

**2SHB 2528 - H AMD 1278**

By Representative Ramos

**ADOPTED 02/16/2020**

1 Strike everything after the enacting clause and insert the  
2 following:

3 "NEW SECTION. **Sec. 1.** (1) The legislature finds that the  
4 intergovernmental panel on climate change (IPCC) released a report in  
5 2019 entitled "IPCC special report on climate change,  
6 desertification, land degradation, sustainable land management, food  
7 security, and greenhouse gas fluxes in terrestrial ecosystems" that  
8 provides guidance relating to how natural and working lands can be  
9 utilized to assist with a global climate response strategy. In  
10 addition, the food and agricultural organization of the United  
11 Nations issued a report in 2016 entitled "forestry for a low-carbon  
12 future" with specific recommendations for integrating forests and  
13 wood products in climate change strategies. Recommendations from  
14 these reports are critical as Washington develops its own climate  
15 response and charts how the state can use its forestland base and  
16 vibrant forest products sector as part of its contribution to the  
17 global climate response.

18 (2) The legislature further finds that the 2019 intergovernmental  
19 panel on climate change report identifies several measures where  
20 sustainable forest management and forest products may be utilized to  
21 maintain and enhance carbon sequestration. These include increasing  
22 the carbon sequestration potential of forests and forest products by  
23 maintaining and expanding the forestland base, reducing emissions  
24 from land conversion to nonforest uses, increasing forest resiliency  
25 to reduce the risk of carbon releases from disturbances such as  
26 wildfire, pest infestation, and disease, and applying sustainable  
27 forest management techniques to maintain or enhance forest carbon  
28 stocks and forest carbon sinks, including through the transference of  
29 carbon to wood products.

30 (3) The legislature further finds that the food and agricultural  
31 organization of the United Nations reports similar recommendations,  
32 with a focus on forest management tools that increases the carbon

1 density in forests, increases carbon storage out of the forest in  
2 harvested wood products, utilizes wood energy, and suppresses forest  
3 disturbances from fire, pests, and disease.

4 **Sec. 2.** RCW 70.235.005 and 2008 c 14 s 1 are each amended to  
5 read as follows:

6 (1) The legislature finds that Washington has long been a  
7 national and international leader on energy conservation and  
8 environmental stewardship, including air quality protection,  
9 renewable energy development and generation, emission standards for  
10 fossil-fuel based energy generation, energy efficiency programs,  
11 natural resource conservation, sustainable forestry and the  
12 production of forest products, vehicle emission standards, and the  
13 use of biofuels. Washington is also unique among most states in that  
14 in addition to its commitment to reduce emissions of greenhouse  
15 gases, it has established goals to grow the clean energy sector and  
16 reduce the state's expenditures on imported fuels.

17 (2) The legislature further finds that Washington should continue  
18 its leadership on climate change policy by creating accountability  
19 for achieving the emission reductions established in RCW 70.235.020,  
20 participating in the design of a regional multisector market-based  
21 system to help achieve those emission reductions, assessing other  
22 market strategies to reduce emissions of greenhouse gases,  
23 maintaining and enhancing the state's ability to continue to  
24 sequester carbon through natural and working lands and forest  
25 products, and ensuring the state has a well trained workforce for our  
26 clean energy future.

27 (3) It is the intent of the legislature that the state will: (a)  
28 Limit and reduce emissions of greenhouse gas consistent with the  
29 emission reductions established in RCW 70.235.020; (b) minimize the  
30 potential to export pollution, jobs, and economic opportunities;  
31 ~~((and))~~ (c) support industry sectors that can act as sequesterers of  
32 carbon; and (d) reduce emissions at the lowest cost to Washington's  
33 economy, consumers, and businesses.

34 (4) In the event the state elects to participate in a regional  
35 multisector market-based system, it is the intent of the legislature  
36 that the system will become effective by January 1, 2012, after  
37 authority is provided to the department for its implementation. By  
38 acting now, Washington businesses and citizens will have adequate  
39 time and opportunities to be well positioned to take advantage of the

1 low-carbon economy and to make necessary investments in low-carbon  
2 technology.

3 (5) It is also the intent of the legislature that the regional  
4 multisector market-based system recognize Washington's unique  
5 emissions and sequestration portfolio, including (~~the state's~~):

6 (a) The state's hydroelectric system(~~(, the)~~);

7 (b) The opportunities presented by Washington's abundant forest  
8 resources and the associated forest products industry, along with  
9 aquatic and agriculture land(~~(, )~~) and the associated industries; and  
10 (~~the~~)

11 (c) The state's leadership in energy efficiency and the actions  
12 it has already taken that have reduced its generation of greenhouse  
13 gas emissions and that entities receive appropriate credit for early  
14 actions to reduce greenhouse gases.

15 (6) If any revenues, excluding those from state trust lands, that  
16 accrue to the state are created by a market system, they must be used  
17 to further the state's efforts to achieve the goals established in  
18 RCW 70.235.020, address the impacts of global warming on affected  
19 habitats, species, and communities, promote and invest in industry  
20 sectors that act as sequesterers of carbon, and increase investment  
21 in the clean energy economy particularly for communities and workers  
22 that have suffered from heavy job losses and chronic unemployment and  
23 underemployment.

24 NEW SECTION. Sec. 3. A new section is added to chapter 70.235  
25 RCW to read as follows:

26 (1)(a) Washington's existing forest products sector, including  
27 public and private working forests and the harvesting,  
28 transportation, and manufacturing sectors that enable working forests  
29 to remain on the land and the state to be a global supplier of forest  
30 products, is, according to a University of Washington study analyzing  
31 the global warming mitigating role of wood products from Washington's  
32 private forests, an industrial sector that currently operates as a  
33 significant net sequesterer of carbon. This value, which is only  
34 provided through the maintenance of an intact and synergistic  
35 industrial sector, is an integral component of the state's  
36 contribution to the global climate response and efforts to mitigate  
37 carbon emissions.

38 (b) Satisfying the goals set forth in RCW 70.235.020 requires  
39 supporting, throughout all of state government, consistent with other

1 laws and mandates of the state, the economic vitality of the  
2 sustainable forest products sector and other business sectors capable  
3 of sequestering and storing carbon. This includes support for working  
4 forests of all sizes, ownerships, and management objectives, and the  
5 necessary manufacturing sectors that support the transformation of  
6 stored carbon into long-lived forest products while maintaining and  
7 enhancing the carbon mitigation benefits of the forest sector,  
8 sustaining rural communities, and providing for fish, wildlife, and  
9 clean water, as provided in chapter 76.09 RCW. Support for the forest  
10 sector also ensures the state's public and private working forests  
11 avoid catastrophic wildfire and other similar disturbances and avoid  
12 conversion in the face of unprecedented conversion pressures.

13 (c) It is the policy of the state to support the contributions of  
14 all working forests and the synergistic forest products sector to  
15 meet the state's climate response. This includes the landowners,  
16 mills, bioenergy, pulp and paper, and related harvesting and  
17 transportation infrastructure which are necessary for forestland  
18 owners to continue the rotational cycle of carbon capture and  
19 sequestration in growing trees and allows forest products  
20 manufacturers to store the captured carbon in wood products. These  
21 activities maintain and enhance the forest sector's role in  
22 mitigating a significant percentage of the state's carbon emissions  
23 while providing other environmental and social benefits, such as  
24 supporting a strong rural economic base. Furthermore, it is the  
25 policy of the state to support the participation of working forests  
26 in current and future carbon markets, strengthening the state's role  
27 as a valuable contributor to the global carbon response while  
28 supporting one of its largest manufacturing sectors.

29 (d) It is further the policy of the state to utilize carbon  
30 accounting land use, land use change, and forestry reporting  
31 principles consistent with established reporting guidelines, such as  
32 those used by the intergovernmental panel on climate change and the  
33 United States national greenhouse gas reporting inventories.

34 (2) Any state carbon programs must support the policies stated in  
35 this section and recognize the forest products industry's  
36 contribution to the state's climate response.

37 NEW SECTION. **Sec. 4.** A new section is added to chapter 43.30  
38 RCW to read as follows:

1 (1) The forest and forest products carbon account is created in  
2 the custody of the state treasurer. All specified state funding must  
3 be deposited into the account, including appropriations from the  
4 general fund, the capital budget, and any specified revenues from  
5 other sources, including policies that establish a price on carbon or  
6 related federal grant programs. The department may also deposit into  
7 the account any grants, gifts, or donations to the state for purposes  
8 consistent with the allowable uses of the account. Expenditures from  
9 the account may be used only for department administrative costs and  
10 grants consistent with this section. Only the commissioner or the  
11 commissioner's designee may authorize expenditures from the account.

12 (2) The department shall use all moneys in the forest and forest  
13 products carbon account, less reasonable administrative overhead  
14 costs, as grants to any private landowner, organization that works  
15 with private landowners, nonprofit organization, local government,  
16 Indian tribe, or state land managing agency to advance the state's  
17 carbon sequestration goals outlined in section 3 of this act. All  
18 grant awards must be the result of a competitive process, designed by  
19 the department, that seeks to leverage the carbon sequestration and  
20 storage benefits of the investment. Allowable grant project types  
21 include, but are not limited to, funding:

22 (a) For reforestation of forestlands after a wildfire or other  
23 disaster for which the landowner was not responsible;

24 (b) For afforestation projects to return lands capable of  
25 supporting trees to forestlands;

26 (c) To plant sustainable forested buffers and remove nonnative  
27 invasive species along otherwise nonforested fish bearing streams;  
28 and

29 (d) For urban forest restoration or urban tree planting.

30 (3) The department must manage the forest and forest products  
31 carbon account in cooperation with the department of agriculture and  
32 state conservation commission and, when appropriate, utilize the  
33 conservation district infrastructure to identify potential grantees  
34 and distribute and oversee grant funds.

35 (4) In addition to administrative costs and grants as provided in  
36 this section, the department may also use funds in the forest and  
37 forest products carbon account to conduct an opportunity analysis of  
38 land in Washington to determine how many acres of deforested land  
39 could be returned to forestlands without decreasing food production."

1 Correct the title.

EFFECT: Changes the name of the account created in the act to the Forest and Forest Products Carbon Account (Account).

Changes the agency responsible for expending funds from the Account from the State Conservation Commission (SCC) to the Department of Natural Resources (DNR).

Directs the DNR to manage the Account in cooperation with the Washington State Department of Agriculture and the SCC, and, where appropriate, to utilize the conservation district infrastructure to identify potential grantees and distribute and oversee grant funds.

--- **END** ---