut that results from that reduction;
  - (d) specify the new harvest profile for the licence area by identifying the components of the profile of timber that the chief forester considers could be harvested to support the allowable annual cut for the licence area after the effective date of the reduction and deletion referred to in paragraph (b);
  - (e) specify the harvest profile that will be impacted, if at all, as a result of the reduction and deletion referred to in paragraph (b) by identifying the differences between the harvest profile specified under paragraph (a) and the new harvest profile specified under paragraph (d).
- (2) The matters set out in subsection (1) must be specified and determined within 4 months after the effective date of the designation referred to in that subsection or, if an extension is granted under section 187 (4) [*request for information by chief forester*], within 5 months after that effective date.
  - (3) For certainty, if the licence area of a timber licence is in the licence area of a tree farm licence, the tree farm licence area includes, for the purposes of specifying and determining the matters set out in subsection (1), the licence area of the timber licence.

**Impacts on non-TFL timber licence**

- 186**
- (1) If an area designated as a special purpose area overlaps the licence area of a non-TFL timber licence, the chief forester must do all of the following:
    - (a) specify the harvest profile for the area of overlap by identifying the components of the profile of timber that the chief forester considers could be harvested in that area of overlap as at the effective date of the designation;
    - (b) determine the number of hectares in the area of overlap;

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*



- (c) determine the average volume of timber, per hectare, that the chief forester considers could be harvested from the harvest profile in the area of overlap were the area of overlap not subject to deletion under
  - (i) section 189 [*deletion of licence area from area-based licence or timber licence*],
  - (ii) section 190 [*order for early deletion of licence area*], or
  - (iii) section 191 [*order to extend deletion if special purpose area overlaps cutting permit area*].
- (2) If the cutting permit area of a cutting permit issued under the non-TFL timber licence is in the area of overlap referred to in subsection (1), the chief forester must exclude that cutting permit area from that area of overlap for the purposes of specifying and determining the matters set out in that subsection.
- (3) The matters set out in subsection (1) must be specified and determined within 4 months after the effective date of the designation referred to in that subsection or, if an extension is granted under section 187 (4) [*request for information by chief forester*], within 5 months after that effective date.

**Request for information by chief forester**

- 187**
- (1) For the purposes of specifying and determining the matters set out in section 185 (1) [*impacts on harvest profile and AAC of area-based licence*], the chief forester may, by written request served on the holder of an area-based licence, require the holder to provide the following information:
    - (a) the approved management plan for the licence;
    - (b) information used or obtained in preparing the approved management plan for the licence;
    - (c) information used or included in the holder's inventory of a forest resource, as prepared and maintained under Part 6.1 [*Forest Resource Inventories*];
    - (d) other information that the chief forester may specify.
  - (2) For the purposes of specifying and determining the matters set out in section 186 (1) [*impacts on non-TFL timber licence*], the chief forester may, by written request served on the holder of a non-TFL timber licence, require the holder to provide the information specified in the request.
  - (3) Information requested under subsection (1) or (2) must be provided in the form and manner and within the time period specified by the chief forester.

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*

- (4) The chief forester may grant an exemption, or an extension of not more than 30 days, to the holder of an area-based licence or non-TFL timber licence if the chief forester is satisfied that
  - (a) some or all of the information requested from the holder is not available to the holder, or
  - (b) the holder cannot reasonably provide or obtain the requested information within the time period specified in the request.
- (5) The chief forester must specify and determine the matters set out in sections 185 (1) and 186 (1) in respect of an area-based licence or non-TFL timber licence regardless of whether the holder of the licence complies with a request for information under this section.

**Notice to holder of area-based licence  
or non-TFL timber licence**

- 188** As soon as practicable after the matters set out in section 185 (1) [*impacts on harvest profile and AAC of area-based licence*] or 186 (1) [*impacts on non-TFL timber licence*] are specified and determined in relation to the licence area of an area-based licence or non-TFL timber licence, the minister must serve notice of those matters on the holder of the licence.

**Deletion of licence area from  
area-based licence or timber licence**

- 189** Subject to an order under section 190 [*order for early deletion of licence area*] or 191 [*order to extend deletion if special purpose area overlaps cutting permit area*], if an area designated as a special purpose area overlaps the licence area of an area-based licence or timber licence, the Crown land in the area of overlap is deleted from the licence area on the date that is one year after the effective date of the designation.

**Order for early deletion of licence area**

- 190** (1) If an area designated as a special purpose area overlaps the licence area of an area-based licence or timber licence, the minister may, by order, specify a deletion date that is earlier than one year after, but not earlier than 2 months after, the effective date of the designation.
- (2) By no later than 2 months before the effective date of an order under subsection (1), the minister must serve notice of the order on the holder of the licence to which the order relates.
- (3) If a deletion date is specified by an order under subsection (1), the Crown land is deleted from the licence area of the area-based licence or timber licence on the date specified in the order.

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*

**Order to extend deletion if special purpose area overlaps cutting permit area**

- 191** (1) The minister may, by order, specify a deletion date that is later than the deletion date under section 189 [*deletion of licence area from area-based licence or timber licence*] if the following requirements are met in relation to a cutting permit issued under an area-based licence or timber licence:
- (a) an area designated as a special purpose area overlaps the cutting permit area;
  - (b) timber harvesting in the area of overlap has not been completed;
  - (c) the cutting permit was issued before the effective date of the designation;
  - (d) the minister considers that the exercise of harvesting rights in the area of overlap will not significantly interfere with the purpose or purposes of the special purpose area.
- (2) An order under subsection (1) must not specify a deletion date that is later than the expiry date of the cutting permit referred to in that subsection.
- (3) If a deletion date is specified by an order under subsection (1), the Crown land is deleted from the licence area of the area-based licence or timber licence on the date specified in the order.

**Cancellation of area-based licence or timber licence if entire licence area deleted**

- 192** The minister may cancel an area-based licence or timber licence if the entire licence area of the licence is deleted under
- (a) section 189 [*deletion of licence area from area-based licence or timber licence*],
  - (b) an order under section 190 (1) [*order for early deletion of licence area*],  
or
  - (c) an order under section 191 (1) [*order to extend deletion if special purpose area overlaps cutting permit area*].

**Effective date of AAC reduction for area-based licence**

- 193** (1) If the chief forester determines a reduction under section 185 (1) (b) [*impacts on harvest profile and AAC of area-based licence*] to the allowable annual cut for the licence area of an area-based licence, the reduction and the adjusted allowable annual cut specified under section 185 (1) (c) take effect on the date that Crown land is deleted under this Division from the licence area.
- (2) When a reduction to the allowable annual cut of an area-based licence takes effect, the licence is deemed to be amended to reflect the reduction.

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*

**Deletion of cutting permit area within licence area**

- 194** (1) On the date that Crown land is deleted under this Division from the licence area of an area-based licence or timber licence, the Crown land is also deleted from the cutting permit area of any cutting permit issued under the licence.
- (2) If the entire cutting permit area of a cutting permit is deleted under subsection (1), the minister may cancel the cutting permit.

**Deemed amendment to affected agreement or cutting permit**

- 195** (1) If Crown land is deleted under this Division from the licence area of an area-based licence or timber licence, the licence is deemed to be amended to reflect the deletion.
- (2) If Crown land is deleted under section 194 [*deletion of cutting permit area within licence area*] from the cutting permit area of a cutting permit, the cutting permit is deemed to be amended to reflect the deletion.

**Order to suspend rights under  
area-based licence or timber licence**

- 196** (1) If a special purpose area overlaps the licence area of an area-based licence or timber licence, the minister may, by order, suspend rights under the licence that relate to the area of overlap.
- (2) For certainty, the authority under this section to suspend rights under an area-based licence or timber licence includes the authority to suspend rights under a cutting permit issued under the licence.

**Restriction on entering into or amending  
area-based licence or timber licence**

- 197** (1) Except as authorized under subsection (2), an authorized official must not enter into an area-based licence or timber licence if the licence area would overlap a special purpose area.
- (2) An authorized official may enter into an area-based licence or timber licence that overlaps a special purpose area if the area-based licence or timber licence is a replacement for another licence.
- (3) An authorized official must not amend the licence area of an area-based licence or timber licence if the amendment would result in a new area of overlap between the licence area and a special purpose area.

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*



## Division 4 – Impacts and Restrictions on Forest Licences

### Definitions for Division 4 of Part 15

**198** In this Division:

“**AAC available for BCTS licences**”, in relation to a timber supply area, means the allowable annual cut that is available for granting under BCTS licences in the timber supply area, as specified by the minister under section 10 (1) [*apportioning cut*];

“**AAC reduction for the timber supply area**”, in relation to a timber supply area, means a reduction to the allowable annual cut for the volume-based portion of the timber supply area, as determined by the chief forester under section 199 (1) (b) [*impacts on harvest profile and AAC of timber supply area*];

“**BCTS licence purpose**”, in relation to the designation of an area as a special purpose area, means a designation made for a purpose described in section 182 (3) [*designation for first nation purpose, BCTS licence purpose or community forest agreement purpose*].

### Impacts on harvest profile and AAC of timber supply area

- 199** (1) If an area designated as a special purpose area overlaps the volume-based portion of a timber supply area, the chief forester must do all of the following:
- (a) specify the harvest profile for the volume-based portion by identifying the components of the profile of timber that the chief forester considers could be harvested to support the allowable annual cut for that volume-based portion as at the effective date of the designation;
  - (b) determine the amount by which the allowable annual cut for the volume-based portion would be reduced, if at all, were the area of overlap required to be removed from that volume-based portion;
  - (c) if a reduction is determined under paragraph (b), specify the adjusted allowable annual cut for the volume-based portion that results from that reduction;
  - (d) specify the new harvest profile for the volume-based portion by identifying the components of the profile of timber that the chief forester considers could be harvested to support the allowable annual cut for that volume-based portion after the effective date of the reduction referred to in paragraph (b);
  - (e) specify the harvest profile that will be impacted, if at all, as a result of the reduction referred to in paragraph (b) by identifying the differences between the harvest profile specified under paragraph (a) and the new harvest profile specified under paragraph (d).

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*

- (2) The matters set out in subsection (1) must be specified and determined within 4 months after the effective date of the designation referred to in that subsection.

**Notice to holders of forest licences**

- 200** (1) Within 30 days after the matters set out in section 199 (1) [*impacts on harvest profile and AAC of timber supply area*] are specified and determined in relation to the volume-based portion of a timber supply area, the minister must serve notice of those matters on the holder of each forest licence in that volume-based portion.
- (2) In the notice under subsection (1), the minister may specify a website maintained by or on behalf of the government where the holder may obtain the harvest profiles specified under section 199 (1) (a), (d) and (e).

**Effective date of AAC reduction for timber supply area**

- 201** If the chief forester determines a reduction under section 199 (1) (b) [*impacts on harvest profile and AAC of timber supply area*] for the volume-based portion of a timber supply area, the reduction and the adjusted allowable annual cut specified under section 199 (1) (c) take effect 40 days after that determination.

**Reduction to forest licences following designation as special purpose area**

- 202** (1) The minister must make reductions under this section to the allowable annual cuts of forest licences in a timber supply area if
- (a) a portion of an area designated as a special purpose area overlaps the timber supply area, and
  - (b) the chief forester determines an AAC reduction for the timber supply area.
- (2) If the designation referred to in subsection (1) (a) is made for a purpose other than a BCTS licence purpose, the minister must do both of the following:
- (a) determine how much of the AAC reduction for the timber supply area is to be applied to the AAC available for BCTS licences by using the formula set out in section 203 [*reduction to AAC available for BCTS licences*];
  - (b) reduce the allowable annual cuts of the forest licences in the timber supply area in accordance with the method set out in section 204 [*method of reduction if designation made other than for BCTS licence purpose*].

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*

- (3) If the designation referred to in subsection (1) (a) is made for a BCTS licence purpose, the minister must reduce the allowable annual cuts of the forest licences in the timber supply area by distributing the AAC reduction for the timber supply area among the forest licences in accordance with section 63 (2) (b), (c) and (d) [*reduction among licences in timber supply area*].
- (4) The minister’s determination under subsection (2) (a)
  - (a) must be made within 40 days after the chief forester determines the AAC reduction for the timber supply area, and
  - (b) takes effect 40 days after the chief forester’s determination.
- (5) The reduction under subsection (2) (b) or (3) must be made, and the notice required under section 205 [*notice and effective date of reductions to forest licences*] must be given, within 3 months after the chief forester determines the AAC reduction for the timber supply area.
- (6) The reduction to the allowable annual cuts of forest licences in the volume-based portion of a timber supply area must not exceed the following amounts:
  - (a) in the case of a reduction under subsection (2) (b), the amount of the AAC reduction for the timber supply area, less the amount applied under subsection (2) (a) to the AAC available for BCTS licences;
  - (b) in the case of a reduction under subsection (3), the amount of the AAC reduction for the timber supply area.

**Reduction to AAC available for BCTS licences**

**203** The formula for the purposes of section 202 (2) (a) [*reduction to forest licences following designation as special purpose area*] is as follows:

$$\text{BCTS reduction} = \text{AAC reduction for TSA} \times \frac{\text{AAC available for BCTS licences}}{\text{AAC for TSA}}$$

where

AAC reduction for TSA = the AAC reduction for the timber supply area;

AAC available for BCTS licences = the AAC available for BCTS licences in the timber supply area as at the effective date of the designation referred to in section 202 (1) (a);

AAC for TSA = the allowable annual cut for the timber supply area as at the effective date of the designation referred to in section 202 (1) (a).

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*

**Method of reduction if designation made  
other than for BCTS licence purpose**

**204** The method for the purposes of section 202 (2) (b) [*reduction to forest licences following designation as special purpose area*] is as follows:

- (a) determine how much of the AAC reduction for the timber supply area is to be distributed among forest licences in the timber supply area by using the following formula:

forest licences reduction = AAC reduction for TSA – BCTS reduction

where

AAC reduction for TSA = the AAC reduction for the timber supply area;

BCTS reduction = the amount of the AAC reduction for the timber supply area that is to be applied to the AAC available for BCTS licences, as determined under section 202 (2) (a);

- (b) distribute the amount determined under paragraph (a) among the forest licences in accordance with section 63 (2) (b), (c) and (d) [*reduction among licences in timber supply area*].

**Notice and effective date of  
reductions to forest licences**

- 205** (1) If a reduction is made under section 202 [*reduction to forest licences following designation as special purpose area*] to the allowable annual cut of a forest licence, the minister must serve notice of the reduction on the holder of the forest licence.
- (2) A reduction made under this Division to the allowable annual cut of a forest licence takes effect on the date that notice under subsection (1) is served on the holder of the forest licence.
- (3) When a reduction to the allowable annual cut of a forest licence takes effect, the licence is deemed to be amended to reflect the reduction.

**Order to amend, suspend or cancel rights  
under cutting permit under forest licence**

- 206** (1) If a special purpose area overlaps the cutting permit area of a cutting permit issued under a forest licence, the minister may, by order, do any of the following:
  - (a) amend the cutting permit;
  - (b) suspend rights under the cutting permit;
  - (c) cancel rights under the cutting permit.

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*



- (2) In deciding whether to make an order under this section, the minister must consider the following:
  - (a) whether the exercise of rights under the cutting permit would significantly interfere with the purpose or purposes of the special purpose area;
  - (b) other factors the minister considers relevant.

**Restriction on entering into  
or amending certain forest licences**

- 207**
- (1) If a special purpose area overlaps a portion of a timber supply area, an authorized official must not enter into a forest licence that would, under section 14 (1) (b.1) [*content of forest licence*], restrict timber harvesting to the portion of the timber supply area.
  - (2) Subsection (1) does not apply if the forest licence is a replacement for another licence that, under section 14 (1) (b.1), restricts timber harvesting to the portion of the timber supply area.
  - (3) An authorized official must not amend a forest licence if, as a result of the amendment, the forest licence would restrict timber harvesting to a portion of a timber supply area that overlaps a special purpose area.

**Division 5 – Impacts and Restrictions on  
Certain Other Licences and Permits**

**Order to amend, suspend or cancel  
rights under certain other licences or permits**

- 208**
- (1) In this section:
    - “**licence**” means any of the following:
      - (a) a forestry licence to cut;
      - (b) a fibre supply licence to cut;
      - (c) a timber sale licence;
      - (d) a pulpwood agreement;
    - “**permit**” means any of the following:
      - (a) a free use permit;
      - (b) a Christmas tree permit;
      - (c) a cutting permit issued under a forestry licence to cut;
      - (d) a fibre recovery permit.
  - (2) Subject to subsection (4), if rights under a licence or permit are exercisable in a special purpose area, the minister may, by order, do any of the following:
    - (a) amend the licence or permit as it relates to the rights;

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*

- (b) suspend the rights;
  - (c) cancel the rights.
- (3) In deciding whether to make an order under this section, the minister must consider the following:
- (a) whether the exercise of rights under the licence or permit would significantly interfere with the purpose or purposes of the special purpose area;
  - (b) the nature and extent of rights under the licence or permit that are authorized to be exercised in the special purpose area;
  - (c) other factors the minister considers relevant.
- (4) The minister may not make an order under this section in respect of a free use permit entered into with any of the following persons:
- (a) a person who requires Crown timber for the purpose of scientific investigation, as referred to in section 48 (1) (d) [*free use permit*];
  - (b) a person who requires Crown timber for a traditional and cultural activity, as referred to in section 48 (1) (g);
  - (c) a treaty first nation referred to in section 48 (1) (h).
- (5) For certainty, a forestry licence to cut includes a forestry licence to cut issued under a pulpwood agreement.

**Restriction on entering into  
or amending certain other licences or permits**

- 209** (1) Except as authorized under subsection (2), an authorized official must not enter into or issue any of the following licences or permits if the licence or permit would grant rights exercisable in a special purpose area:
- (a) a forestry licence to cut;
  - (b) a fibre supply licence to cut or fibre recovery permit;
  - (c) a free use permit;
  - (d) a Christmas tree permit;
  - (e) a timber sale licence;
  - (f) a cutting permit issued under a forest licence, timber licence, area-based licence or forestry licence to cut.
- (2) An authorized official may enter into or issue a licence or permit that grants rights exercisable in a special purpose area if the licence or permit is one of the following:
- (a) a forestry licence to cut entered into for any of the following purposes:
    - (i) preventing or suppressing forest fires;
    - (ii) protecting forest health, including pest management;
    - (iii) protecting public health or safety;

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*

- (b) a free use permit entered into with a person referred to in section 208 (4) (a), (b) or (c) [*order to amend, suspend or cancel rights under certain other licences or permits*];
  - (c) a cutting permit issued under a forestry licence to cut referred to in paragraph (a).
- (3) An authorized official must not amend any of the following licences, permits or agreements if, as a result of the amendment, the licence, permit or agreement would grant rights exercisable in a special purpose area:
- (a) a forestry licence to cut, other than a forestry licence referred to in subsection (2) (a);
  - (b) a free use permit, other than a free use permit referred to in subsection (2) (b);
  - (c) a Christmas tree permit;
  - (d) a timber sale licence;
  - (e) a cutting permit issued under a forest licence, timber licence, area-based licence or forestry licence to cut, other than a cutting permit referred to in subsection (2) (c);
  - (f) a pulpwood agreement.
- (4) For certainty, a forestry licence to cut includes a forestry licence to cut issued under a pulpwood agreement.

### **Division 6 – Impacts and Restrictions on Roads, Ancillary Road Structures and Improvements**

#### **Application of Division 6 of Part 15 to road authorized under special use permit or master licence to cut**

- 210** (1) This Division applies in relation to a road authorized under a special use permit only if the road provides access to an area for a timber production purpose.
- (2) This Division does not apply in relation to a road authorized under
- (a) a master licence to cut, or
  - (b) a cutting permit issued under a master licence to cut.

#### **Order to deactivate road**

- 211** (1) The minister may make an order under this section if either of the following applies in relation to a road:
- (a) the road is authorized under an agreement listed in section 12 [*form of agreements*], or under a cutting permit or special use permit, and is located in a special purpose area;

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*

- (b) the road is authorized under a road permit or special use permit and compensation in relation to the road has been provided under Division 6 [*Compensation for Roads and Timber Production Improvements*] of Part 16 [*Compensation in Relation to Special Purpose Areas*].
- (2) If a road described in subsection (1) (a) or (b) is authorized under an agreement or permit referred to in that subsection, the minister may, by order, do any of the following:
  - (a) require the holder of the agreement or permit to deactivate the road;
  - (b) exempt the holder from a requirement under this Act or the *Forest and Range Practices Act* respecting deactivation of the road;
  - (c) impose conditions with respect to an exemption under paragraph (b).
- (3) Subject to an exemption set out in an order under this section, the applicable requirements under the *Forest and Range Practices Act* respecting deactivation apply in relation to the road that is subject to the order.

**Government deactivation of road**

- 212** (1) If a road described in section 211 (1) (a) or (b) is authorized under an agreement or permit referred to in that section, the minister may enter into, with the holder of the agreement or permit, a written agreement under which
- (a) the government agrees to deactivate the road, and
  - (b) the holder agrees to pay to the government, in accordance with the agreement, the costs incurred by the government in respect of the deactivation.
- (2) The minister may not enter into an agreement under this section respecting the deactivation of a road if the minister has made an order under section 211 [*order to deactivate road*] in relation to the road.

**Order to amend, suspend or cancel rights in relation to road**

- 213** (1) If a road authorized under a road permit or special use permit is located in a special purpose area, the minister may, by order, do any of the following:
- (a) amend the permit;
  - (b) suspend rights under the permit;
  - (c) cancel rights under the permit.
- (2) In deciding whether to make an order under this section, the minister must consider the following:
- (a) whether the road significantly interferes with the purpose or purposes of the special purpose area;
  - (b) other factors the minister considers relevant.

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*



**Prohibition on constructing road  
under pre-existing authorization**

- 214** (1) In this section, “**pre-existing authorization**”, in relation to an area designated as a special purpose area, means an authorization granted, before the effective date of the designation, under a road permit or special use permit.
- (2) Unless the minister, by order, allows otherwise, the holder of a pre-existing authorization that authorizes a road to be constructed in an area designated as a special purpose area must not construct or continue to construct the road in the special purpose area.

**Restriction on authorizing new road**

- 215** (1) After the effective date of the designation of an area as a special purpose area, and except as authorized under subsection (2), an authorized official must not, under a road permit or special use permit, authorize the holder of the permit to construct a road in the special purpose area.
- (2) An authorized official may, under a road permit or special use permit, authorize the holder of the permit to construct a road in an area designated as a special purpose area if the authorized official is satisfied that one or more of the following apply:
- (a) the road does not significantly interfere with the purpose or purposes of the special purpose area;
  - (b) the road is necessary to carry out timber harvesting under a forestry licence to cut entered into for a purpose described in section 209 (2) (a) *[restriction on entering into or amending certain other licences or permits]*;
  - (c) the road is necessary to carry out timber harvesting under a forestry licence to cut entered into before the effective date of the designation;
  - (d) the road is necessary to carry out timber harvesting under a cutting permit issued under a forestry licence to cut referred to in paragraph (b).

**Prohibition on removing ancillary road structure**

- 216** Unless the minister, by order, allows otherwise, a person must not remove an ancillary road structure if the ancillary road structure is used in relation to a road to which either of the following applies:
- (a) the road is authorized under an agreement listed in section 12 *[form of agreements]*, or under a cutting permit or special use permit, and is located in a special purpose area;
  - (b) the road is authorized under a road permit or special use permit and compensation in relation to the road has been provided under Division 6 *[Compensation for Roads and Timber Production Improvements]* of Part 16 *[Compensation in Relation to Special Purpose Areas]*.

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*

**Order that property in ancillary road structure vests in government**

- 217** (1) The minister may, by order, cause property in an ancillary road structure to be vested in the government if any of the following apply:
- (a) the ancillary road structure is used in relation to a road that
    - (i) is authorized under an area-based licence or a cutting permit issued under an area-based licence, and
    - (ii) is located in a special purpose area;
  - (b) the ancillary road structure is used in relation to a road authorized under a cutting permit issued under a forest licence and rights in relation to the road are cancelled by an order under section 206 (1) (c) *[order to amend, suspend or cancel rights under cutting permit under forest licence]*;
  - (c) the ancillary road structure is used in relation to a road authorized under a licence or permit, as defined in section 208 (1) *[order to amend, suspend or cancel rights under certain other licences or permits]*, and rights in relation to the road are cancelled by an order under section 208 (2) (c);
  - (d) the ancillary road structure is used in relation to a road authorized under a road permit or special use permit and rights in relation to the road are cancelled by an order under
    - (i) section 213 (1) (c) *[order to amend, suspend or cancel rights in relation to road]*, or
    - (ii) section 261 *[order to cancel rights in relation to road for which compensation provided]*.
- (2) If property in an ancillary road structure is subject to an order under this section, the property vests in the government on the effective date of the order.
- (3) Within 30 days after making an order under this section in respect of an ancillary road structure, the minister must serve notice of the order on the following:
- (a) the holder of the licence or permit that authorizes the road in relation to which the ancillary road structure is used;
  - (b) if the minister has knowledge of any other person who holds an interest in the ancillary road structure, that other person.
- (4) An order under this section in respect of an ancillary road structure used in relation to a road authorized under a licence or permit does not relieve the holder of the licence or permit from an obligation to deactivate the road.

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*

**Prohibition on constructing timber production improvement under pre-existing authorization**

- 218** (1) In this section, “**pre-existing authorization**”, in relation to an area designated as a special purpose area, means an authorization granted, before the effective date of the designation, under a road permit or special use permit.
- (2) Unless the minister, by order, allows otherwise, the holder of a pre-existing authorization that authorizes a timber production improvement to be constructed in an area designated as a special purpose area must not construct or continue to construct the timber production improvement in the special purpose area.

**Order to amend, suspend or cancel rights in relation to timber production improvement**

- 219** The minister may, by order, amend, suspend or cancel rights under a special use permit in relation to a timber production improvement located in a special purpose area if the minister considers that the timber production improvement significantly interferes with the purpose or purposes of the special purpose area.

**Restriction on authorizing new timber production improvement**

- 220** After the effective date of the designation of an area as a special purpose area, an authorized official must not, under a special use permit, authorize a timber production improvement in the special purpose area.

**Division 7 – General Provisions  
in Relation to Special Purpose Areas**

**Requirement to serve notice of orders**

- 221** As soon as practicable after making an order under any of the following provisions, the minister must serve notice of the order on the holder of the licence, permit or agreement to which the order relates:
- (a) section 191 [*order to extend deletion if special purpose area overlaps cutting permit area*];
  - (b) section 196 [*order to suspend rights under area-based licence or timber licence*];
  - (c) section 206 [*order to amend, suspend or cancel rights under cutting permit under forest licence*];
  - (d) section 208 [*order to amend, suspend or cancel rights under certain other licences or permits*];
  - (e) section 211 [*order to deactivate road*];
  - (f) section 213 [*order to amend, suspend or cancel rights in relation to road*];

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*

- (g) section 214 [*prohibition on constructing road under pre-existing authorization*];
- (h) section 216 [*prohibition on removing ancillary road structure*];
- (i) section 218 [*prohibition on constructing timber production improvement under pre-existing authorization*];
- (j) section 219 [*order to amend, suspend or cancel rights in relation to timber production improvement*].

**Extension of time periods**

- 222** (1) The minister may, by order, extend a time required for the minister, the chief forester or any other person to do anything required or permitted under this Part if the minister considers that the extension is necessary to prevent, alleviate or respond to special circumstances.
- (2) Subsection (1) applies despite section 141 [*extension of time*].

**Exemption for licence entered into for special purposes**

- 223** (1) In this section, “**licence entered into for special purposes**”, in relation to the designation of an area for a purpose or purposes referred to in section 182 [*designation for first nation purpose, BCTS licence purpose or community forest agreement purpose*], means an area-based licence, forest licence or BCTS licence that is entered into, after the effective date of the designation, for the purpose or purposes to which the designation relates.
- (2) The following provisions do not apply in relation to an area-based licence if the area-based licence is a licence entered into for special purposes:
- (a) Division 3 [*Impacts and Restrictions on Area-Based Licences and Timber Licences*];
  - (b) section 209 (1) (f) and (3) (e) [*restriction on entering into or amending certain other licences or permits*].
- (3) The following provisions do not apply in relation to a forest licence if the forest licence is a licence entered into for special purposes:
- (a) Division 4 [*Impacts and Restrictions on Forest Licences*];
  - (b) section 209 (1) (f) and (3) (e).
- (4) Division 5 [*Impacts and Restrictions on Certain Other Licences and Permits*] does not apply in relation to a BCTS licence if the BCTS licence is a licence entered into for special purposes.
- (5) Division 6 [*Impacts and Restrictions on Roads, Ancillary Road Structures and Improvements*] does not apply in relation to a road permit or special use permit that is associated with a licence entered into for special purposes.

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*



- (6) On the effective date of the cancellation of the designation of an area as a special purpose area, an area-based licence, forest licence or BCTS licence that was entered into for the purpose or purposes to which the designation relates ceases to be a licence entered into for special purposes.

**Effect of suspension of rights under Part 15**

- 224** A suspension of rights under this Part is not a suspension for the purposes of the following provisions:
- (a) section 15 (2) (a) and (c) [*replacement for forest licence*];
  - (b) section 36 (2) (a) and (c) [*replacement for tree farm licence*];
  - (c) section 46 (2) (a) and (c) [*replacement for woodlot licence*];
  - (d) section 58.1 (3) (b) [*extension of timber sale licences and cutting permits*];
  - (e) section 59.1 (12) and (14) [*innovative forestry practices*];
  - (f) section 81 (1) (a), (2) (a) and (b) and (4) [*eligibility*].

**Division 8 – Regulations Under Part 15**

**Regulations under Part 15**

- 225** (1) The Lieutenant Governor in Council may make regulations for the purposes contemplated by this Part, including regulations that designate areas as special purpose areas for the purposes of Division 2 [*Designation of Special Purpose Areas*].
- (2) A regulation made on or before December 31, 2026 for the purposes of this Part may be made retroactive to a date not earlier than the date this subsection comes into force and, if made retroactive, is deemed to have come into force on the specified date.

**PART 16 – COMPENSATION IN RELATION TO  
SPECIAL PURPOSE AREAS**

**Division 1 – Definitions and Interpretation for Part 16**

**Definitions for Part 16**

- 226** (1) In this Part:
- “**deletion for a non-timber production purpose**” means a deletion under Division 3 [*Impacts and Restrictions on Area-Based Licences and Timber Licences*] of Part 15 [*Special Purpose Areas*] of Crown land from the licence area of an area-based licence or non-TFL timber licence, if the deletion occurs in connection with an area that is designated as a special purpose area for a non-timber production purpose;

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*

**“deletion for an access purpose”** means a deletion under Division 3 of Part 15 of Crown land from the licence area of an area-based licence or non-TFL timber licence, if the deletion occurs in connection with an area that is designated as a special purpose area for an access purpose;

**“deletion for other special purposes”** means a deletion under Division 3 of Part 15 of Crown land from the licence area of an area-based licence or non-TFL timber licence, if the deletion occurs in connection with an area that is designated as a special purpose area for one or more of the purposes referred to in section 182 [*designation for first nation purpose, BCTS licence purpose or community forest agreement purpose*];

**“deletion period”** has the meaning set out in section 227 [*meaning of “deletion period”*];

**“established practices”** means practices that

- (a) have been carried out previously in relation to the harvest and sale of a volume of timber that is harvested from the relevant harvest profile, and
- (b) are evidenced by records that
  - (i) have been submitted previously under this Act, and
  - (ii) are considered relevant by the minister;

**“net income”** means the amount determined in accordance with section 228 [*meaning of “net income”*];

**“original allowable annual cut”** means the following:

- (a) in relation to an area-based licence, the allowable annual cut for the licence area of the area-based licence at the beginning of a deletion period;
- (b) in relation to a forest licence, the allowable annual cut of the forest licence at the beginning of a deletion period;

**“original licence area”**, in relation to a non-TFL timber licence, means the licence area of the non-TFL timber licence at that time the licence was first entered into;

**“reduction for a non-timber production purpose”** means a reduction under section 202 [*reduction to forest licences following designation as special purpose area*] to the allowable annual cut of a forest licence, if the reduction is made in connection with an area that is designated as a special purpose area for a non-timber production purpose;

**“reduction for an access purpose”** means a reduction under section 202 to the allowable annual cut of a forest licence, if the reduction is made in connection with an area that is designated as a special purpose area for an access purpose;

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*

**“reduction for other special purposes”** means a reduction under section 202 to the allowable annual cut of a forest licence, if the reduction is made in connection with an area that is designated as a special purpose area for one or more of the purposes referred to in section 182;

**“relevant harvest profile”** means the following:

- (a) in relation to the licence area of an area-based licence,
  - (i) the harvest profile for the licence area, as specified under section 185 (1) (a) [*impacts on harvest profile and AAC of area-based licence*], or
  - (ii) if impacts to that harvest profile are specified under section 185 (1) (e), the impacted harvest profile specified under that section;
- (b) in relation to the licence area of a non-TFL timber licence, the harvest profile for the portion of the licence area that overlaps a special purpose area, as specified under section 186 (1) (a) [*impacts on non-TFL timber licence*];
- (c) in relation to the volume-based portion of a timber supply area,
  - (i) the harvest profile for the volume-based portion, as specified under section 199 (1) (a) [*impacts on harvest profile and AAC of timber supply area*], or
  - (ii) if impacts to that harvest profile are specified under section 199 (1) (e), the impacted harvest profile specified under that section;

**“remaining term”** has the meaning set out in section 229 [*meaning of “remaining term”*].

- (2) If a word or expression used in this Part is defined in section 180 [*definitions for Part 15*], the word or expression has the same meaning as defined in that section.

**Meaning of “deletion period”**

- 227**
- (1) The deletion period for a forest licence, and for replacements for the forest licence, is each successive 15-year period, commencing with the beginning of the term of the original forest licence.
  - (2) The deletion period for a tree farm licence, and for replacements for the tree farm licence, is each successive 25-year period, commencing with the beginning of the term of the original tree farm licence.

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*

- (3) The deletion period for a community forest agreement, and for replacements for the community forest agreement, is each successive 25-year period, commencing with the beginning of the term of the following, as applicable:
  - (a) unless paragraph (b) applies, the original community forest agreement;
  - (b) if the original community forest agreement is a probationary community forest agreement, the original probationary community forest agreement.
- (4) The deletion period for a first nations woodland licence, and for replacements for the first nations woodland licence, is each successive 25-year period, commencing with the beginning of the term of the original first nations woodland licence.
- (5) The deletion period for a woodlot licence, and for replacements for the woodlot licence, is each successive 15-year period, commencing with the beginning of the term of the original woodlot licence.
- (6) For the purposes of this section, an agreement or licence is the original if the agreement or licence
  - (a) does not replace a previous agreement or licence, or
  - (b) is not a licence entered into under
    - (i) section 19 [*consolidation and subdivision of forest licences*],
    - (ii) section 39 [*consolidation and subdivision of tree farm licences*],
    - or
    - (iii) section 46.2 [*consolidation of woodlot licences*].

**Meaning of “net income”**

- 228** (1) Net income, in relation to the harvest and sale of a volume of timber, is the amount determined by the following formula and in accordance with the regulations, if any:

$$\text{net income} = \text{revenues} - \text{costs}$$

where

revenues = the revenues that would be received from the sale of the portion of the harvested volume of timber that would be sold at market;

costs = the costs, including the costs specified under subsection (2), that would be associated with

- (a) the harvest of the volume of timber, and
- (b) the sale of the portion of the harvested volume of timber that would be sold at market.

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*



- (2) For the purposes of the formula under subsection (1), the costs include the following:
- (a) stumpage that would be payable to the government;
  - (b) planning, administrative and overhead costs that would be attributed to the harvest and sale of the timber;
  - (c) costs in respect of the following matters that would be associated with the harvest and sale of the timber:
    - (i) constructing, maintaining and deactivating roads;
    - (ii) felling, de-limbing and bucking timber;
    - (iii) yarding and loading timber;
    - (iv) transporting timber;
    - (v) sorting and scaling timber;
    - (vi) log booming;
    - (vii) any additional loading and unloading of timber in relation to sorting and scaling timber, log booming, or transporting the timber to market by any means;
  - (d) costs that would be incurred to fulfill an obligation or requirement, including a silviculture or other forest management obligation or requirement, that would be
    - (i) associated with the harvest of the timber, and
    - (ii) imposed under this Act, the *Forest and Range Practices Act* or the *Wildfire Act*;
  - (e) export fees and brokerage fees that would be incurred;
  - (f) any other costs that the minister determines would be incurred to bring the timber to market.

**Meaning of “remaining term”**

- 229** (1) The remaining term of an area-based licence or non-TFL timber licence, in relation to the deletion of Crown land from the licence area as a result of the designation of an area as a special purpose area, is the period that
- (a) starts on the date the Crown land is deleted from the licence area under Division 3 [*Impacts and Restrictions on Area-Based Licences and Timber Licences*] of Part 15 [*Special Purpose Areas*], and
  - (b) ends on the expiry date of the term of the licence as at the effective date of the designation.

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*

- (2) The remaining term of a forest licence, in relation to the designation of an area as a special purpose area, is the period that
- (a) starts on the date the allowable annual cut of the licence is reduced under section 202 [*reduction to forest licences following designation as special purpose area*] as a result of the designation, and
  - (b) ends on the expiry date of the term of the licence as at the effective date of the designation.

## **Division 2 – Compensation for Area-Based Licences and Non-TFL Timber Licences**

### **Definitions for Division 2 of Part 16**

**230** In this Division:

**“total compensable AAC”** means the following:

- (a) for the purposes of determining the compensation to which the holder of an area-based licence is entitled under section 231 [*compensation for area-based licence for deletion for access purpose*], the amount by which the allowable annual cut reduction referred to in subsection (1) (b) of that section exceeds 5% of the original allowable annual cut of the licence;
- (b) for the purposes of determining the compensation to which the holder of an area-based licence is entitled under section 232 [*compensation for area-based licence for deletion for non-timber production purpose*], the amount by which the allowable annual cut reduction referred to in subsection (1) (b) of that section exceeds 5% of the original allowable annual cut of the licence;

**“total compensable area”** means the following:

- (a) for the purposes of determining the compensation to which the holder of a non-TFL timber licence is entitled under section 234 [*compensation for non-TFL timber licence for deletion for access purpose*], the amount by which the licence area reduction referred to in subsection (1) (b) of that section exceeds 5% of the original licence area;
- (b) for the purposes of determining the compensation to which the holder of a non-TFL timber licence is entitled under section 235 [*compensation for non-TFL timber licence for deletion for non-timber production purpose*], the amount by which the licence area reduction referred to in subsection (1) (b) of that section exceeds 5% of the original licence area.

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*

**Compensation for area-based licence  
for deletion for access purpose**

- 231** (1) The holder of an area-based licence is entitled to compensation if
- (a) the allowable annual cut of the licence is reduced as a result of a particular deletion for an access purpose, and
  - (b) as a result of the particular deletion and, if applicable, one or more previous deletions for an access purpose, the allowable annual cut of the licence is reduced, during the deletion period, by an amount that exceeds 5% of the original allowable annual cut.
- (2) Subject to the adjustments under subsection (3), the compensation to which the holder of an area-based licence is entitled under this section is an amount determined by the minister based on the net income that would be earned on the sale of harvested timber if, during each year of the remaining term of the licence,
- (a) the volume of the harvested timber were equal to that portion of the total compensable AAC that the minister determines is attributable to the particular deletion referred to in subsection (1) (a),
  - (b) the timber were harvested from the relevant harvest profile, and
  - (c) the timber were harvested and sold in accordance with established practices.
- (3) After determining the net income amount under subsection (2), the minister must
- (a) adjust the compensation, in accordance with the regulations, to reflect the amount of income tax that would be payable, and
  - (b) make other adjustments that may be required by regulation.

**Compensation for area-based licence  
for deletion for non-timber production purpose**

- 232** (1) The holder of an area-based licence is entitled to compensation if
- (a) the allowable annual cut of the licence is reduced as a result of a particular deletion for a non-timber production purpose, and
  - (b) as a result of the particular deletion and, if applicable, one or more previous deletions for a non-timber production purpose, the allowable annual cut of the licence is reduced, during the deletion period, by an amount that exceeds 5% of the original allowable annual cut.

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*

- (2) Subject to the adjustments under subsection (3), the compensation to which the holder of an area-based licence is entitled under this section is an amount determined by the minister based on the net income that would be earned on the sale of harvested timber if, during each year of the remaining term of the licence,
  - (a) the volume of the harvested timber were equal to that portion of the total compensable AAC that is attributable to the particular deletion referred to in subsection (1) (a),
  - (b) the timber were harvested from the relevant harvest profile, and
  - (c) the timber were harvested and sold in accordance with established practices.
- (3) After determining the net income amount under subsection (2), the minister must
  - (a) adjust the compensation, in accordance with the regulations, to reflect the amount of income tax that would be payable, and
  - (b) make other adjustments that may be required by regulation.

**Compensation for area-based licence  
for deletion for other special purposes**

- 233**
- (1) The holder of an area-based licence is entitled to compensation if the allowable annual cut for the licence area is reduced as a result of a particular deletion for other special purposes.
  - (2) Subject to the adjustments under subsection (3), the compensation to which the holder of an area-based licence is entitled under this section is an amount determined by the minister based on the net income that would be earned on the sale of harvested timber if, during each year of the remaining term of the licence,
    - (a) the volume of the harvested timber were equal to the amount by which the allowable annual cut of the licence is reduced as a result of the particular deletion referred to in subsection (1),
    - (b) the timber were harvested from the relevant harvest profile, and
    - (c) the timber were harvested and sold in accordance with established practices.
  - (3) After determining the net income amount under subsection (2), the minister must
    - (a) adjust the compensation, in accordance with the regulations, to reflect the amount of income tax that would be payable, and
    - (b) make other adjustments that may be required by regulation.

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*



**Compensation for non-TFL timber licence  
for deletion for access purpose**

- 234** (1) The holder of a non-TFL timber licence is entitled to compensation if
- (a) a portion of the licence area is deleted as a result of a particular deletion for an access purpose, and
  - (b) as a result of the particular deletion and, if applicable, one or more previous deletions for an access purpose, the licence area is reduced by an amount that exceeds 5% of the original licence area.
- (2) Subject to the adjustments under subsection (4), the compensation to which the holder of a non-TFL timber licence is entitled under this section is an amount determined by the minister based on the net income that would be earned on the sale of harvested timber if, during each year of the remaining term of the licence,
- (a) the size of the area from which the timber were harvested were equal to the size of the area that
    - (i) is deleted as a result of the particular deletion referred to in subsection (1) (a), as determined by the chief forester under section 186 (1) (b) [*impacts on non-TFL timber licence*], and
    - (ii) is in that portion of the total compensable area that the minister determines is attributable to that particular deletion,
  - (b) the volume of the harvested timber were equal to the amount calculated by using the formula set out in subsection (3),
  - (c) the timber were harvested from the relevant harvest profile, and
  - (d) the timber were harvested and sold in accordance with established practices.
- (3) The formula for the purposes of subsection (2) (b) is as follows:

$$\text{volume} = \frac{\text{size of deleted area} \times \text{average volume per ha}}{\text{remaining years}}$$

where

size of deleted area = the size, in hectares, of the area described in subsection (2) (a);

average volume per ha = the average volume of timber, per hectare, in the area of overlap that is deleted from the licence area, as determined by the chief forester under section 186 (1) (c) [*impacts on non-TFL timber licence*];

remaining years = the number of years in the remaining term of the licence.

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*

- (4) After determining the net income amount under subsection (2), the minister must
  - (a) adjust the compensation, in accordance with the regulations, to reflect the amount of income tax that would be payable, and
  - (b) make other adjustments that may be required by regulation.

**Compensation for non-TFL timber licence for deletion for non-timber production purpose**

- 235**
- (1) The holder of a non-TFL timber licence is entitled to compensation if
    - (a) a portion of the licence area is deleted as a result of a particular deletion for a non-timber production purpose, and
    - (b) as a result of the particular deletion and, if applicable, one or more previous deletions for a non-timber production purpose, the licence area is reduced by an amount that exceeds 5% of the original licence area.
  - (2) Subject to the adjustments under subsection (3), the compensation to which the holder of a non-TFL timber licence is entitled under this section is an amount determined by the minister based on the net income that would be earned on the sale of harvested timber if, during each year of the remaining term of the licence,
    - (a) the size of the area from which the timber were harvested were equal to the size of the area that
      - (i) is deleted as a result of the particular deletion referred to in subsection (1) (a), as determined by the chief forester under section 186 (1) (b) [*impacts on non-TFL timber licence*], and
      - (ii) is in that portion of the total compensable area that the minister determines is attributable to that particular deletion,
    - (b) the volume of the harvested timber were equal to the amount calculated by using the formula set out in section 234 (3),
    - (c) the timber were harvested from the relevant harvest profile, and
    - (d) the timber were harvested and sold in accordance with established practices.
  - (3) After determining the net income amount under subsection (2), the minister must
    - (a) adjust the compensation, in accordance with the regulations, to reflect the amount of income tax that would be payable, and
    - (b) make other adjustments that may be required by regulation.

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*

**Compensation for non-TFL timber licence for deletion for other special purposes**

- 236** (1) The holder of a non-TFL timber licence is entitled to compensation if a portion of the licence area is deleted as a result of a particular deletion for other special purposes.
- (2) Subject to the adjustments under subsection (3), the compensation to which the holder of a non-TFL timber licence is entitled under this section is an amount determined by the minister based on the net income that would be earned on the sale of harvested timber if, during each year of the remaining term of the licence,
- (a) the size of the area from which the timber were harvested were equal to the size of the area that is deleted as a result of the particular deletion referred to in subsection (1), as determined by the chief forester under section 186 (1) (b) [*impacts on non-TFL timber licence*],
  - (b) the volume of the harvested timber were equal to the amount calculated by using the formula set out in section 234 (3) [*compensation for non-TFL timber licence for deletion for access purpose*] and, for this purpose, the size of the deleted area is the size, in hectares, of the area referred to in paragraph (a) of this subsection,
  - (c) the timber were harvested from the relevant harvest profile, and
  - (d) the timber were harvested and sold in accordance with established practices.
- (3) After determining the net income amount under subsection (2), the minister must
- (a) adjust the compensation, in accordance with the regulations, to reflect the amount of income tax that would be payable, and
  - (b) make other adjustments that may be required by regulation.

**Division 3 – Compensation for Forest Licences**

**Definition for Division 3 of Part 16**

- 237** In this Division, “**total compensable AAC**” means the following:
- (a) for the purposes of determining the compensation to which the holder of a forest licence is entitled under section 238 [*compensation for forest licence for reduction for access purpose*], the amount by which the allowable annual cut reductions referred to in subsection (1) (b) of that section exceed 5% of the original allowable annual cut of the licence;

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*

- (b) for the purposes of determining the compensation to which the holder of a forest licence is entitled under section 239 [*compensation for forest licence for reduction for non-timber production purpose*], the amount by which the allowable annual cut reductions referred to in subsection (1) (b) of that section exceed 5% of the original allowable annual cut of the licence.

**Compensation for forest licence  
for reduction for access purpose**

- 238**
- (1) The holder of a forest licence is entitled to compensation if
    - (a) the allowable annual cut of the licence is reduced as a result of a particular reduction for an access purpose, and
    - (b) as a result of the particular reduction and, if applicable, one or more previous reductions for an access purpose, the allowable annual cut of the licence is reduced, during the deletion period, by an amount that exceeds 5% of the original allowable annual cut.
  - (2) Subject to the adjustments under subsection (3), the compensation to which the holder of a forest licence is entitled under this section is an amount determined by the minister based on the net income that would be earned on the sale of timber that would be harvested if, during each year of the remaining term of the licence,
    - (a) the volume of timber harvested were equal to that portion of the total compensable AAC that is attributable to the particular reduction referred to in subsection (1) (a),
    - (b) the timber were harvested from the relevant harvest profile, and
    - (c) the timber were harvested and sold in accordance with established practices.
  - (3) After determining the net income amount under subsection (2), the minister must
    - (a) adjust the compensation, in accordance with the regulations, to reflect the amount of income tax that would be payable, and
    - (b) make other adjustments that may be required by regulation.

**Compensation for forest licence for  
reduction for non-timber production purpose**

- 239**
- (1) The holder of a forest licence is entitled to compensation if
    - (a) the allowable annual cut of the licence is reduced as a result of a particular reduction for a non-timber production purpose, and

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*



- (b) as a result of the particular reduction and, if applicable, one or more previous reductions for a non-timber production purpose, the allowable annual cut of the licence is reduced, during the deletion period, by an amount that exceeds 5% of the original allowable annual cut.
- (2) Subject to the adjustments under subsection (3), the compensation to which the holder of a forest licence is entitled under this section is an amount determined by the minister based on the net income that would be earned on the sale of timber that would be harvested if, during each year of the remaining term of the licence,
  - (a) the volume of timber harvested were equal to that portion of the total compensable AAC that is attributable to the particular reduction referred to in subsection (1) (a),
  - (b) the timber were harvested from the relevant harvest profile, and
  - (c) the timber were harvested and sold in accordance with established practices.
- (3) After determining the net income amount under subsection (2), the minister must
  - (a) adjust the compensation, in accordance with the regulations, to reflect the amount of income tax that would be payable, and
  - (b) make other adjustments that may be required by regulation.

**Compensation for forest licence  
for reduction for other special purposes**

- 240**
- (1) The holder of a forest licence is entitled to compensation if the allowable annual cut of the forest licence is reduced as a result of a particular reduction for other special purposes.
  - (2) Subject to the adjustments under subsection (3), the compensation to which the holder of a forest licence is entitled under this section is an amount determined by the minister based on the net income that would be earned on the sale of timber that would be harvested if, during each year of the remaining term of the forest licence,
    - (a) the volume of timber harvested were equal to the amount by which the allowable annual cut of the licence is reduced as a result of the particular reduction referred to in subsection (1),
    - (b) the timber were harvested from the relevant harvest profile, and
    - (c) the timber were harvested and sold in accordance with established practices.

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*

- (3) After determining the net income amount under subsection (2), the minister must
  - (a) adjust the compensation, in accordance with the regulations, to reflect the amount of income tax that would be payable, and
  - (b) make other adjustments that may be required by regulation.

#### **Division 4 – Compensation for Cutting Permits**

##### **Compensation if special purpose area overlaps cutting permit area**

- 241** (1) The minister may compensate the holder of a cutting permit issued under a tree farm licence, first nations woodland licence, non-TFL timber licence, forest licence or forestry licence to cut if a special purpose area overlaps the cutting permit area and one of the following occurs:
- (a) in the case of a cutting permit issued under a tree farm licence, first nations woodland licence or non-TFL timber licence, the area of overlap is deleted under section 194 (1) [*deletion of cutting permit area within licence area*];
  - (b) in the case of a cutting permit issued under a forest licence, rights to harvest in the area of overlap are cancelled by an order under section 206 (1) (c) [*order to amend, suspend or cancel rights under cutting permit under forest licence*];
  - (c) in the case of a cutting permit issued under a forestry licence to cut, rights to harvest in the area of overlap are cancelled by an order under section 208 (2) (c) [*order to amend, suspend or cancel rights under certain other licences or permits*].
- (2) The compensation for which the holder of a cutting permit is eligible under subsection (1) is the amount determined by the minister in accordance with the regulations.

##### **Compensation if special purpose area does not overlap cutting permit area**

- 242** (1) The minister may compensate the holder of a cutting permit issued under a tree farm licence, first nations woodland licence, non-TFL timber licence, forest licence or forestry licence to cut if an area designated as a special purpose area does not overlap the cutting permit area but the minister is satisfied that the following requirements are met:
- (a) the cutting permit was issued before the effective date of the designation;
  - (b) as a result of the special purpose area, there is no practicable means by which the holder can access the cutting permit area or a portion of the cutting permit area.

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*

- (2) If the holder of a cutting permit believes that the requirements under subsection (1) are met, the holder must provide to the minister, in the form and manner that the minister may require,
  - (a) a statement setting out why the holder considers that the requirements are met, and
  - (b) any additional information that the minister may require.
- (3) The holder of a cutting permit is not eligible for compensation under subsection (1) unless all the information required under subsection (2) is provided before the earlier of
  - (a) the date the designation referred to in subsection (1) is cancelled, and
  - (b) the date the cutting permit expires.
- (4) If the requirements under this section are met, the compensation for which the holder of the cutting permit is eligible is the amount determined by the minister in accordance with the regulations.

**Compensation for cutting permit  
under community forest agreement or woodlot licence**

- 243**
- (1) The minister may compensate the holder of a cutting permit issued under a community forest agreement or woodlot licence if the minister is satisfied that the impact and other requirements specified in the regulations are met.
  - (2) If the requirements under subsection (1) are met, the compensation for which the holder of the cutting permit is eligible is the amount determined by the minister in accordance with the regulations.

**Duty of cutting permit holder  
to provide information to minister**

- 244**
- (1) The holder of a cutting permit must provide to the minister, on request, information the minister considers necessary for the purposes of considering or determining a matter under this Division.
  - (2) Information requested by the minister under this section must be provided in the form and manner and within the time period specified by the minister.

**Division 5 – Compensation for Other Agreements**

**No compensation for fibre supply licence to cut or free use permit**

- 245** No compensation is payable to the holder of a fibre supply licence to cut or free use permit in respect of an order under section 208 (2) [*order to amend, suspend or cancel rights under certain other licences or permits*] that amends, suspends or cancels rights under the licence or permit.

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*

**Compensation for forestry licence to cut**

- 246** (1) The minister may compensate the holder of a forestry licence to cut if
- (a) rights under the licence are cancelled by an order under section 208 (2) (c) [*order to amend, suspend or cancel rights under certain other licences or permits*], and
  - (b) the minister is satisfied that the requirements specified in the regulations are met.
- (2) If the requirements under subsection (1) are met, the compensation for which the holder of the forestry licence to cut is eligible is the amount determined by the minister in accordance with the regulations.

**Compensation for timber sale licence**

- 247** (1) No compensation is payable to the holder of a timber sale licence in respect of an order under section 208 (2) (a) or (b) [*order to amend, suspend or cancel rights under certain other licences or permits*] that amends or suspends rights under the licence.
- (2) The minister may compensate the holder of a timber sale licence if
- (a) rights under the licence are cancelled by an order under section 208 (2) (c), and
  - (b) the minister is satisfied that the requirements specified in the regulations are met.
- (3) If the requirements under subsection (2) are met, the compensation for which the holder of the timber sale licence is eligible is the amount determined by the minister in accordance with the regulations.

**No compensation, unless regulations provide otherwise, for pulpwood agreement**

- 248** (1) Unless the regulations provide otherwise, no compensation is payable to the holder of a pulpwood agreement in respect of an order under section 208 (2) [*order to amend, suspend or cancel rights under certain other licences or permits*] that amends, suspends or cancels rights under the pulpwood agreement.
- (2) Subsection (1) does not affect the compensation for which the holder of a pulpwood agreement may be eligible, under Division 4 [*Compensation for Cutting Permits*], in respect of a cutting permit that is issued under a forestry licence to cut that is issued under the pulpwood agreement.

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*



**Compensation for Christmas tree permit**

- 249** (1) The minister may compensate the holder of a Christmas tree permit if
- (a) rights under the permit are cancelled by an order under section 208 (2) (c) [*order to amend, suspend or cancel rights under certain other licences or permits*], and
  - (b) the minister is satisfied that the requirements specified in the regulations are met.
- (2) If the requirements under subsection (1) are met, the compensation for which the holder of the Christmas tree permit is eligible is the amount determined by the minister in accordance with the regulations.

**Division 6 – Compensation for Roads  
and Timber Production Improvements**

**Interpretation rule for ancillary road structures**

- 250** For certainty, if an ancillary road structure is used in relation to a road, the ancillary road structure forms part of the road.

**Application of Division 6 of Part 16 to road authorized under special use permit or master licence to cut**

- 251** (1) This Division applies in relation to a road authorized under a special use permit only if the road provides access to an area for a timber production purpose.
- (2) This Division does not apply in relation to a road authorized under
- (a) a master licence to cut, or
  - (b) a cutting permit issued under a master licence to cut.

**Compensation for road located in special purpose area**

- 252** (1) The minister may compensate the holder of a road permit or special use permit that authorizes a road located in an area designated as a special purpose area if the minister is satisfied that the following requirements are met:
- (a) the road permit or special use permit was issued before the effective date of the designation;
  - (b) in the case of a road permit, the road permit is associated with a forest licence, timber licence, tree farm licence or prescribed licence;
  - (c) rights in relation to the road are cancelled by an order under section 213 (1) (c) [*order to amend, suspend or cancel rights in relation to road*];
  - (d) the general requirements under section 253;
  - (e) the requirements, if any, specified in the regulations.

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*

- (2) If the requirements under subsection (1) are met, the minister may compensate the holder of the road permit or special use permit for the costs or a portion of the costs incurred to construct the road, as determined by the minister in accordance with the regulations.

**General requirements for compensation for road**

**253** The general requirements for compensation in relation to a road authorized under a road permit or special use permit are as follows:

- (a) the holder of the permit has incurred costs to construct the road;
- (b) the costs referred to in paragraph (a) have not been paid, and are not payable, by the government;
- (c) the holder of the permit has not, under this Act or another enactment, previously received compensation in respect of the road;
- (d) payment of compensation is just in the circumstances.

**Compensation for road located outside special purpose area if road associated with cutting permit**

**254** (1) The minister may compensate the holder of a road permit that authorizes a road located outside an area designated as a special purpose area if the minister is satisfied that the following requirements are met:

- (a) the road is associated with a cutting permit;
- (b) the cutting permit was issued, before the effective date of the designation, under a forest licence, timber licence, tree farm licence or prescribed licence;
- (c) costs to construct the road were applied under section 105 [*stumpage rate determined*], before the effective date of the designation, to determine, redetermine or vary the rate of stumpage for timber authorized to be harvested under the cutting permit;
- (d) harvesting rights under the cutting permit are impacted, as a result of the special purpose area, in one of the ways described in section 255;
- (e) the general requirements under section 253;
- (f) the requirements, if any, specified in the regulations.

- (2) If the requirements under subsection (1) are met, the minister may compensate the holder of the road permit for the costs or a portion of the costs incurred to construct the road, as determined by the minister in accordance with the regulations.

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*

**Impact requirements for road associated with cutting permit**

- 255** (1) For the purposes of section 254 (1) (d), harvesting rights under the cutting permit are impacted, in the case of a special purpose area that overlaps the cutting permit area, if both of the following apply:
- (a) harvesting under the cutting permit cannot be completed in the area of overlap because
    - (i) the area of overlap is deleted from the cutting permit area under section 194 (1) [*deletion of cutting permit area within licence area*], or
    - (ii) rights exercisable in the area of overlap are cancelled by an order under
      - (A) section 206 (1) (c) [*order to amend, suspend or cancel rights under cutting permit under forest licence*], or
      - (B) section 208 (2) (c) [*order to amend, suspend or cancel rights under certain other licences or permits*];
  - (b) harvesting under the cutting permit cannot reasonably be completed by harvesting timber from areas located outside the area of overlap.
- (2) For the purposes of section 254 (1) (d), harvesting rights under the cutting permit are impacted, in the case of a special purpose area that does not overlap the cutting permit area, if harvesting under the cutting permit is no longer practicable in the cutting permit area or a portion of the cutting permit area.

**Compensation in other cases if road under road permit located outside special purpose area**

- 256** (1) The minister may compensate the holder of a road permit that authorizes a road located outside an area designated as a special purpose area if the minister is satisfied that the impact and other requirements specified in the regulations are met.
- (2) If the requirements under subsection (1) are met, the minister may compensate the holder of the road permit for the costs or a portion of the costs incurred to construct the road, as determined by the minister in accordance with the regulations.

**Compensation if road under special use permit located outside special purpose area**

- 257** (1) The minister may compensate the holder of a special use permit that authorizes a road located outside an area designated as a special purpose area if the minister is satisfied that the impact and other requirements specified in the regulations are met.

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*

- (2) If the requirements under subsection (1) are met, the minister may compensate the holder of the special use permit for the costs or a portion of the costs incurred to construct the road, as determined by the minister in accordance with the regulations.

**Compensation for timber production improvement  
located in special purpose area**

- 258** (1) The minister may compensate the holder of a special use permit that authorizes a timber production improvement located in a special purpose area if the minister is satisfied that the following requirements are met:
- (a) rights in relation to the timber production improvement are cancelled by an order under section 219 [*order to amend, suspend or cancel rights in relation to timber production improvement*];
  - (b) the costs incurred to construct the timber production improvement have not been paid, and are not payable, by the government;
  - (c) the holder has not, under this Act or another enactment, previously received compensation in respect of the timber production improvement;
  - (d) payment of compensation is just in the circumstances.
- (2) If the requirements under subsection (1) are met, the minister may compensate the holder of the special use permit for the costs or a portion of the costs incurred to construct the timber production improvement, as determined by the minister in accordance with the regulations.

**Compensation for timber production improvement  
located outside special purpose area**

- 259** (1) The minister may compensate the holder of a special use permit that authorizes a timber production improvement located outside a special purpose area if the minister is satisfied that the following requirements are met:
- (a) as a result of the special purpose area,
    - (i) the means by which the holder accesses the improvement can no longer be used, and
    - (ii) there is no practicable alternative means by which the holder can access the improvement;
  - (b) the requirements under section 258 (1) (b), (c) and (d).
- (2) If the requirements under subsection (1) of this section are met, the minister may compensate the holder of the special use permit for the costs or a portion of the costs incurred to construct the timber production improvement, as determined by the minister in accordance with the regulations.

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*



**Duty of holder of licence to provide information to minister**

- 260** (1) The holder of a road permit or special use permit must provide to the minister, on request, information the minister considers necessary for the purposes of considering or determining a matter under this Division.
- (2) Without limiting subsection (1), the minister may request the holder of a road permit or special use permit to provide information that identifies or provides evidence of any of the following:
- (a) areas where harvesting has occurred or has not yet occurred in a cutting permit area or other area in which the holder has harvesting rights;
  - (b) areas or the size of areas that contain timber within an area referred to in paragraph (a);
  - (c) the volume of timber that has been harvested in an area referred to in paragraph (a);
  - (d) costs that have actually been incurred to construct a road, ancillary road structure or timber production improvement.
- (3) Information requested under this section must be provided in the form and manner and within the time period specified by the minister.

**Order to cancel rights in relation to road for which compensation provided**

- 261** The minister may, by order, cancel rights under a road permit or special use permit if
- (a) the rights relate to a road or timber production improvement that is located outside a special purpose area, and
  - (b) the minister decides to provide compensation under this Division to the holder of the permit.

**Division 7 – General Provisions in Relation to Compensation**

**Compensation may take form of agreement**

- 262** (1) On application to the minister by the holder of an area-based licence, non-TFL timber licence or forest licence, the compensation or a portion of the compensation to which the holder is entitled under this Part may take the form of an agreement listed in section 12 (1) [*form of agreements*].
- (2) For the purposes of subsection (1), the minister may enter into an agreement with the holder of the licence without advertising or inviting applications from other persons.

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*

**Reductions and exceptions in respect of compensation**

- 263** (1) The compensation that the minister provides to a person under this Part must be reduced by any financial or other benefit that
- (a) the person receives from the government, and
  - (b) arises out of the deletion, reduction, order or other impact that gives rise to the compensation.
- (2) If a person waives entitlement, in whole or in part, to compensation under this Part, the minister, as applicable,
- (a) is not required to provide the compensation, or
  - (b) may reduce the amount of the compensation.

**Limit on compensation in relation to special purpose areas**

- 264** (1) In this section, “**compensation**” includes damages.
- (2) Unless this Part provides otherwise,
- (a) no compensation is payable by the government because of or arising out of the designation of an area as a special purpose area, and
  - (b) no action or other proceeding may be commenced or maintained to claim compensation from the government, or to obtain a declaration that compensation is payable by the government, because of or arising out of the designation of an area as a special purpose area.
- (3) In respect of a matter for which compensation is payable to a person under this Part,
- (a) the compensation payable to the person in respect of the matter is limited to the amount of compensation determined in relation to that person under this Part, and
  - (b) no action or other proceeding may be commenced or maintained to claim compensation from the government, or to obtain a declaration that compensation is payable by the government, in an amount that exceeds the amount limited under paragraph (a).

**Division 8 – Regulations Under Part 16**

**General regulation-making powers for Part 16**

- 265** (1) The Lieutenant Governor in Council may make regulations respecting compensation for the purposes of this Part, including for the purposes of any provision of this Part that provides for compensation or contemplates regulations that will provide for compensation.

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*

- (2) In making a regulation for the purposes of this Part, the Lieutenant Governor in Council may do any of the following:
  - (a) authorize or require the chief forester or minister to specify or determine matters relating to the provision or determination of compensation;
  - (b) specify information or matters that the chief forester or minister may or must consider;
  - (c) specify matters for which or circumstances under which compensation may or may not be paid;
  - (d) specify records that may be used, in relation to the harvest and sale of timber,
    - (i) as evidence of established practices, or
    - (ii) to develop data for use as evidence of established practices;
  - (e) specify requirements, criteria, rules, principles, concepts, methods, models or formulas in relation to the provision or determination of compensation;
  - (f) provide that compensation is to be calculated based on present value;
  - (g) establish adjustments that may or must be made to compensation, including, without limitation, adjustments to reflect income tax that would be payable in relation to net income;
  - (h) specify how adjustments specified under paragraph (g) are to be made, calculated or determined;
  - (i) specify whether or not interest is authorized or required to be paid;
  - (j) if interest is authorized or required to be paid, prescribe interest rates and the manner of calculating interest;
  - (k) prescribe the role of auditors or other experts and the qualifications for auditors or other experts;
  - (l) without limiting section 151 (1.1), provide that a provision of the regulations does not apply in relation to
    - (i) a specified agreement, licence, permit or other authorization referred to in this Part, or
    - (ii) a specified class of agreement, licence, permit or other authorization referred to in this Part.
- (3) The authority to make regulations described in another provision of this Part does not limit subsection (1) or (2).
- (4) A regulation made on or before December 31, 2026 for the purposes of this Part may be made retroactive to a date not earlier than the date this subsection comes into force and, if made retroactive, is deemed to have come into force on the specified date.

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*

**Regulations respecting determination of net income**

- 266** In making a regulation for the purposes of this Part, the Lieutenant Governor in Council may do any of the following in relation to the determination of net income:
- (a) provide for the determination of revenues and costs referred to in the formula set out in section 228 [*meaning of “net income”*];
  - (b) require that revenues be determined based on any of the following:
    - (i) arm’s-length transactions;
    - (ii) average revenues over a specified period;
  - (c) require that costs be determined based on average costs incurred;
  - (d) specify additional costs or expenses that must be deducted from revenues;
  - (e) specify costs that are excluded from the determination of costs.

**Regulations respecting provision of information**

- 267** In making a regulation under this Part, the Lieutenant Governor in Council may do any of the following:
- (a) require the holder of an agreement, licence, permit or other authorization referred to in this Part to provide
    - (i) information specified in the regulation, or
    - (ii) information specified by the chief forester or minister;
  - (b) restrict or impose conditions on the use of information referred to in paragraph (a);
  - (c) specify the form and manner in which information referred to in paragraph (a) must be provided, or require the holder to provide the information in the form and manner that the chief forester or minister may require.

**Regulations respecting compensation for cutting permits**

- 268** (1) In making a regulation respecting compensation contemplated by a provision of Division 4 [*Compensation for Cutting Permits*], the Lieutenant Governor in Council may do any of the following:
- (a) specify impact and other requirements that must be met for the purposes of section 243 (1) [*compensation for cutting permit under community forest agreement or woodlot licence*];
  - (b) require or authorize the minister to determine compensation based on any or all of the following:
    - (i) the harvest profile for a cutting permit area;
    - (ii) established practices in relation to the harvest and sale of timber;
    - (iii) the average volume of harvestable timber, per hectare, in a cutting permit area;

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*



- (iv) the number of hectares in an affected cutting permit area that contain harvestable timber;
- (v) the average net income, per cubic metre, that would be earned from the sale of harvestable timber that is harvested in a cutting permit area;
- (c) set out rules that apply if the holder of a cutting permit, as a result of the designation of an area as a special purpose area, is or would be entitled to or eligible for compensation under both
  - (i) a provision of Division 4 [*Compensation for Cutting Permits*], and
  - (ii) a provision of Division 2 [*Compensation for Area-Based Licences and Non-TFL Timber Licences*] or 3 [*Compensation for Forest Licences*].
- (2) A regulation under subsection (1) (c) may specify circumstances in which, despite Division 2 or 3,
  - (a) a holder who is entitled to or eligible for compensation under Division 4 is not entitled to compensation under Division 2 or 3, or
  - (b) the amount of compensation under Division 2 or 3 must be reduced, in accordance with the regulations, to reflect compensation to be provided under Division 4.
- (3) A regulation made for the purposes of section 243 [*compensation for cutting permit under community forest agreement or woodlot licence*] may authorize the minister to provide compensation, in the amount determined by the minister, to the holder of a specified cutting permit issued under a community forest agreement.

**Regulations respecting compensation for roads and timber production improvements**

- 269** In making a regulation respecting compensation contemplated by a provision of Division 6 [*Compensation for Roads and Timber Production Improvements*], the Lieutenant Governor in Council may do any of the following:
- (a) specify requirements that must be met for the purposes of the following provisions:
    - (i) section 252 (1) (e) [*compensation for road located in special purpose area*];
    - (ii) section 254 (1) (f) [*compensation for road located outside special purpose area if road associated with cutting permit*];

SECTION 62: *[Forest Act, Parts 15 and 16 – continued]*

SECTION 63: *[Forest Act, Part 17]*

- provides authority for the Lieutenant Governor in Council to authorize a reduction to the allowable annual cuts of forest licences in a timber supply area so that timber in the timber supply area may be made available for the purposes of entering into forest licences with first nations or entering into BCTS licences;
- requires the chief forester to assess the impacts to the harvest profile of a timber supply area if a reduction authorization order is made in relation to the timber supply area;
- sets out the process by which the minister may make reductions to the allowable annual cuts of forest licences in a timber supply area if a reduction authorization order is made in relation to the timber supply area;
- provides for compensation for the holder of a forest licence if the allowable annual cut of the licence is reduced as a result of a reduction authorization order.

- (b) specify impact and other requirements that must be met for the purposes of the following provisions:
  - (i) section 256 (1) *[compensation in other cases if road under road permit located outside special purpose area]*;
  - (ii) section 257 (1) *[compensation if road under special use permit located outside special purpose area]*;
- (c) require that compensation be determined based on costs actually and reasonably incurred;
- (d) require that compensation for costs incurred to construct a road be based on road costs applied under section 105 *[stumpage rate determined]*;
- (e) require that compensation in respect of a road be reduced if costs incurred to construct the road include any costs associated with an ancillary road structure that is
  - (i) used in relation to the road, and
  - (ii) removed by the person to whom the compensation relates;
- (f) require that compensation in respect of a road be proportionate to the amount of harvestable timber that the minister determines can no longer be harvested as a result of the special purpose area to which the compensation relates;
- (g) require that compensation be reduced to account for amortization or depreciation;
- (h) require that compensation be adjusted to take into account an amortization agreement entered into with the government before the effective date of the designation to which the compensation relates.

63 *The following Part is added:*

**PART 17 – REDUCTIONS FOR FIRST NATION PURPOSE  
OR BCTS LICENCE PURPOSE**

**Definitions for Part 17**

270 In this Part:

- “**AAC available for BCTS licences**” has the same meaning as in section 198 *[definitions for Division 4 of Part 15]*;
- “**established practices**” has the same meaning as in section 226 *[definitions for Part 16]*;
- “**net income**” has the same meaning as in section 226;
- “**profile of timber**” has the same meaning as in section 180 *[definitions for Part 15]*;

SECTION 63: *[Forest Act, Part 17 – continued]*

**“reduction authorization order”** means an order referred to in section 271 [reduction authorization order];

**“relevant harvest profile”**, in relation to the volume-based portion of a timber supply area, means

(a) the harvest profile specified under section 272 (1) (a) [impact of reduction authorization order on harvest profile], or

(b) if impacts to the harvest profile are specified under section 272 (1) (c), the impacted harvest profile specified under that section;

**“volume-based portion”** has the same meaning as in section 180.

#### **Reduction authorization order**

**271** The Lieutenant Governor in Council may, by order, authorize the minister to reduce the allowable annual cuts of forest licences in a timber supply area, by an amount not exceeding the amount specified in the order, so that timber may be made available for one or both of the following purposes:

(a) entering into one or more forest licences with a first nation or its representative under section 47.3 (1) (a) [direct award of specified licences];

(b) entering into one or more BCTS licences.

#### **Impact of reduction authorization order on harvest profile**

**272** (1) If a reduction authorization order is made in relation to a timber supply area, the chief forester must do all of the following:

(a) specify the harvest profile for the volume-based portion of the timber supply area by identifying the components of the profile of timber that the chief forester considers could be harvested to support the allowable annual cut for that volume-based portion as at the effective date of the reduction authorization order;

(b) specify the new harvest profile for the volume-based portion by identifying the components of the profile of timber that the chief forester considers could be harvested to support the allowable annual cut for the volume-based portion if the allowable annual cut for that volume-based portion were reduced by the maximum reduction amount authorized under the reduction authorization order;

(c) specify the harvest profile that will be impacted, if at all, as a result of the reduction referred to in paragraph (b) by identifying the differences between the harvest profile specified under paragraph (a) and the new harvest profile specified under paragraph (b).

(2) The matters set out in subsection (1) must be specified within 4 months after the effective date of the reduction authorization order.

SECTION 63: *[Forest Act, Part 17 – continued]*

- (3) Within 30 days after the matters set out in subsection (1) are specified in relation to the volume-based portion of a timber supply area, the minister must serve notice of those matters on the holder of each forest licence in that volume-based portion.
- (4) In the notice under subsection (3), the minister may specify a website maintained by or on behalf of the government where the holder may obtain the harvest profiles specified under subsection (1) (a), (b) and (c).

**Reduction to forest licences  
following reduction authorization order**

- 273**
- (1) If a reduction authorization order is made in relation to a timber supply area, the minister may, within 2 years after the effective date of the reduction authorization order, reduce the allowable annual cuts of the forest licences in the volume-based portion of the timber supply area.
  - (2) To make reductions under subsection (1) in relation to a reduction authorization order made for a first nation purpose referred to in section 271 (a) [*reduction authorization order*], the minister must do the following:
    - (a) apply a portion of the maximum reduction amount authorized under the reduction authorization order to the AAC available for BCTS licences in accordance with the formula set out in section 203 [*reduction to AAC available for BCTS licences*];
    - (b) distribute among the forest licences, in accordance with section 63 (2) [*reduction among licences in timber supply area*], an amount not exceeding the maximum reduction amount authorized under the reduction authorization order, less the portion of that amount that is applied to the AAC available for BCTS licences.
  - (3) To make reductions under subsection (1) in relation to a reduction authorization order made for a BCTS licence purpose referred to in section 271 (b), the minister must distribute among the forest licences, in accordance with section 63 (2), an amount not exceeding the maximum reduction amount authorized under the reduction authorization order.
  - (4) Section 63 (3) and (4) applies in relation to reductions made in accordance with subsections (2) (b) and (3) of this section.
  - (5) For the purposes of this section, section 63 (2) and the formula set out in section 203 are to be applied as if the allowable annual cut for the volume-based portion of the timber supply area had been reduced by the maximum reduction amount authorized under the reduction authorization order.

SECTION 63: *[Forest Act, Part 17 – continued]*



**Compensation for forest licence following reduction**

- 274** (1) The holder of a forest licence is entitled to compensation if the allowable annual cut of the forest licence is reduced under section 273 [*reduction to forest licences following reduction authorization order*].
- (2) Subject to the adjustments under subsection (3), the compensation to which the holder of a forest licence is entitled under this section is an amount determined by the minister based on the net income that would be earned on the sale of harvested timber if, during each year of the remaining term of the licence,
- (a) the volume of the harvested timber were equal to the amount by which the allowable annual cut of the licence is reduced under section 273,
  - (b) the timber were harvested from the relevant harvest profile, and
  - (c) the timber were harvested and sold in accordance with established practices.
- (3) After determining the net income amount under subsection (2), the minister must
- (a) adjust the compensation, in accordance with the regulations, to reflect the amount of income tax that would be payable, and
  - (b) make other adjustments that may be required by regulation.
- (4) For the purposes of this section, the remaining term of a forest licence is the period between
- (a) the date the allowable annual cut of the licence is reduced under section 273, and
  - (b) the expiry date of the term of the licence, as at the effective date of the reduction authorization order.

**General provisions respecting compensation  
in relation to reduction authorization orders**

- 275** (1) Division 7 [*General Provisions in Relation to Compensation*] of Part 16 [*Compensation in Relation to Special Purpose Areas*] applies for the purposes of this Part.
- (2) In applying Division 7 of Part 16 for the purposes of this Part, section 264 [*limit on compensation in relation to special purpose areas*] is to be read as if the references to “the designation of an area as a special purpose area” were references to “a reduction authorization order”.

**Regulations under Part 17**

- 276** (1) The Lieutenant Governor in Council may make regulations respecting compensation for the purposes of this Part.

SECTION 63: *[Forest Act, Part 17 – continued]*

SECTION 64: *[Forest Act, Part 18]* authorizes regulations to provide for the following:

- compensation for holders of forest tenures in respect of deletions under section 11 of the *Park Act*;
- compensation for holders of road permits and holders of special use permits in respect of the expropriation of roads or improvements, or rights in relation to roads or improvements, under section 11 of the *Park Act*;
- the exercise and performance of powers and duties in relation to deletions and expropriations under section 11 of the *Park Act*.

- (2) Without limiting subsection (1), the following provisions apply for the purposes of making regulations under this Part:
- (a) section 265 [*general regulation-making powers for Part 16*];
  - (b) section 266 [*regulations respecting determination of net income*];
  - (c) section 267 [*regulations respecting provision of information*].

**64** *The following Part is added:*

**PART 18 – EXPROPRIATIONS AND DELETIONS  
UNDER THE *PARK ACT***

**Definitions for Part 18**

**277** In this Division:

- “**forest tenure**” has the same meaning as in section 11 (3) [*minister’s power to acquire land*] of the *Park Act*;
- “**Park Act deletion**” means a deletion under section 11 (2.3) of the *Park Act*;
- “**Park Act expropriation**” means an expropriation under section 11 (2) (g) of the *Park Act*.

**Purposes of Part 18**

**278** The purposes of this Part are to provide for the following:

- (a) compensation, in respect of *Park Act* deletions, for holders of forest tenures referred to in section 11 (2.4) of the *Park Act*;
- (b) compensation, in respect of *Park Act* expropriations, for holders of road permits and holders of special use permits referred to in section 11 (2.21) of the *Park Act*;
- (c) powers and duties that may or must be exercised or performed under this Act in relation to *Park Act* deletions and *Park Act* expropriations.

**Regulations under Part 18**

- 279** (1) For the purposes of this Part, the Lieutenant Governor in Council may make regulations respecting any of the following:
- (a) compensation in respect of *Park Act* deletions and *Park Act* expropriations, including, without limitation, requirements that must be met for the purposes of determining entitlement to or eligibility for compensation in respect of *Park Act* deletions and *Park Act* expropriations;
  - (b) the exercise of powers and performance of duties under this Act that the Lieutenant Governor in Council considers necessary or advisable in relation to *Park Act* deletions and *Park Act* expropriations.

SECTION 64: *[Forest Act, Part 18 – continued]*

SECTION 65: *[Forest Act, Part 19]* provides transitional rules in relation to the amendments made by this Bill to the Act.

- (2) Division 8 [*Regulations under Part 16*] of Part 16 [*Compensation in Relation to Special Purpose Areas*] applies for the purposes of making regulations under this Part.
- (3) In making a regulation under this Part, the Lieutenant Governor in Council may do any of the following:
  - (a) specify provisions of Part 15 [*Special Purpose Areas*] or 16, and the regulations under those provisions, that apply for the purposes of this Part;
  - (b) set out rules respecting the application of the provisions specified under paragraph (a) of this subsection.
- (4) The regulation-making powers referred to in subsection (2) and (3) do not limit subsection (1).

**65** *The following Part is added:*

**PART 19 – TRANSITIONAL PROVISIONS FOR THE  
FOREST AMENDMENT ACT, 2021**

**Definitions for Part 19**

**280** In this Part:

“**deletion order**” means an order under either of the following sections, as the section reads immediately before its repeal by the *Forest Amendment Act, 2021*:

- (a) section 60.2 [*other deletions of Crown land – tree farm licences*];
- (b) section 60.3 [*other deletions of Crown land – community forest agreements, first nations woodland licences, woodlot licences and timber licences*];

“**deletion period**” has the same meaning as in section 226 [*definitions for Part 16*];

“**reduction order**” means an order under section 60.4 [*reductions in allowable annual cut under forest licences and timber sale licences*], as that section reads immediately before its repeal by the *Forest Amendment Act, 2021*.

**Previous deletions to area-based licences**

- 281** (1) For the purposes of determining the compensation to which the holder of an area-based licence is entitled under section 231 [*compensation for area-based licence for deletion for access purpose*], the previous deletions referred to in subsection (1) (b) of that section include deletions made, during the deletion period for the area-based licence, under deletion orders made for an access purpose.

SECTION 65: *[Forest Act, Part 19 – continued]*

- (2) For the purposes of determining the compensation to which the holder of an area-based licence is entitled under section 232 [*compensation for area-based licence for deletion for non-timber production purpose*], the previous deletions referred to in subsection (1) (b) of that section include deletions made, during the deletion period for the area-based licence, under deletion orders made for another purpose.

**Previous deletions to non-TFL timber licences**

- 282**
- (1) For the purposes of determining the compensation to which the holder of a non-TFL timber licence is entitled under section 234 [*compensation for non-TFL timber licence for deletion for access purpose*], the previous deletions referred to in subsection (1) (b) of that section include deletions made, during the term of the non-TFL timber licence, under deletion orders made for an access purpose.
  - (2) For the purposes of determining the compensation to which the holder of a non-TFL timber licence is entitled under section 235 [*compensation for non-TFL timber licence for deletion for non-timber production purpose*], the previous deletions referred to in subsection (1) (b) of that section include deletions made, during the term of the non-TFL timber licence, under deletion orders made for another purpose.

**Previous deletions to timber licences  
in tree farm licence areas**

- 283**
- (1) If the licence area of a timber licence is in a tree farm licence area, then, for the purposes of determining the compensation to which the holder of the tree farm licence is entitled under section 231 [*compensation for area-based licences for deletion for access purpose*], the previous deletions referred to in subsection (1) (b) of that section include deletions made, during the deletion period for the tree farm licence, under deletion orders that
    - (a) are made for an access purpose, and
    - (b) delete Crown land from the licence area of the timber licence.
  - (2) If the licence area of a timber licence is in a tree farm licence area, then, for the purposes of determining the compensation to which the holder of the tree farm licence is entitled under section 232 [*compensation for area-based licence for deletion for non-timber production purpose*], the previous deletions referred to in subsection (1) (b) of that section include deletions made, during the deletion period for the tree farm licence, under deletion orders that
    - (a) are made for another purpose, and
    - (b) delete Crown land from the licence area of the timber licence.

SECTION 65: *[Forest Act, Part 19 – continued]*



**Previous reductions to forest licences**

- 284** (1) For the purposes of determining the compensation to which the holder of a forest licence is entitled under section 238 [*compensation for forest licence for reductions for access purpose*], the previous reductions referred to in subsection (1) (b) of that section include reductions made, during the deletion period for the forest licence, under reduction orders made for an access purpose.
- (2) For the purposes of determining the compensation to which the holder of a forest licence is entitled under section 239 [*compensation for forest licence for reduction for non-timber production purpose*], the previous reductions referred to in subsection (1) (b) of that section include reductions made, during the deletion period for the forest licence, under reduction orders made for another purpose.

**Entitlement to compensation under former compensation provisions**

- 285** (1) In this section:
- “**former Act**” means this Act, as it reads immediately before the date this subsection comes into force;
- “**former compensation provision**” means any of the following provisions of the former Act:
- (a) section 60.6 [*compensation in respect of tree farm licence areas*];
  - (b) section 60.7 [*compensation in respect of community forest agreement, first nations woodland licence and woodlot licence areas*];
  - (c) section 60.8 [*compensation in respect of timber licences*];
  - (d) section 60.9 [*compensation in respect of forest licences or timber sale licences*];
  - (e) section 60.92 [*compensation for improvements*].
- (2) If, immediately before the date this subsection comes into force, the holder of a licence or agreement is entitled to compensation under a former compensation provision but the compensation has not yet been provided, the former Act applies in relation to and for the purposes of determining and providing the compensation to which the holder is entitled.
- (3) This section applies despite the amendments made to this Act by the *Forest Amendment Act, 2021*.

SECTION 66: ***[Forest Act transition – authority to specify dates]*** provides authority to replace described dates, in specified provisions of the *Forest Act*, with actual dates.

SECTION 67: ***[Forest Act transition – section 80]*** provides a transitional rule for a compensation proceeding commenced before November 1, 2021 in respect of a determination under section 8 (10) of the *Forest Act*.

SECTION 68: ***[Great Bear Rainforest (Forest Management) Act transition]*** provides a transitional rule consequential to the repeal by this Bill of sections 60 to 60.95 of the *Forest Act*.

SECTION 69: ***[Park Act transition]*** provides transitional rules consequential to the addition by this Bill of Part 18 to the *Forest Act* and the amendments by this Bill to section 11 of the *Park Act*.

## Transitional Provisions

### **Forest Act transition – authority to specify dates**

66 The Lieutenant Governor in Council may make regulations that amend the following provisions of the *Forest Act*, as enacted by this Act, by striking out “the date this subsection comes into force” and substituting the actual date that subsection comes into force:

- (a) section 151 (9) [*regulations*];
- (b) section 225 (2) [*regulations under Part 15*];
- (c) section 265 (4) [*general regulation-making powers for Part 16*];
- (d) section 285 (1) and (2) [*entitlement to compensation under former compensation provisions*].

### **Forest Act transition – section 80**

- 67 (1) Section 80 [*when compensation is not payable*] of the *Forest Act*, as amended by this Act, does not apply to a proceeding in respect of a determination under section 8 (10) [*allowable annual cut*] of the *Forest Act* if the proceeding is commenced before November 1, 2021.
- (2) This section applies despite the retroactive effect of the amendment made by this Act to section 80 (2) (a) of the *Forest Act*.

### **Great Bear Rainforest (Forest Management) Act transition**

- 68 (1) In this section:
- “**former provisions of the *Forest Act*”** means the provisions of the *Forest Act*, as those provisions read immediately before their repeal by this Act, that are referred to in or otherwise apply for the purposes of Division 3 [*Application of Forest Act and Compensation*] of Part 7 [*Special Forest Management Areas*] of the *Great Bear Rainforest (Forest Management) Act*;
- “**special forest management area**” has the same meaning as in the *Great Bear Rainforest (Forest Management) Act*.
- (2) If a designation of land as a special forest management area takes effect before the coming into force of this section, the former provisions of the *Forest Act* continue to apply for the purposes of, and subject to and in accordance with, Division 3 of Part 7 of the *Great Bear Rainforest (Forest Management) Act*.
- (3) This section applies despite the repeal by this Act of the former provisions of the *Forest Act*.

### **Park Act transition**

- 69 (1) In this section:
- “**Park Act deletion**” means a deletion under section 11 (2.3) [*minister’s power to acquire land*] of the *Park Act*;

SECTION 69: *[Park Act transition – continued]*

SECTION 70: *[Forest and Range Practices Act, section 3]* is consequential to the removal by this Bill of community salvage licences from the *Forest Act*.

SECTION 71: *[Park Act, section 11]* clarifies that both roads and improvements may be expropriated and is consequential to the repeal by this Bill of section 60.92 of the *Forest Act* and the addition by this Bill of Parts 15 and 16 to that Act.

**“Park Act expropriation”** means an expropriation of a road or improvement under section 11 (2) (g) of the *Park Act*.

- (2) If a *Park Act* deletion or *Park Act* expropriation takes effect before the coming into force of this section, the following provisions apply in relation to the *Park Act* deletion or *Park Act* expropriation:
- (a) section 11 of the *Park Act*, as that section reads on the date the *Park Act* deletion or *Park Act* expropriation takes effect;
  - (b) the provisions of the *Forest Act* referred to in section 11 of the *Park Act*, as those provisions of the *Forest Act* and that section of the *Park Act* read on the date the *Park Act* deletion or *Park Act* expropriation takes effect.
- (3) This section applies despite the following:
- (a) the amendments made by this Act to section 11 of the *Park Act*;
  - (b) the repeal by this Act of the provisions of the *Forest Act* described in subsection (2) (b) of this section;
  - (c) the addition by this Act of Part 18 [*Expropriations and Deletions Under the Park Act*] to the *Forest Act*.

## **Consequential Amendments**

### ***Forest and Range Practices Act***

- 70 ***Section 3 (0.1) of the Forest and Range Practices Act, S.B.C. 2002, c. 69, is amended by repealing paragraph (c) of the definition of “licence”.***

### ***Park Act***

- 71 ***Section 11 (2) (g) of the Park Act, R.S.B.C. 1996, c. 344, is repealed and the following substituted:***

- (g) a road or improvement, or rights in relation to a road or improvement, if
  - (i) in the case of a road,
    - (A) the road is authorized under a road permit, or
    - (B) the road is authorized, for a timber production purpose, under a special use permit,
  - (ii) in the case of an improvement, the improvement is authorized, for a timber production purpose, under a special use permit, and
  - (iii) the road or improvement is on Crown land referred to in subsection (2.3).

SECTION 72: *[Park Act, section 11]* is consequential to the repeal by this Bill of sections 60.01 to 60.4 and 60.92 of the *Forest Act* and the addition by this Bill of Parts 15 and 16 to that Act.

SECTION 73: *[Park Act, section 11]* is consequential to the repeal by this Bill of sections 60.01 to 60.4 and 60.92 of the *Forest Act* and the addition by this Bill of Parts 15 and 16 to that Act.

SECTION 74: *[Park Act, section 11]* is consequential to

- the addition by this Bill of the definitions of “area-based licence” and “licence area” to section 1 of the *Forest Act*,
- the repeal by this Bill of sections 60 to 60.95 and 80.01 of that Act, and
- the addition by this Bill of Parts 15 and 16 to that Act.

72 *Section 11 (2.2) (c) is repealed.*

73 *Section 11 is amended by adding the following subsection:*

(2.21) If a road or improvement authorized under a road permit or special use permit is expropriated under subsection (2) (g), or if rights under the permit in relation to the road or improvement are expropriated under that subsection, the permit holder's entitlement to or eligibility for compensation and the compensation, if any, payable are to be determined under Part 18 of the *Forest Act*.

74 *Section 11 (2.3), (2.4) and (3) is repealed and the following substituted:*

(2.3) If the establishment or enlargement of a park, conservancy or recreation area requires Crown land in any of the following areas, the portion of the Crown land required is deleted from the area effective on the date the park, conservancy or recreation area is established:

- (a) a timber supply area;
- (b) the licence area of a non-TFL timber licence entered into under the *Forest Act*;
- (c) the licence area of an area-based licence entered into under the *Forest Act*.

(2.4) If the holder of a forest tenure is affected by a deletion under subsection (2.3), the forest tenure holder's entitlement to or eligibility for compensation and the amount of compensation, if any, payable are to be determined under Part 18 of the *Forest Act*.

(3) In this section:

**“area-based licence”** has the same meaning as in the *Forest Act*;

**“Crown granted 2 post claim”** has the same meaning as in the *Mineral Tenure Act*;

**“forest tenure”** means any of the following licences or permits entered into under the *Forest Act*:

- (a) a forest licence;
- (b) an area-based licence;
- (c) a non-TFL timber licence within the meaning of section 180 of that Act;
- (d) a forestry licence to cut;
- (e) a timber sale licence;
- (f) a Christmas tree permit;

**“licence area”** has the same meaning as in the *Forest Act*;

**“non-TFL timber licence”** has the same meaning as in section 180 of the *Forest Act*;

SECTION 74: *[Park Act, section 11 – continued]*



“road permit” means a road permit issued under section 115 of the *Forest Act*;

“special use permit” means a special use permit referred to in section 2 of the *Forest Practices Code of British Columbia Act*;

“timber production purpose” has the same meaning as in section 180 of the *Forest Act*;

“timber supply area” has the same meaning as in the *Forest Act*.

**Commencement**

75 The provisions of this Act referred to in column 1 of the following table come into force as set out in column 2 of the table:

| Item | Column 1<br>Provisions of Act                | Column 2<br>Commencement                            |
|------|--|---|
| 1    | Anything not elsewhere covered by this table | The date of Royal Assent                            |
| 2    | Section 18                                   | By regulation of the Lieutenant Governor in Council |
| 3    | Section 24                                   | January 1, 2024                                     |
| 4    | Section 25                                   | By regulation of the Lieutenant Governor in Council |
| 5    | Section 29                                   | By regulation of the Lieutenant Governor in Council |
| 6    | Section 31                                   | By regulation of the Lieutenant Governor in Council |
| 7    | Section 34                                   | By regulation of the Lieutenant Governor in Council |
| 8    | Section 41                                   | By regulation of the Lieutenant Governor in Council |
| 9    | Section 43                                   | February 23, 2011                                   |
| 10   | Section 44                                   | By regulation of the Lieutenant Governor in Council |
| 11   | Section 47                                   | By regulation of the Lieutenant Governor in Council |
| 12   | Section 51                                   | By regulation of the Lieutenant Governor in Council |



| Item | Column 1<br><b>Provisions of Act</b> | Column 2<br><b>Commencement</b>                     |
|------|--------------------------------------|---|
| 13   | Sections 56 and 57                   | By regulation of the Lieutenant Governor in Council |
| 14   | Sections 61 to 66                    | By regulation of the Lieutenant Governor in Council |
| 15   | Sections 68 to 74                    | By regulation of the Lieutenant Governor in Council |