Z-0487.2 _____

# HOUSE BILL 1895

**State of Washington**       **67th Legislature**       **2022 Regular Session**

**By** Representatives Harris-Talley, Maycumber, Leavitt, Ramos, Simmons, Steele, Stonier, Peterson, Shewmake, Graham, Berg, Kloba, Callan, Riccelli, Lekanoff, Macri, Valdez, and Duerr; by request of Department of Natural Resources

Read first time 01/11/22.  Referred to Committee on Rural Development, Agriculture & Natural Resources.

1      AN ACT Relating to developing a plan for conservation,
2  reforestation, and restoration of forests in Washington state; adding
3  a new section to chapter 76.04 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,

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(C) Identifying new or existing voluntary tools, financing
opportunities, and incentives that address underlying economic
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

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

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

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

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

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

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

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

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

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

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

(a) Consult with impacted communities using the community
engagement plan developed under RCW 70A.02.050 and identify
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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