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**SENATE BILL 5633**

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**State of Washington**

**67th Legislature**

**2022 Regular Session**

**By** Senators Rolfes, Short, Das, Gildon, Hasegawa, Hawkins, Lovelett, Nguyen, Nobles, Randall, Wagoner, Warnick, and Stanford; by request of Department of Natural Resources

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1 AN ACT Relating to planning for the prevention of permanent loss  
2 of forests in Washington state; adding a new section to chapter 76.04  
3 RCW; and creating a new section.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** (1) The legislature finds that between  
6 1978 and 2001, Washington state permanently lost 700,000 acres of  
7 forestland west of the Cascade mountains. During that same period,  
8 central and eastern Washington lost nearly as many acres, with the  
9 rate of conversion reaching more than one percent of forestland lost  
10 each year between 1988 and 2004. Washington state lost an additional  
11 394,000 acres of forest between 2007 and 2019. At the current pace,  
12 the state is on track to lose an additional 625,000 acres to  
13 development by 2040.

14 (2) Washington's forests support a thriving forest products  
15 industry that provides jobs and directly and indirectly contributes  
16 to maintaining robust rural economies. Washington's over 1,700 forest  
17 products businesses directly employ roughly 42,000 workers, earning  
18 nearly \$3,000,000,000 in wages annually, and a gross business income  
19 of approximately \$28,000,000,000 annually. The loss of forestlands is  
20 a major obstacle in the continued survival, competitiveness, and  
21 economic contribution of Washington state's forest-based industries,

1 and therefore the local and rural economies they support. The  
2 forestry industry also contributes to maintaining Washington's  
3 forests as a renewable natural resource.

4 (3) The legislature further finds that the permanent loss of  
5 forestlands disrupts ecological function and the ecosystem services  
6 that forests provide, including clean water, clean air, habitat for  
7 threatened salmon populations and other fish and wildlife, climate  
8 mitigation and adaptation, and recreation areas. Protecting these  
9 assets is crucial to maintaining the health and resilience of  
10 Washington communities and ecosystems.

11 (4) In addition to the conversion and permanent loss of our  
12 forests, the legislature finds that Washington state has seen  
13 significant impacts of climate change, including increased severity  
14 of wildfires, drought, and record-breaking extreme heat. Since 2015,  
15 unprecedented wildfires have burned over 4,000,000 acres of our  
16 state. Increasing uncharacteristic fires lead to a decrease in the  
17 quality and quantity of forests available for wildlife habitat, clean  
18 water production and storage, carbon sequestration, recreation  
19 opportunities, climate mitigation and resilience potential, and a  
20 readily available and sustainable timber supply. While the state has  
21 committed critical funding for forest health restoration and  
22 management for wildfire prevention, gaps still exist for statewide  
23 goals and reliable funding to protect both working and nonworking  
24 forest areas from conversion and to reforest areas that have already  
25 been lost or where urban tree canopy cover is currently lacking and  
26 inequitable.

27 (5) The legislature further finds that working and nonworking  
28 forests are some of the important tools in our state's climate change  
29 response strategy, with our forests storing approximately  
30 2,720,000,000 metric tons of carbon in total, and on average 122.88  
31 metric tons per acre. Additionally, forestry industry sectors and  
32 small forestland owners play a role in maintaining and enhancing  
33 Washington's working forests and therefore their ability to continue  
34 to sequester carbon.

35 (6) Furthermore, the legislature recognizes that climate change  
36 affects all Washingtonians, but has disproportionate effects on low-  
37 income communities in both urban and rural communities, communities  
38 of color, and the most vulnerable of our population. Urban tree  
39 canopy provides cooling effects and helps to mitigate air pollution  
40 and extreme heat, among other benefits, and therefore has become

1 increasingly important as temperatures rise. On average, low-income  
2 neighborhoods have 15 percent less tree cover and are 1.5 degrees  
3 Celsius hotter. Tree planting in urban and rural areas where it is  
4 most needed will bolster Washington communities' resilience to the  
5 current and future health, environmental, and economic effects of  
6 climate change.

7 (7) To keep Washington evergreen, the legislature finds that we  
8 must proactively conserve working and nonworking forests, consistent  
9 with landowner objectives, by preventing future conversion of forests  
10 and replanting trees in areas of greatest need, such as in  
11 postwildfire areas when ecologically beneficial, previously forested  
12 lands, riparian areas, including working lands and urban areas.  
13 Therefore, it is the intent of the legislature to establish a  
14 voluntary, incentive-based plan to: (a) Conserve at least 1,000,000  
15 acres of working forestland; and (b) reforest at least 1,000,000  
16 acres by 2040.

17 NEW SECTION. **Sec. 2.** A new section is added to chapter 76.04  
18 RCW to read as follows:

19 (1) The department must, consistent with this section, establish  
20 a voluntary, incentive-based working and nonworking forest  
21 conservation and reforestation plan that endeavors to, by the year  
22 2040, conserve at least 1,000,000 acres of working forestland and  
23 reforest at least 1,000,000 acres. The plan must respect the full  
24 diversity of landowner management and investment objectives and must  
25 proactively and systematically utilize or develop voluntary,  
26 incentive-based strategies that address:

27 (a) The prevention of actual and potential permanent loss of  
28 working and nonworking forestland loss across the state;

29 (b) Opportunities to implement incentive-based carbon  
30 compensation programs for avoided conversion and reforestation;

31 (c) The reforestation on forestland impacted by wildfire, pests,  
32 disease, landslides, land-use change, and other stressors; and

33 (d) Tree planting and increased tree canopy coverage in urban  
34 areas, prioritizing highly impacted or overburdened communities.

35 (2) The department must use the plan to assess and prioritize  
36 conservation and reforestation actions each biennium. The plan must  
37 consist of three elements: Assessment; implementation; and progress  
38 review and reporting.

1 (a) The department must: Develop a framework to identify and  
2 prioritize working and nonworking forested areas in greatest need of  
3 conservation to prevent permanent forest loss; evaluate and promote  
4 opportunities for carbon compensation programs; identify and  
5 prioritize areas in greatest need of reforestation; and identify and  
6 prioritize urban areas lacking equitable tree canopy cover. The  
7 framework must address:

8 (i) Conservation of working and nonworking forestland. Map and  
9 prioritize working and nonworking forest areas across the state based  
10 on criteria that include risk of permanent loss, or critical  
11 environmental, economic, cultural, equity, or health benefits  
12 including, but not limited to, value to local economy, carbon  
13 sequestration, landscape-level habitat connectivity, or salmon  
14 recovery and important wildlife habitat;

15 (ii) Carbon sequestration. Evaluate and promote existing  
16 opportunities for carbon compensation programs and other incentive-  
17 based carbon emissions reducing programs to assist forestland owners  
18 interested in voluntarily engaging in carbon markets;

19 (iii) Reforestation. Map and prioritize historically forested  
20 areas, including postwildfire areas and areas where reforestation or  
21 afforestation efforts may support environmental restoration, local  
22 economic development, or tribal restoration objectives, and conduct  
23 an analysis of the regional reforestation pipeline, including seed  
24 collection, nursery capacity, and workforce needs, to ensure an  
25 adequate supply to meet goals and the growing public and private need  
26 based on increased wildfires, forest health, and lack of equitable  
27 urban green spaces. Reforestation analyses must also include an  
28 ecological assessment of advantages and disadvantages of  
29 intervention, as well as an evaluation of strategies that are best  
30 for maintaining and restoring ecological integrity and resilience to  
31 climate change;

32 (iv) Urban tree canopy. Map and prioritize urban and community  
33 areas where tree planting may provide environmental, economic, or  
34 health benefits particularly to highly impacted or overburdened  
35 communities; and

36 (v) Strategic plan development. Conduct the necessary analysis  
37 for the prioritization and strategic plan development related to, but  
38 not limited to, identification and application of specific criteria  
39 to prioritize the conservation of working and nonworking forests at  
40 risk of conversion, the reforestation pipeline, updated analysis of

1 the state's private sector logging and milling capacity, and analysis  
2 of equity and environmental justice impacts.

3 (b) The department must identify, prioritize, utilize, and  
4 develop voluntary tools, financing opportunities, and incentive-based  
5 activities consistent with the plan using appropriations provided for  
6 that specific purpose. The department must:

7 (i) Ensure that the plan utilizes and builds upon the evaluation  
8 of economic and other drivers of forest conversion from the report to  
9 the legislature produced pursuant to chapter 457, Laws of 2019  
10 entitled "Washington's Small Forestland Owners in 2020"; "The Future  
11 of Washington's Forests and Forest Industries" report from 2007; any  
12 relevant recommendations from the carbon sequestration advisory  
13 group's final report to the legislature in 2020 conducted pursuant to  
14 chapter 415, Laws of 2019 and the "Washington Forest Ecosystem Carbon  
15 Inventory: 2002-2016"; the small forestland owner work group created  
16 in the climate commitment act pursuant to section 21, chapter 316,  
17 Laws of 2021; and any relevant recommendations from the trust land  
18 transfer proviso report to the legislature, pursuant to chapter 333,  
19 Laws of 2021;

20 (ii) Conduct an assessment and inventory of existing voluntary  
21 tools, financing opportunities, and incentive-based activities  
22 relevant to retaining working and nonworking forestlands, preventing  
23 permanent loss of forests, increasing reforestation, afforestation of  
24 formerly forested lands and urban tree canopy, and retaining milling  
25 infrastructure;

26 (iii) Identify new, existing, or amended voluntary tools,  
27 financing opportunities, and incentive-based activities that would  
28 support the goals of the plan created under this section, including:

29 (A) Utilizing tools including, but not limited to, payment for  
30 ecological services, technical or financial support to small  
31 forestland owners, tax or market incentives, conservation and working  
32 forest easements, fee simple land acquisition, or transfer of  
33 development rights;

34 (B) Identifying the limitations and barriers of existing  
35 voluntary tools, financing opportunities, and incentive-based  
36 activities, and making recommendations to improve, accelerate, or  
37 expand existing tools and incentives to maximize their effectiveness;

38 (C) Identifying new or existing voluntary tools, financing  
39 opportunities, and incentives that address underlying economic  
40 stressors that contribute to forest conversion including, but not

1 limited to, the retention of milling infrastructure, market access,  
2 and workforce development;

3 (D) Identifying new and existing voluntary tools, financing  
4 opportunities, and incentive-based activities that give financial  
5 value to the underlying environmental, health, equity, and cultural  
6 values of working forestlands; and

7 (E) Providing support to small working forestland owners to  
8 achieve the objectives and goals they set for their working  
9 forestland; and

10 (iv) Develop a pilot rapid response fund to test opportunities  
11 and barriers to acquire from willing sellers private working  
12 forestlands at imminent risk of conversion. Working forests acquired  
13 from private willing sellers must be maintained as working forests.

14 (c) By December 1, 2022, and in compliance with RCW 43.01.036,  
15 the department must submit a report to the office of financial  
16 management and the appropriate committees of the legislature that  
17 includes a map and justification of identified priority areas,  
18 determines an approach to monitoring that the forested acres are  
19 meeting the criteria of success established in the plan, and  
20 describes activities to be undertaken consistent with the plan. The  
21 strategic plan must be finalized and submitted to the office of  
22 financial management and the appropriate committees of the  
23 legislature by December 1, 2023. Each following biennium, the  
24 department must submit a report to the legislature that reviews  
25 previous activities undertaken consistent with the plan and future  
26 activities to be undertaken to reach the goals. The biennial report  
27 must include:

28 (i) A list and brief summary of voluntary tools and incentives to  
29 be used in the following biennium under the plan with the requested  
30 appropriations, including relevant information from the  
31 prioritization process;

32 (ii) A list and brief summary of voluntary tools, financing  
33 opportunities, and incentives utilized under the plan in the  
34 preceding biennium, including total funding available, costs for the  
35 voluntary tools and incentives, and their outcomes and effectiveness,  
36 and highlight the utilization of any tools and incentives that  
37 contributed to more equitable outcomes, including equity in  
38 forestland ownership, access to green spaces, and urban tree cover  
39 canopy. The summary must include any barriers to framework  
40 implementation and legislative or administrative recommendations to

1 address those barriers, and a comparison of the requested funding for  
2 plan implementation the previous biennium and the actual funding  
3 provided with, if possible, an analysis of the additional progress  
4 that would have been expected with full funding;

5 (iii) Identification of potential partnerships between the state  
6 and the forest products industry to promote the use of forest  
7 products as a way towards maintaining the state's forestland base and  
8 reaching the state's greenhouse gas emissions goals;

9 (iv) Identification of potential partnership opportunities  
10 between the state and federally recognized tribes, state agencies,  
11 nonprofit organizations, local governments, forestland owners,  
12 conservation districts, forest collaboratives, and community-based  
13 organizations to implement tools and activities consistent with the  
14 working and nonworking forest conservation and reforestation plan;

15 (v) Criteria by which a forested acre can be considered to be  
16 protected from conversion to nonforestland use. The criteria must  
17 incorporate both working and nonworking forests and provide a minimum  
18 time frame under which a forested acre may be considered prevented  
19 from conversion;

20 (vi) An update on the numbers of acres of forestland by region,  
21 both working and nonworking forestlands, including gain or loss in  
22 forested area and including, when possible, the identification of any  
23 potential reasons for significant movement in acreage in either  
24 direction;

25 (vii) An update on the status of the state's private sector  
26 logging and milling capacity as it relates to conserving working  
27 forests, including gain or loss, and including, when possible, the  
28 identification of any potential reasons for significant movement in  
29 capacity in either direction;

30 (viii) An update on the quantity and quality of jobs created or  
31 sustained through conservation and reforestation activities;

32 (ix) An update on location and acres reforested, including  
33 postburn forested areas, afforestation of formerly forested lands,  
34 and tree canopy coverage in urban and other community areas; and

35 (x) An update on consultation with highly impacted communities by  
36 region.

37 (3) In developing the framework, the department must:

38 (a) Consult with impacted communities using the community  
39 engagement plan developed under RCW 70A.02.050 and identify  
40 opportunities to increase equity in forestland ownership;

1 (b) Utilize the Washington health disparities map as a data point  
2 to identify highly impacted or overburdened communities that lack  
3 equitable access to the benefits that forests provide and consult  
4 with the Washington state office of equity on how to make values-  
5 driven, data informed decisions to identify and address disparities  
6 impacting communities of color;

7 (c) Invite input from all federally recognized tribal nations on  
8 forested areas with important cultural, ecological, and economic  
9 values that are threatened by conversion or other disturbance;

10 (d) Engage impacted stakeholder groups in the development and  
11 implementation of the working and nonworking forest conservation and  
12 reforestation plan including, but not limited to, the forest  
13 industry, private forestland owners, conservation groups, state and  
14 federal agencies, such as the department of ecology, the recreation  
15 and conservation office, the department of fish and wildlife, the  
16 Washington state parks and recreation commission, and the department  
17 of commerce, local governments, and scientists or other experts; and

18 (e) Engage and utilize the expertise of existing relevant  
19 advisory councils and committees including, but not limited to: The  
20 forest health advisory committee established pursuant to chapter 95,  
21 Laws of 2017; the natural heritage advisory council established in  
22 RCW 79.70.070; the small forestland owner office advisory committee  
23 established in RCW 76.13.110; and the Washington state urban and  
24 community forestry council.

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