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<u>2SHB 2047</u> - H AMD 388 By Representative Ramos

NOT CONSIDERED 12/23/2019

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

- "NEW SECTION. Sec. 1. (1) The legislature finds that Washington 3 is one of twenty-two states that have formed the United States 4 climate alliance. The natural and working lands initiative within 5 this alliance was created to identify best practices and policy 6 7 pathways for protecting and enhancing resilient carbon sinks on natural and working lands and in forest products. Natural and working 8 rangelands, wetlands, 9 include forests, croplands, land types grasslands, aquatic lands, and urban green space. 10
- 11 (2) The legislature intends Washington to continue to participate 12 in the natural and working lands initiative to identify opportunities 13 to advance carbon sequestration and storage regarding natural and 14 working lands and forest products, including:
 - (a) Improving inventory methods for land-based carbon flux;
- 16 (b) Identifying best practices to reduce greenhouse gas emissions 17 and increase resilient carbon sequestration, including through forest 18 products;
 - (c) Advancing programs, policies, and incentives to reduce greenhouse gas emissions, including reducing catastrophic wildfire, and enhance resilient carbon sequestration;
 - (d) Undertaking actions that will support a collective alliance-wide goal to maintain natural and working lands as a net sink of carbon and to protect and increase carbon storage capacity, while balancing near and long-term sequestration objectives;
 - (e) Integrating priority actions and pathways into state greenhouse gas mitigation plans by 2020; and
 - (f) Recognizing the carbon sequestration benefits of forest products based on a life-cycle analysis and product substitution.
- 30 (3) The legislature further intends that the state should build 31 on existing efforts to understand carbon stocks, flux, trends, 32 emissions, and benefits of carbon sequestration in forest products

- 1 across the state's natural and working lands and identify
- 2 opportunities to improve these inventories. This work must supplement
- 3 existing inventories and scientifically based methodologies with the
- 4 goal to improve inventory methods for land-based carbon flux in
- 5 Washington state and to link carbon sequestration on natural and
- 6 working lands in the state with the products made from those lands.
- 7 (4) This section expires January 1, 2023.
- NEW SECTION. Sec. 2. (1) Subject to the availability of amounts appropriated for this specific purpose, the department must build on existing efforts to conduct inventories of carbon stocks, flux, trends, emissions, and sequestration in wood products across the state's terrestrial and aquatic lands and fill information gaps to develop a more complete inventory of carbon on natural and working
- 14 lands.

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- 15 (2) The department must coordinate with the natural and working 16 lands carbon sequestration advisory group created in section 4 of 17 this act in the implementation of this section. This includes sharing 18 with the advisory group the results of the inventory already 19 initiated on carbon flux, stocks, trends, and forest products carbon 20 sequestration on all forestlands throughout the state.
- 21 (3) By December 1, 2020, and consistent with RCW 43.01.036, the department must submit a report to the legislature:
- 23 (a) Summarizing the results of the inventory required under this section;
 - (b) Assessing any needs to further improve the carbon inventory on natural and working lands, accounting for carbon sequestration in forest products;
 - (c) Recommending, if relevant, improvements in carbon inventory activities such as data collection, frequency of inventory and reporting, and inventory methods; and
 - (d) Recommending an appropriate schedule on which the department will update or recomplete the carbon inventory initiated under this section for the purposes of sufficiently identifying stocks, flux, and trends in carbon related to Washington's natural and working lands.
- 36 (4) This section expires January 1, 2023.
- NEW SECTION. Sec. 3. (1) Subject to the availability of amounts appropriated for this specific purpose, the department may serve in a Code Rev/ML:amh

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- liaison role to assist interested owners of private and other nonstate-owned or managed forestland and aquatic lands to connect with existing opportunities to be compensated for carbon services and other incentive-based carbon reducing programs.
 - (2) The department must coordinate with the natural and working lands carbon sequestration advisory group created in section 4 of this act in the implementation of this section.
 - (3) Nothing in the section requires a landowner to:

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- 9 (a) Use the state as a liaison or a resource in pursuing 10 opportunities in carbon markets; or
 - (b) Participate in a carbon market or incentive program.
- 12 (4) Nothing in the section is intended to change or interfere 13 with landowner property rights.
- 14 (5) The department must issue a final report to the legislature 15 by December 1, 2022, and an interim report by December 1, 2020, 16 consistent with RCW 43.01.036, that:
- 17 (a) Detail the programs related to the implementation of this section;
 - (b) Identify barriers, including costs, to the use of incentivebased carbon reducing or sequestering programs;
- (c) Identify roles public and private entities may serve in connecting landowners to incentive-based carbon reducing or sequestering programs;
 - (d) Identify any challenges emerging from an expanded use of carbon markets, including impacts to workforce and infrastructure availability, and make recommendations to avoid these impacts; and
 - (e) Explore how existing federal, state, and private programs may be leveraged, coordinated, and supplemented to achieve carbon beneficial results in natural and working lands and identify roadblocks to achieve better scalability.
- 31 (6) This section expires January 1, 2023.
- NEW SECTION. Sec. 4. (1) Subject to the availability of amounts appropriated for this specific purpose, the office of the governor and the department must form a natural and working lands carbon sequestration advisory group.
- 36 (2) The advisory group created by this section has the following 37 duties:
- 38 (a) To advise the state on participation in the United States 39 climate alliance natural and working lands initiative;

- 1 (b) To advise the state on inventory methods under section 2 of this act;
 - (c) To advise the state on strategies to effectively advance and accelerate carbon sequestration on natural and working lands throughout the state, including in forest products, while maintaining and enhancing the forest products industry; and
- 7 (d) To provide expertise and information related to the 8 implementation of sections 2 and 3 of this act.
 - (3) (a) To the extent feasible, members of the advisory group must be composed of interests that reflect the diverse interests and expertise involved on the subject of carbon sequestration on natural and working lands as those lands are defined by this act. This advisory group must be composed of the following representatives or a representative of an association that represents such an entity:
- 15 (i) Two representatives of the department, including proprietary 16 management;
- 17 (ii) One invited representative of a tribal government that 18 manages working forestland;
 - (iii) An environmental nongovernment organization;
- 20 (iv) A large private forestland owner;
- 21 (v) A small forestland owner;

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- 22 (vi) The consortium for research on renewable industrial 23 materials;
- 24 (vii) The University of Washington's center for international 25 trade in forest products;
- 26 (viii) A forest product manufacturer;
- 27 (ix) The shellfish industry;
- 28 (x) A conservation nongovernment organization that owns and 29 manages natural and working lands;
- 30 (xi) A federal government agency that manages natural and working 31 lands;
- (xii) A local government agency that manages natural and working lands; and
- 34 (xiii) The governor's office.
- 35 (b) The natural and working lands carbon sequestration advisory 36 group established in this section constitutes a class one group under 37 RCW 43.03.220.
- 38 (c) The office of the governor and the department may add 39 additional members to the advisory group as deemed beneficial for the 40 discussion around working and natural land uses not represented in Code Rev/ML:amh

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- the enumerated members provided in this section. The office of the governor and the department must strive to maintain a balance of representation on the advisory group and advisory group members must approve additional members by a majority vote.
 - (4) The office of the governor and the department must jointly submit recommendations resulting from the natural and working lands carbon sequestration advisory group to the legislature by December 1, 2020.
- 9 (5) This section expires January 1, 2023.
- NEW SECTION. Sec. 5. Sections 1 through 4 of this act constitute a new chapter in Title 79 RCW.
- NEW SECTION. Sec. 6. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2019, in the omnibus appropriations act, this act is null and void."
- 16 Correct the title.

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EFFECT: Modifies statement of legislative intent.

Requires the Department of Natural Resources (DNR) to coordinate with the Natural and Working Lands Carbon Sequestration Advisory Group created in the act.

Authorizes, rather than requires, the DNR to serve in a liaison role to landowners regarding opportunities to be compensated for carbon services and other incentive-based carbon reducing programs.

Makes various modifications to the section related to the DNR's liaison role, including specifying that landowners are not required to participate in a carbon market or incentive program, and that nothing in the section is intended to change landowner property rights.

Modifies the scope of the DNR's liaison report, including adding a requirement that the report explore how existing public and private programs can be coordinated to achieve beneficial results in natural and working lands.

Changes the deadline for the DNR's final liaison report from December 1, 2023, to December 1, 2022.

Specifies duties for the Natural and Working Lands Carbon Sequestration Advisory Group.

Specifies membership composition of the Natural and Working Lands Carbon Sequestration Advisory Group, including representatives from the DNR, a tribal government that manages working forestland, large and small forestland owners, the shellfish industry, and a

conservation organization that owns and manages natural and working lands, among others.

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