CERTIFICATION OF ENROLLMENT

ENGROSSED SECOND SUBSTITUTE HOUSE BILL 2528

Chapter 120, Laws of 2020

66th Legislature 2020 Regular Session

FOREST PRODUCTS SECTOR--CLIMATE RESPONSE CONTRIBUTIONS

EFFECTIVE DATE: June 11, 2020

Passed by the House March 9, 2020 CERTIFICATE Yeas 96 Nays 0 I, Bernard Dean, Chief Clerk of the House of Representatives of the LAURIE JINKINS State of Washington, do hereby Speaker of the House of certify that the attached is ENGROSSED SECOND SUBSTITUTE HOUSE Representatives BILL 2528 as passed by the House of Representatives and the Senate on the dates hereon set forth. Passed by the Senate March 5, 2020 Yeas 46 Nays 3 BERNARD DEAN Chief Clerk CYRUS HABIB President of the Senate Approved March 25, 2020 3:07 PM FILED March 26, 2020

JAY INSLEE

Governor of the State of Washington

Secretary of State State of Washington

ENGROSSED SECOND SUBSTITUTE HOUSE BILL 2528

AS AMENDED BY THE SENATE

Passed Legislature - 2020 Regular Session

State of Washington 66th Legislature 2020 Regular Session

By House Appropriations (originally sponsored by Representatives Ramos, DeBolt, Chapman, Boehnke, Blake, Fitzgibbon, Tharinger, and Santos)

READ FIRST TIME 02/11/20.

- 1 AN ACT Relating to recognizing the contributions of the state's
- 2 forest products sector as part of the state's global climate
- 3 response; amending RCW 70.235.005; adding a new section to chapter
- 4 70.235 RCW; and creating a new section.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 NEW SECTION. Sec. 1. (1) The legislature finds that the
- 7 intergovernmental panel on climate change (IPCC) released a report in
- 8 2019 entitled "IPCC special report on climate change,
- 9 desertification, land degradation, sustainable land management, food
- 10 security, and greenhouse gas fluxes in terrestrial ecosystems" that
- 11 provides guidance relating to how natural and working lands can be
- 12 utilized to assist with a global climate response strategy. In
- 13 addition, the food and agricultural organization of the United
- 14 Nations issued a report in 2016 entitled "forestry for a low-carbon
- 15 future" with specific recommendations for integrating forest and wood
- products in climate change strategies. Recommendations from these reports are critical as Washington develops its own climate response
- 18 and charts how the state can use its forestland base and vibrant
- 19 forest products sector as part of its contribution to the global
- 20 climate response.

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

- (3) The legislature further finds that the food and agricultural organization of the United Nations reports similar recommendations, with a focus on forest management tools that increases the carbon density in forests, increases carbon storage out of the forest in harvested wood products, utilizes wood energy, and suppresses forest disturbances from fire, pests, and disease.
- **Sec. 2.** RCW 70.235.005 and 2008 c 14 s 1 are each amended to 20 read as follows:
 - (1) The legislature finds that Washington has long been a national and international leader on energy conservation and environmental stewardship, including air quality protection, renewable energy development and generation, emission standards for fossil-fuel based energy generation, energy efficiency programs, natural resource conservation, sustainable forestry and the production of forest products, vehicle emission standards, and the use of biofuels. Washington is also unique among most states in that in addition to its commitment to reduce emissions of greenhouse gases, it has established goals to grow the clean energy sector and reduce the state's expenditures on imported fuels.
 - (2) The legislature further finds that Washington should continue its leadership on climate change policy by creating accountability for achieving the emission reductions established in RCW 70.235.020, participating in the design of a regional multisector market-based system to help achieve those emission reductions, assessing other market strategies to reduce emissions of greenhouse gases, maintaining and enhancing the state's ability to continue to sequester carbon through natural and working lands and forest

products, and ensuring the state has a well trained workforce for our clean energy future.

- (3) It is the intent of the legislature that the state will: (a) Limit and reduce emissions of greenhouse gas consistent with the emission reductions established in RCW 70.235.020; (b) minimize the potential to export pollution, jobs, and economic opportunities; ((and)) (c) support industry sectors that can act as sequesterers of carbon; and (d) reduce emissions at the lowest cost to Washington's economy, consumers, and businesses.
- (4) In the event the state elects to participate in a regional multisector market-based system, it is the intent of the legislature that the system will become effective by January 1, 2012, after authority is provided to the department for its implementation. By acting now, Washington businesses and citizens will have adequate time and opportunities to be well positioned to take advantage of the low-carbon economy and to make necessary investments in low-carbon technology.
- (5) It is also the intent of the legislature that the regional multisector market-based system recognize Washington's unique emissions and sequestration portfolio, including the ((state's)):
 - (a) State's hydroelectric system((, the));
- (b) Opportunities presented by Washington's abundant forest resources and the associated forest products industry, along with aquatic and agriculture land((τ)) and the associated industries; and ((the))
- (c) State's leadership in energy efficiency and the actions it has already taken that have reduced its generation of greenhouse gas emissions and that entities receive appropriate credit for early actions to reduce greenhouse gases.
- (6) If any revenues, excluding those from state trust lands, that accrue to the state are created by a market system, they must be used to further the state's efforts to achieve the goals established in RCW 70.235.020, address the impacts of global warming on affected habitats, species, and communities, promote and invest in industry sectors that act as sequesterers of carbon, and increase investment in the clean energy economy particularly for communities and workers that have suffered from heavy job losses and chronic unemployment and underemployment.

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

- (1) (a) Washington's existing forest products sector, including public and private working forests and the harvesting, transportation, and manufacturing sectors that enable working forests to remain on the land and the state to be a global supplier of forest products, is, according to a University of Washington study analyzing the global warming mitigating role of wood products from Washington's private forests, an industrial sector that currently operates as a significant net sequesterer of carbon. This value, which is only provided through the maintenance of an intact and synergistic industrial sector, is an integral component of the state's contribution to the global climate response and efforts to mitigate carbon emissions.
- (b) Satisfying the goals set forth in RCW 70.235.020 requires supporting, throughout all of state government, consistent with other laws and mandates of the state, the economic vitality of the sustainable forest products sector and other business sectors capable of sequestering and storing carbon. This includes support for working forests of all sizes, ownerships, and management objectives, and the necessary manufacturing sectors that support the transformation of stored carbon into long-lived forest products while maintaining and enhancing the carbon mitigation benefits of the forest sector, sustaining rural communities, and providing for fish, wildlife, and clean water, as provided in chapter 76.09 RCW. Support for the forest sector also ensures the state's public and private working forests avoid catastrophic wildfire and other similar disturbances and avoid conversion in the face of unprecedented conversion pressures.
- (c) It is the policy of the state to support the contributions of all working forests and the synergistic forest products sector to the state's climate response. This includes landowners, mills, bioenergy, pulp and paper, and the related harvesting and transportation infrastructure that is necessary for forestland owners to continue the rotational cycle of carbon capture and sequestration in growing trees and allows forest products manufacturers to store the captured carbon in wood products and maintain and enhance the forest sector's role in mitigating a significant percentage of the state's carbon emissions while providing other environmental and social benefits and supporting a strong rural economic base. It is further the policy of the state to support the participation of working forests in current

and future carbon markets, strengthening the state's role as a valuable contributor to the global carbon response while supporting one of its largest manufacturing sectors.

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- (d) It is further the policy of the state to utilize carbon accounting land use, land use change, and forestry reporting principles consistent with established reporting guidelines, such as those used by the intergovernmental panel on climate change and the United States national greenhouse gas reporting inventories.
- 9 (2) Any state carbon programs must support the policies stated in 10 this section and recognize the forest products industry's 11 contribution to the state's climate response.

Passed by the House March 9, 2020. Passed by the Senate March 5, 2020. Approved by the Governor March 25, 2020. Filed in Office of Secretary of State March 26, 2020.

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