

WFFA Legislative Report – 2/27/2021

Legislators continue to express frustration that Governor Inslee's office cannot articulate where we go from here with the pandemic response. The entire state is in phase two, but there is no phase three, nor do there appear to be plans for a phase three.

The legislature has passed the second cutoff meaning fewer bills are left alive. The next major cutoff will be March 9 when all bills must have passed their house of origin. Because of the timing of cutoff, there will be no report next week.

Some of the bill that may have the greatest effect on timber over time are not aimed at natural resource industries. Several bills would amend the Growth Management Act, potentially reducing the value of your land and/or making it more difficult to divide land or build. Several carbon bills would increase both the cost of living and the cost of doing business by increasing the cost of fuel. Environmental justice language has been added to many bills. As written, this language could slow state government decisions and increase costs.

2SHB 1099 adds climate change to the Growth Management Act. Among many other things, the bill proposes to reduce residential development in the wildland urban interface area. This could affect private property rights and thus, property values. It also protects existing natural areas, including native forests, grasslands, wetlands, and riparian areas. This is duplicative of existing law and could create confusion. The term "native forest" is not defined.

2SHB 1117 adds salmon recovery goals to the Growth Management Act. Permits issued by the county must include compensatory mitigation. County Growth Management plans must include net ecological gain including restoration of natural surface water flows and groundwater recharge. It includes both in water and upland habitat that affects anadromous fish. Development regulations may not require individual private projects to contribute to net ecological gain, the focus in on public projects.

SSB 5126 The Climate Commitment Act is Governor Inslee's cap and trade bill. In addition to the underlying cap and trade bill, it was amended to add an environmental justice and equity panel to make recommendations on the development and implementation of the cap and trade program. It requires the Governor to establish a climate program. It includes vague language about forestry including preserving or establishing carbon sequestration in riparian areas through forest management sufficient to promote climate resilience.

2SSB 5141 The HEAL Act – The stated purpose of this bill is to reduce environmental and health disparities in Washington state and improve the health of all Washington state residents. It requires the departments of agriculture, commerce, ecology, health, natural resources, transportation, and the Puget Sound partnership to develop an environmental justice implementation plan including a community engagement plan. Agencies must focus expenditures on creating environmental benefits and improving the quality of life for overburdened communities and vulnerable populations. They must create opportunities for overburdened communities and vulnerable populations to meaningfully participate in agency spending decisions. The bill creates a 12-member Environmental Justice Council appointed by the Governor. There are no business or scientific members. The council will make recommendations to agencies and the Governor. This explanation barely hits the highlights of the bill. It is extremely bureaucratic and cumbersome. Terms used are subjective and open to interpretation. It will create confusion that will slow or shut down public and private projects, drive up costs, and put jobs at risk.

SB 5373 – Senator Lovelette's bill establishes a carbon tax of \$25 per metric ton of greenhouse gas emissions on all fossil fuels. The tax rate automatically increases annually by 5% each year and is adjusted for inflation using the consumer price index. Funds may be used to fund a wide variety of projects including wildfire response (currently paid for from the general fund), FREP, community forests, salmon enhancement, green buildings and much more. There is no clear indication as to how much will go to each program or what the priorities will be. Farm fuels and fuel used in logging and log hauling is exempt, however, the tax must be paid, then the purchaser must ask for a refund.

The first hearing on this bill will be March 4.

SB 5411: Spotted owl safe harbors – the bill died in cutoff. Portions of the bill may be implemented through a budget proviso.

Upcoming Events

Environment, Energy & Technology (Senate) - Virtual, - 3/4 @ 8:00am

1. SB 5373 - Public Hearing - Concerning carbon pollution. (Hearing is on the Proposed Substitute.) (Remote testimony.) (Concerns/High)
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High Priority Bills

<u>Bill Details</u>	<u>Status</u>	<u>Sponsor</u>	<u>Position</u>
2SHB 1091 (SB 5231) Transportation fuel/carbon Reducing greenhouse gas emissions by reducing the carbon intensity of transportation fuel.	H 2nd Reading	Fitzgibbon	Concerns
HB 1135 (SB 5165) Transp. budget 2021-2023 Making transportation appropriations for the 2021-2023 fiscal biennium.	H Transportation	Fey	Concerns
2SHB 1168 Long-term forest health Concerning long-term forest health and the reduction of wildfire dangers.	H 2nd Reading	Springer	Support
HB 1465 Estate tax Making the estate tax more progressive by exempting small estates, reducing estate taxes on medium estates, increasing the estate tax on larger estates, and addressing equity in homeownership and homelessness.	H Finance	Orwall	Concerns
HIR 4205 Natural resources Adding a new section to the Washington state Constitution regarding the conservation and protection of the state's natural resources.	H Env & Energy	Lekanoff	Oppose
SSB 5096 Capital gains tax Concerning an excise tax on gains from the sale or exchange of certain capital assets.	S Rules 2	Robinson	Oppose
SB 5165 (HB 1135) Transp. budget 2021-2023 Making transportation appropriations for the 2021-2023 fiscal biennium.	S Transportation	Hobbs	Concerns
SB 5373 Carbon pollution Concerning carbon pollution.	S Environment, E	Lovelett	Concerns

Medium Priority Bills

<u>Bill Details</u>	<u>Status</u>	<u>Sponsor</u>	<u>Position</u>
HB 1055 Timber purchase reporting Extending the expiration date for reporting requirements on timber purchases.	S Ag/Water/Natura	Berg	Support

<u>2SHB 1099</u>	Comprehensive planning Improving the state's climate response through updates to the state's comprehensive planning framework.	H 2nd Reading	Duerr	Concerns
<u>SHB 1341</u>	Professional rescue doctrine Concerning the professional rescue doctrine.	H Rules R	Bronoske	Concerns
<u>SHB 1355</u>	Noxious weeds Concerning noxious weeds.	H 2nd Reading	Dent	Support
<u>SSB 5126</u>	Climate commitment act Concerning the Washington climate commitment act.	S Ways & Means	Carlyle	Concerns
<u>2SSB 5141</u>	Env. justice task force recs Implementing the recommendations of the environmental justice task force.	S 2nd Reading	Saldaña	Concerns

Low Priority Bills

<u>Bill Details</u>	<u>Status</u>	<u>Sponsor</u>	<u>Position</u>	
<u>2SHB 1216</u>	Urban and community forestry Concerning urban and community forestry.	H 2nd Reading	Ramos	Concerns
<u>2SHB 1382</u>	Salmon recovery projects Streamlining the environmental permitting process for salmon recovery projects.	H 2nd Reading	Tharinger	Support
<u>ESB 5158</u>	Utility wildland fire cmte. Concerning the utility wildland fire prevention advisory committee.	S Passed 3rd	Hawkins	Support

Other Bills

<u>Bill Details</u>	<u>Status</u>	<u>Sponsor</u>	<u>Position</u>	
<u>HB 1080</u> (SB 5083)	Capital budget 2021-2023 Concerning the capital budget.	H Cap Budget	Tharinger	
<u>HB 1094</u> (SB 5092)	Operating budget 2021-2023 Making 2021-2023 fiscal biennium operating appropriations.	H Approps	Ormsby	