

E2SHB 2528 - S COMM AMD

By Committee on Agriculture, Water, Natural Resources & Parks

OUT OF ORDER 03/05/2020

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 forest and wood
13 products in climate change strategies. Recommendations from these
14 reports are critical as Washington develops its own climate response
15 and charts how the state can use its forestland base and vibrant
16 forest products sector as part of its contribution to the global
17 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) State's hydroelectric system~~((~~the~~))~~;

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

11 (c) State's leadership in energy efficiency and the actions it
12 has already taken that have reduced its generation of greenhouse gas
13 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 the
15 state's climate response. This includes landowners, mills, bioenergy,
16 pulp and paper, and the related harvesting and transportation
17 infrastructure that is necessary for forestland owners to continue
18 the rotational cycle of carbon capture and sequestration in growing
19 trees and allows forest products manufacturers to store the captured
20 carbon in wood products and maintain and enhance the forest sector's
21 role in mitigating a significant percentage of the state's carbon
22 emissions while providing other environmental and social benefits and
23 supporting a strong rural economic base. It is further the policy of
24 the state to support the participation of working forests in current
25 and future carbon markets, strengthening the state's role as a
26 valuable contributor to the global carbon response while supporting
27 one of its largest manufacturing sectors.

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

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

36 NEW SECTION. **Sec. 4.** A new section is added to chapter 89.08
37 RCW to read as follows:

38 (1)(a) The forest and forest products carbon account is created
39 in the custody of the state treasurer.

1 (b) The following moneys may be deposited into the account: All
2 moneys directed or appropriated to the account by the legislature,
3 including appropriations from the general fund, the capital budget,
4 and any specified revenues from other sources, including policies
5 that establish a price on carbon or related federal grant programs.

6 (c) The commission may also deposit into the account any grants,
7 gifts, or donations to the state for purposes consistent with the
8 allowable uses of the account.

9 (d) Expenditures from the account may be used only for commission
10 administrative costs and grants consistent with this section. Only
11 the executive director of the commission or the executive director's
12 designee may authorize expenditures from the account. The account is
13 subject to allotment procedures under chapter 43.88 RCW, but an
14 appropriation is not required for expenditures.

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

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

27 (b) For afforestation projects to return lands capable of
28 supporting trees to forestlands;

29 (c) To plant sustainable forested buffers and remove nonnative
30 invasive species along otherwise nonforested fish bearing streams;
31 and

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

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

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1 On page 1, line 3 of the title, after "response;" strike the
2 remainder of the title and insert "amending RCW 70.235.005; adding a
3 new section to chapter 70.235 RCW; adding a new section to chapter
4 89.08 RCW; and creating a new section."

EFFECT: Clarifies that revenues from state trust lands are excluded from revenues that accrue to the state created by a market system. Adds that Washington should continue its leadership on climate change policy by maintaining and enhancing the state's ability to sequester carbon through natural and working lands, in addition to forest products. Makes technical and clarifying changes.

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