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**HOUSE BILL 2047**

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**State of Washington**

**66th Legislature**

**2019 Regular Session**

**By** Representatives Ramos, Springer, Lekanoff, Shewmake, Doglio, and Pettigrew; by request of Department of Natural Resources

1 AN ACT Relating to carbon sequestration on natural and working  
2 lands as part of the state's climate change response; adding a new  
3 chapter to Title 79 RCW; and providing expiration dates.

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

5 NEW SECTION. **Sec. 1.** (1) The legislature finds that Washington  
6 is one of seventeen states that have formed an alliance, together  
7 with nonprofit and industry representatives, to craft a cohesive and  
8 states-based approach to climate change. In July of 2018, Washington  
9 sent a delegation to formal meetings to liaison with the other states  
10 operating under the banner of the United States climate alliance to  
11 help formulate a Washington-specific plan for utilizing the carbon  
12 sequestration and storage capabilities of its natural and working  
13 lands as part of the state's overall response to climate change.  
14 Natural and working land types include forests, croplands,  
15 rangelands, wetlands, grasslands, and urban green space.

16 (2) The legislature further finds that areas of immediate  
17 opportunity to advance carbon sequestration regarding natural and  
18 working lands include:

19 (a) A better understanding of the stocks, flux, and trends of  
20 carbon sequestration on natural and working lands and opportunities  
21 to improve the efficiency and precision of carbon inventories;

1 (b) Exploring how carbon markets may be expanded and incentivized  
2 for Washington landowners; and

3 (c) Exploring how existing federal, state, and private programs  
4 can be leveraged, coordinated, and supplemented to achieve carbon  
5 beneficial results in natural and working lands.

6 (3) The legislature finds that the department of natural  
7 resources has initiated an inventory of carbon stocks, flux, and  
8 trends on all forested lands throughout the state. This inventory  
9 provides important baseline information related to carbon management  
10 on forested lands.

11 NEW SECTION. **Sec. 2.** (1) Subject to the availability of amounts  
12 appropriated for this specific purpose, the department of natural  
13 resources must build on its existing efforts to conduct baseline  
14 inventories of carbon stocks, flux, trends, and emissions across the  
15 state's terrestrial lands and fill information gaps to develop a more  
16 complete inventory of carbon on natural and working lands. This  
17 information may include, but is not limited to, the carbon release or  
18 sequestration data for:

19 (a) Wood products harvested within the state, utilizing  
20 scientifically established methods to assess the residence time of  
21 carbon embodied in different types of wood products harvested within  
22 the state;

23 (b) Sawmill energy use and emissions, distinguishing when  
24 possible among renewable and nonrenewable fuel sources;

25 (c) Land management activities, such as reforestation, thinning  
26 forests, or the use of prescribed fire; and

27 (d) Wildfire emissions.

28 (2) By December 1, 2020, and consistent with RCW 43.01.036, the  
29 department of natural resources must submit a report to the  
30 legislature:

31 (a) Summarizing the results of the inventory required under this  
32 section;

33 (b) Assessing any needs to further improve the carbon inventory  
34 on natural and working lands;

35 (c) Recommending, if relevant, improvements in carbon inventory  
36 activities such as data collection, frequency of inventory and  
37 reporting, and inventory methods; and

38 (d) Recommending an appropriate schedule on which the department  
39 will update or recomplete the carbon inventory initiated under this

1 section for the purposes of sufficiently identifying stocks, flux,  
2 and trends in carbon related to Washington's natural and working  
3 lands.

4 NEW SECTION. **Sec. 3.** (1) Subject to the availability of amounts  
5 appropriated for this specific purpose, the department of natural  
6 resources is directed to serve in a liaison role to assist interested  
7 owners of private and other forestland to connect with existing  
8 carbon markets and other incentive-based carbon reducing programs.  
9 The department of natural resources is charged with prioritizing its  
10 efforts given available resources, which may take the form of the  
11 following:

12 (a) Identifying possible carbon market opportunities and other  
13 incentive-based carbon reducing programs that Washington landowners  
14 may be able to access, including compliance markets run by other  
15 states, voluntary markets, and federal, state, and private programs  
16 for forestlands that can be leveraged to achieve carbon reductions;

17 (b) Identifying interested and willing landowners in Washington  
18 that may qualify for access to an existing carbon market or carbon  
19 incentive program, matching these landowners to relevant  
20 opportunities, and analyzing voluntary and compliance market interest  
21 in forest carbon assets;

22 (c) Identifying areas of coordination and layering among state,  
23 federal, and private landowner incentive programs and identifying  
24 roadblocks to better scalability;

25 (d) Assisting landowners with access to feasibility analyses,  
26 market applications, stand inventories, pilot project support, and  
27 other services to reduce the transaction costs and barriers to entry  
28 to carbon markets or carbon incentive programs;

29 (e) Supporting policies and approaches that increase access and  
30 reduce barriers to carbon markets and other incentive-based carbon  
31 reducing programs;

32 (f) Developing and, where possible, implementing incentives for  
33 participation in carbon markets;

34 (g) Sharing information with private and other landowners about  
35 best practices they may employ to increase carbon storage and access  
36 to incentive programs; and

37 (h) Other tasks as identified by the department of natural  
38 resources as important for maximizing the public benefit achieved  
39 through investments in carbon markets or carbon incentives programs.

1 (2) Nothing in the section requires a landowner to:

2 (a) Use the state as a liaison or a resource in pursuing  
3 opportunities in carbon markets; or

4 (b) Participate in a carbon market or incentive program.

5 (3) Nothing in the section is intended to change or interfere  
6 with landowner property rights.

7 (4) The department of natural resources must issue a final report  
8 to the legislature by December 1, 2023, and interim reports by  
9 December 1, 2020, and December 1, 2022, consistent with RCW  
10 43.01.036, that:

11 (a) Detail the programs related to the implementation of this  
12 section;

13 (b) Identify barriers, including costs, to the use of carbon  
14 market opportunities and other incentive-based carbon reducing  
15 programs;

16 (c) Identify roles public and private entities may serve in  
17 connecting landowners to carbon markets;

18 (d) Identify any challenges emerging from an expanded use of  
19 carbon markets, including impacts to workforce and infrastructure  
20 availability, and makes recommendations to avoid these impacts; and

21 (e) Provide recommendations for maximizing potential public  
22 benefits in expanding the use of carbon markets.

23 (5) This section expires June 30, 2024.

24 NEW SECTION. **Sec. 4.** (1)(a) Subject to the availability of  
25 amounts appropriated for this specific purpose, the office of the  
26 governor and the department of natural resources must form a carbon  
27 sequestration advisory group to advise the state on ways to  
28 effectively advance and accelerate carbon sequestration throughout  
29 the state. In developing the roles and goals of this group, the  
30 legislature encourages consideration of the following principles:  
31 Urgency to maintain existing long-lived carbon stocks; urgency to  
32 make carbon sequestration easier to accomplish; a focus on market  
33 efficiency and reducing transactions costs; avoiding unintended  
34 consequences; and maintaining a viable forest products and sawmill  
35 industry.

36 (b) The office of the governor and the department of natural  
37 resources must jointly submit recommendations resulting from the  
38 carbon sequestration advisory group to the legislature by December 1,  
39 2019, and by December 1st of each even-numbered year thereafter.

1           (2) This section expires June 30, 2025.

2           NEW SECTION.     **Sec. 5.**     Sections 1 through 4 of this act  
3     constitute a new chapter in Title 79 RCW.

--- **END** ---