A Legislative Agenda for Washington Forests

Halting and reversing deforestation and forest degradation while rebuilding the economy of rural communities.

Clearcutting in the Satsop Watershed, west of Shelton. Replacing conventional clearcutting with climate smart alternatives will require legislative intervention to undo decades of laws that are helping to drive deforestation.

By

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The Urgency of Legislative Intervention

Washington's forests are in terrible condition. Over 90% have been moderately or severely degraded.[1] Most of our lowland forests have been logged and replaced with industrial tree plantations that are almost never allowed to grow past the age of 40 and which lack the structural complexity that real forests possess. The plantations that replace them are logged at a breakneck pace in a pattern that maximizes fragmentation, replanted as even aged tree crops, and sprayed with glyphosate and other systemic, broad-spectrum herbicides to minimize competition with other species.[2] This industrial scale logging throughout our state is a major source of greenhouse gas emissions but also amplifies the impacts of climate change by making the land more susceptible to wildfires, floods, insects and disease, landslides, water shortages, heat waves and other climate stressors.

Primary forests – older, natural forests that have never been logged or replanted – exist only in small fragments that continue to be logged or developed. Despite sustained public outcry, the State Department of Natural Resources (DNR) logging program is liquidating the last remnants on state forestlands in part, by claiming that the legislature has required them to do so. As a result, most of the species that depend on big old trees and large tracts of interior forests are disappearing.

At the same time, Washington is losing over 30,000 acres of forestland a year to urban sprawl, infrastructure, and now data centers. This loss and degradation of Washington forests harms local communities struggling to diversify away from the "resource curse" of relying on too much logging for too long and are instead searching for ways to maintain and restore forests for a much wider range of economically beneficial uses.

"In 2027, the legislature has an opportunity to address our forest crisis head on and make lasting changes to Washington law to halt and reverse deforestation and forest degradation while creating numerous opportunities for rural communities to diversify and grow."

In 2027, the legislature has an opportunity to address our forest crisis head on and make lasting changes to Washington law to halt and reverse deforestation and forest degradation while creating numerous opportunities for

[1] At lower elevations, this figure is closer to 99%. Source: Grantham, H.S., Duncan, A., Evans, T.D. et al. Anthropogenic modification of forests means only 40% of remaining forests have high ecosystem integrity. Nat Commun 11, 5978 (2020).

[2] Legacy Forest Defense Coalition. 2026. DNR Plans Aerial Spray of Carcinogenic Chemicals across 2,200+ Acres in Southwestern Washington. Available online here.

rural communities to diversify and grow as real forests and the many ecosystem services they provide are reestablished and mature around them.

Center for Sustainable Economy and This Land have prioritized five interventions that we believe will solve many of the longstanding issues over deforestation and forest degradation in Washington while providing new sources of revenue to the state to invest in climate smart forestry and rural economic health. These include:

1: Primary Forest Protection Act (PFPA)

Primary 'legacy' forest in the Wishbone Timber Sale area, northeast of Seattle. Only 1.9% of the landscape in this region remains in this condition.

Primary forests are forests that have never been logged, never been planted, or otherwise support natural ecological processes free from human interventions and impacts.[3] Worldwide, they are acknowledged as critical for halting the climate crisis and protecting land-based communities' access to clean water, plants for food and medicine, game, recreation and cultural experiences.

In Washington State, as elsewhere across the United States, primary or 'legacy' forests have been logged and degraded to such an extent that they exist as mere remnants – ecological museum pieces that provide blueprints for restoration of forests across areas now degraded by timber plantations or other deforested lands.

For example, on lowland forests managed by the Department of Natural Resources (DNR) and private forestland owners in western Washington, less than 5% of the land is occupied by primary forest habitat.[4]

The ecological and economic case for protecting the last stands has been extremely well established. Regionally, populations of the northern spotted owl

> *"Continuing the destruction of natural ecosystems that have been depleted by 95% or more belies one of humanity's most important traits – the capacity to protect and care for other life forms."*

[3] International Action for Primary Forests (INTACT). 2024. Fact sheet No. 1: Primary forests – an introduction. Available online at: https://primaryforest.org/wp-content/uploads/2017/12/Fact-sheet-1-Primary-Forests-An-Introduction.pdf.

[4] Brodie, A., A. Hayes. 2012. Old Growth and Older Forest Policy Review. Western Washington and State Trust Lands. Olympia, WA: Department of Natural Resources.

and marbled murrelet -indicator species for primary forest ecosystems – are crashing at a rate of over 5% per year in part due to continuing loss of habitat.[5] Lesser well-known species such as the golden-crowned kinglet, which needs larger blocks of legacy forest to survive, has suffered a 91% population loss in the Puget Sound region since 1968.[6] Economically, legacy forests provide ecosystem services worth far more than timber. The value of just one service – carbon storage – is ten times more valuable than logging in typical primary forest stands.[7] But these facts don't seem to matter, which makes saving what's left a stark moral choice: life on Earth versus profits for the few.

CSE, This Land, and our partners firmly believe in the sanctity of all life forms with whom we share this landscape and the rights of natural ecosystems to exist for their own sake. While human uses must co-exist with these ecosystems, continuing the destruction of natural ecosystems that have been depleted by 95% or more belies one of humanity's most important traits – the capacity to protect and care for other life forms. And as humans protect these other life forms, they in turn, protect us by providing foods, medicines, and sources of inspiration. As Chief Seattle said, "Man does not weave this web of life. He is merely a strand of it. Whatever he does to the web, he does to himself."[8]

<u>Key provisions of a Primary Forest Protection Act should include</u>:

- Establishment of forest reserves that protect all remaining legacy forests on state forestlands from logging, roadbuilding, or other adverse modifications;
- Direction to DNR to use the state environmental policy act (SEPA) process to require project applicants to study, develop, and propose alternatives[9] to logging of legacy

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[5] Franklin, A.B., K.M. Dugger, D.B. Lesmeister, et al. 2025. Range-wide declines of northern spotted owl populations in the Pacific Northwest: A meta-analysis. *Biological Conservation* 259 (July 2021), https://doi.org/10.1016/j.biocon.2021.109168; Washington Department of Fish and Wildlife (WDFW). 2025. Periodic Status Review for the Marbled Murrelet in Washington. Olympia, WA: WDFW. Available online at: https://wdfw.wa.gov/publications/02627.

[6] Rice, J. 2021. Golden-crowned kinglets in Puget Sound have seen a steep decline since 1968. Tacoma, WA: University of Washington, Puget Sound Institute. Available online at: https://www.pugetsoundinstitute.org/golden-crowned-kinglets-in-puget-sound-have-seen-a-steep-decline-since-1968/.

[7] At 35,000 board feet per acre (35 mbf) logging these stands would result in emissions of 473 tons CO_2 equivalent per acre according to an average of published emissions factors. At a social cost of carbon of $262 per ton (in $2026), protecting an acre of primary forest would thus represent an economic benefit of $124,000. In contrast, at DNR's current 'stumpage' price of $350 per mbf, (the value of selling logs) would be $12,250.

[8] Chief Seattle's Letter to All. Published by California State University at https://www.csun.edu/~vcpsy00h/seattle.htm.

[9] As required by the State Environmental Policy Act at: RCW 43.21C.030(2)(e).

forests on private forestlands, including the alternative of aggregating parcels with other affected landowners into forest carbon projects, and;

- Direction to DNR to use its Good Neighbor Authority[10] and Federal Lands Program to oppose and seek alternatives to logging legacy forests on federal lands.

2: No-Net-Loss of Carbon Sequestration Capacity

State law is failing to halt an accelerating loss of forests to development. A compensatory mitigation approach may reverse this trend.

Managed well, forests in western Washington serve as one of the Earth's most productive carbon sinks, taking in more carbon per acre than almost any other biome.[11] Tragically, this vast carbon sequestration capacity is being degraded not only by industrial scale logging but by rampant development - suburbs, highways, and land-consuming infrastructure like powerlines.

Recent data suggests that 30,000 acres per year are being converted from forests to development and that as many as 500,000 acres may be lost by 2030.[12] In seven counties near Puget Sound and along I-5, 20 to 60% of all forested parcels are at risk of development. Data centers are now adding to the pressure and may soon become a major land use issue west of the Cascades.

There is nothing in state law that is helping to slow the deforestation. While mitigation for loss of forestlands is often recommended in the context of SEPA project reviews and is included as a goal under comprehensive plants, it is largely voluntary and is not having an impact.

Fortunately, we have an excellent example of an approach that has worked – the Army Corp of Engineers compensatory wetland mitigation program developed to comply with Section 404 of the nation's Clean Water Act.

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[10] DNR's Good Neighbor Authority and Federal Lands Program are described here: https://dnr.wa.gov/forest-resilience-division/federal-lands-program.

[11] Keith, H., B.G. Mackey and D.B. Lindenmayer. 2009. Re-evaluation of forest biomass carbon stocks and lessons from the world's most carbon-dense forests. PNAS 106 (28) 11635-11640, https://doi.org/10.1073/pnas.0901970106.

[12] Greene Economics. 2025. Forest Conversion Risk Assessment. Prepared for the Washington Department of Natural Resources. Ridgefield, WA: Green Economics LLC. Available online at: https://dnr.wa.gov/sites/default/files/2025-10/rp_conversion_risk_report.pdf.

In Washington and elsewhere across the US, this program requires applicants for permits to fill wetlands to either mitigate the loss on site by protecting and restoring a functionally equivalent acreage or pay an in-lieu fee to a wetland mitigation bank to accomplish the same end. The mitigation amount is often 2x larger than the impacted area to provide a buffer against uncertainty and guard against the risk of loss from natural causes. While this program has certainly had its fair share of complexities and criticisms, it is nonetheless regarded as a success in achieving a no-net-loss goal.

There is no reason why this program could not be replicated in Washington State to stem the loss of forestland. In particular, it can be repurposed to achieve goals for carbon sequestration and to permit DNR to act as a forest mitigation bank, receive revenues, and disperse those revenues to protect carbon rich legacy forests.

Key provisions of a no-net-loss mitigation program for forestlands should include:

- Requires applicants for permits to convert forestland to development to provide either on-site mitigation for the loss by protecting and/or restoring a functionally equivalent acreage of forestland or an in-lieu payment to a certified forest mitigation bank to do the same;
- Defines functional equivalency in terms of carbon sequestration – the amount of carbon that would have been captured by the affected parcel over the next 100 years;
- Authorizes the establishment and certification of forest mitigation banks to use in-lieu payments to acquire and protect land for its carbon sequestration benefits;
- Authorizes DNR to function as a forest mitigation bank and accept in lieu payments in exchange for permanently protecting state forestlands from logging and road building, and;
- Authorizes DNR to allocate revenues earned from in lieu payments to compensate state trust land beneficiaries for any reduction in revenues that result from such protection.

3: Forest Carbon Tax and Reward

Corporate logging activities have major climate impacts but are unregulated under Washington's Climate Commitment Act. A forest carbon tax offers a market-based solution.

Throughout Washington, corporate logging activities have major climate change impacts yet are unregulated under Washington's Climate Commitment Act (CCA), which only addresses emissions from fossil fuel combustion at certain facilities.[13] Recent scientific estimates of life-cycle greenhouse gas (GHG) emissions associated with clearcutting, construction of dense logging road networks, application of chemical herbicides, slash burning and other corporate practices range between 32 and 45 million tons carbon dioxide equivalent each year.[14] If compared side by side with GHG emissions from other sectors, this would place logging as the second greatest source after adjusting for long term wood product storage and fossil fuels used in transport and by logging equipment.[15]

But corporate logging activities have climate impacts that go far beyond just GHG emissions. These practices also make the land more vulnerable to climate change by significantly increasing the risks associated with wildfires, heat waves, water shortages, landslides, warming waters, flooding, invasive species and other climate stressors.[16]

> *"The carbon tax option remains an effective strategy for regulating emissions from sectors not included in cap-and-trade. Logging activities are arguably the most important target."*

To regulate emissions from fossil fuels, the legislature chose one of the two market-based regulatory mechanisms recommended at the time the CCA was enacted and widely endorsed by economists – cap and trade. Carbon taxes were the second. A prime

[13] CCA covered entities fall into four major categories: natural gas (13%), electricity (23%), transportation fuels (51%), and emissions-intensive-trade-exposed industries (13%).

[14] Talberth, J. Carlson, E. 2024. Forest carbon tax and reward. regulating greenhouse gas emissions from industrial logging and deforestation in the US. *Environment, Development and Sustainability* Volume 27, pages 14913–14934; Hudiburg, T., Law, B.E., Moomaw, W.R., Harmon, M.E., Stenzel, J.E., 2019. Meeting GHG reduction targets requires accounting for all forest sector emissions. *Env. Res. Ltrs.* 14(2019): 095005.

[15] Center for Sustainable Economy, 2023. Tax Clearcuts. Reward Climate Smart Practices. Port Townsend, WA: CSE. Available online at: https://www.sustainable-economy.org/tax-clearcuts-reward-climate-smart-practices.

[16] View summary of peer reviewed research on pages 5 – 8 here: https://irp.cdn-website.com/0358d1eb/files/uploaded/Wishbone%20SEPA%20comments%205-3.pdf.

motivation for selecting cap-and-trade was to be in alignment with cap-and-trade programs in California and now Quebec and thereby create a large, integrated market for allowances and offsets.[17]

Regardless, the carbon tax option remains an effective strategy for regulating emissions from sectors not included in cap-and-trade. Logging activities are arguably the most important target for a carbon tax given the significant GHG emissions generated and adverse impacts to climate resiliency. The overall goals of such a tax would be to (1) incentivize climate smart practices such as long rotations, alternatives to clearcutting, and protection of forest carbon reserves on the most productive carbon capturing lands, and (2) generate revenues for state and local governments to fund climate adaptation.

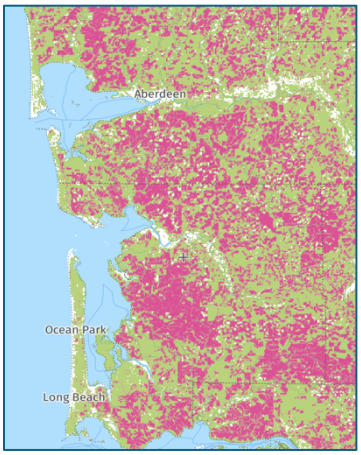
Peer reviewed research suggests that in Washington State, such a tax could generate $144 - $213 million a year for these purposes and still maintain corporate timberlands as a lucrative investment.[18]

Key provisions of a forest carbon tax and reward program should include:

- A carbon tax on logging-related emissions from corporate forestlands over and above the carbon captured by lands permanently protected from logging or enrolled in long term carbon storage agreements;
- A carbon tax on forests clearcut for development purposes;
- A carbon tax rate based on the social cost of carbon;
- Tax credits and exemptions that incentivize the adoption of climate smart alternatives to industrial forest practices or reduced impacts from development;
- Creation of a forest carbon incentive fund (FCIF) with the revenues received as a sub-account of the CCA's Operating Account, and;
- A system to allocate FCIF proceeds to state agencies to finance climate adaptation measures, protect carbon rich ecosystems on state owned lands, compensate state trust land beneficiaries for any revenues displaced by such protection, and reduce the cost of implementing climate smart forest practices on private forestlands through a cost share program developed by the Department of Natural Resources.

[17] The draft agreement harmonizing cap-and-trade markets in the three jurisdictions is available online here: https://apps.ecology.wa.gov/publications/documents/2614018.pdf.
[18] Talberth and Carlson (2024), Note 14, Table 2.

4: Repeal Statutory Drivers of Deforestation on State Trust Lands



Clearcutting (pink) on state and private lands since 2001 in the South Coast planning unit. Laws on the books are fueling this rapid rate of logging.

Market forces that drive deforestation and forest degradation in Washington State are bad enough. But these are greatly amplified by provisions of law that make logging a primary use of state forestlands and exempt DNR's logging activities from environmental and social safeguards that all other state agencies must follow. An important task for legislators is to repeal and replace such provisions and thereby help establish an efficient balance between timber and other uses of state forests.

The list of statutory provisions that are ripe for repeal are many. One overriding provision is the requirement that DNR prioritize logging on state forestlands and engage in long term planning not for public benefit but to provide certainty to mills that profit from state forest logs. The so-called Sustainable Harvest Calculation (SHC) is the primary mechanism for doing so. For example, RCW 79.10.320 directs DNR to "manage the state-owned lands under its jurisdiction which are primarily valuable for the purpose of growing forest crops on a sustained yield basis…". This anachronistic provision reflects a tree farming mentality that has long since been replaced with the recognition that forests provide many ecosystem services that are far more valuable than timber. As noted previously, the value of just one service – carbon storage – exceeds the value of timber production by a factor of 10 or more.[19]

RCW 79.10.32 says that state forestlands are "primarily valuable" for tree crops. This anachronistic provision has long since been replaced with the recognition that forests provide many ecosystem services that are far more valuable than timber.

Another is a provision requiring DNR to financially compensate state trust land beneficiaries (primarily units of local government) for allocation of forestlands to recreation, hunting, fishing, maintenance of wildlife habitat, maintenance of scenery, protection of public watersheds and other non-timber uses if these uses do not bring in as

[19] See note 7.

much revenue as logging a particular parcel.[20] This provision is routinely invoked by DNR as a reason for not selecting alternative timber sale configurations that leave older, structurally complex forest stands within proposed timber sales alone.[21]

Other statutory provisions exempt DNR logging activities from laws that other agencies have to follow and thereby grease the wheels on the timber sale program by insulating it from legal challenges. Two of the most concerning include exemptions from Washington's signature environmental justice law, the HEAL Act, which support state agency consideration of overburdened communities and vulnerable populations when making decisions and assist agencies with the "equitable distribution of environmental benefits, the reduction of environmental harms, and the identification and reduction of environmental and health disparities."[22] Remarkably, the final section of this statute reads "[t]he issuance of forest practices permits under chapter 76.09 RCW or sale of timber from state lands and state forestlands as defined in RCW 79.02.010 do not require an environmental justice assessment under this section" despite the fact that floods,[23] wildfires,[24] heat waves[25] and other adverse impacts from deforestation fall disproportionately on BIPOC and low-income communities.

The other is from the Administrative Procedures Act (APA),[26] which ensures that agency decisions are not unconstitutional, outside agency authority, unlawful, in violation of agency procedures, based on erroneous interpretation of law, unsupported by evidence, arbitrary or capricious.[27] The "sale, lease, contract, or other proprietary decision in the

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[20] RCW 79.10.120. The final paragraph reads: "If such additional uses are not compatible with the financial obligations in the management of trust land they may be permitted only if there is compensation from such uses satisfying the financial obligations."

[21] See, e.g. DNR's response to comments on the Oh Well Timber Sale: "DNR also gives priority to income-producing uses of lands, over other uses of this property, in accordance with RCW 79.10.120 (uses not compatible with financial management associated with trust lands "may be permitted only if there is compensation from such uses satisfying the financial obligations.").

[22] RCW 70A.02.060(1)a.

[23] Messager, M.L., A.K. Ettinger, M. Murphy-Williams, P.S. Levin, 2021. Fine scale assessment of inequities in inland flood vulnerability. *Applied Geography* 133(2021) 102492. https://doi.org/10.1016/j.apgeog.2021.102492.

[24]Rad, A.M., et al., 2023. Social vulnerability of the people exposed to wildfires in U.S. West Coast states. *Sci. Adv.9*, eadh4615(2023). https://doi.org/10.1126/sciadv.adh4615.

[25] Kearl, Z., J. Vogel, 2023. Urban extreme heat, climate change, and saving lives: Lessons from Washington state. Urban Climate 47, 101392 https://doi.org/10.1016/j.uclim.2022.101392.

[26] RCW 34.05.001 et seq.

[27] RCW 34.05.570(3).

management of public lands" is explicitly exempted.[28] This exemption effectively insulates DNR logging decisions from any substantive legal standard.

Other laws promote timber production as a kind of broad public benefit that advances environmental and social goals despite overwhelming evidence to the contrary. For example, House Bill 2528 (2020) and a companion bill, Senate Bill 6355 (2020), declare that all wood products are climate solutions[29] and allow DNR to assert that logging naturally generated 100+ year old structurally complex older forests is an example of climate smart forestry when in fact such practices maximize climate harms.[30]

Key provisions of legislation repealing statutory drivers of deforestation should include:

- Repeal of RCW 79.10.300 – 340, which establishes logging as the primary use of state forestlands and forces DNR to sell timber when it is not in the public interest to do so;
- Repeal of RCW 70A.02.060(9), thereby removing DNR's exemption for environmental justice assessment requirements all other agencies have to follow;
- Repeal of RCW 34.05.010(3)(c), removing the timber sale leasing exemption from the Administrative Procedures Act;
- Repeal of RCW 79.10.120, final paragraph, removing financial penalties for allocating state forestlands to non-timber uses, and;
- Repeal of RCW 70A.45.090 and .100, which declare that wood products and logging roads are part of Washington's climate agenda and should be promoted as such by state agencies.

[28] RCW 34.05.010(3).

[29] Koberstein, P., J. Applegate, 2022. Deep Cut. Washington has quietly made logging a part of the state's climate mitigation strategy. Earth Island Journal. Available online at: https://www.earthisland.org/journal/index.php/articles/entry/deep-cut/.

[30] Tuckered Out timber sale environmental checklist at B-5: https://dnr.wa.gov/sites/default/files/2025-05/amp_sepa_sps_2424196tuckered_check.pdf.

5: Redirect Logging Subsidies

Subsidized mass timber construction. To reduce climate impacts, these subsidies could be redirected to many non-wood alternatives like hemp for paper, green steel, and carbon negative concrete. Photo credit: QB Quality Builders.

One of the pillars of the global sustainable development agenda is the identification and phase out of environmentally harmful subsidies. Ending deforestation subsidies is high on the list of actions needed to meet the Glasgow Leaders Declaration goal of halting and reversing deforestation and forest degradation by 2030.[31]

In Washington State, logging subsidies take several distinct forms, including below-cost timber sales from state forestlands, public investments in wood products facilities, tax breaks and exemptions from environmental laws. These subsidies distort free markets by providing a competitive advantage for wood over non-wood substitutes and by promoting logging levels that are economically inefficient and damaging to natural resources on which rural communities depend.

Below cost timber sales are a major concern at the federal level, but also with DNR's logging program. DNR's logging program currently operates in the red – the FY 2025 profit and loss statement shows that the forestry program's expenditures outstripped income by nearly $13 million – a -24% deficit.[32] But this is an understatement. As with federal timber sale program accounting, the official figures exclude expenditures the agency makes that are related to logging, such as fire suppression (controlling beneficial fires to protect timber), logging road repair and maintenance, restoration of fish and wildlife habitat, and control of erosion and water quality.[33] And it also underestimates the subsidy by failing to incorporate environmental damages, for instance, the social cost of carbon emissions.

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[31] Forest Declaration Assessment, 2026. Delivering on 2030 forest goals: Our submission to the COP30 Deforestation Roadmap. Available online at: https://forestdeclaration.org/submission-on-the-roadmap/.
[32] Emmons, D., C. Montoya and M. Kearny, 2026. State of the State Lands Report. Fiscal Year 2025. Olympia, WA: Department of Natural Resources. Available online at: https://dnr.wa.gov/sites/default/files/2025-12/em_bc_bnr_soslpt1_01062026.pdf.
[33] Talberth, J. and E. Niemi, 2019. Environmentally Harmful Subsidies in the US: Issue #1: the federal logging program. Portland, OR: Center for Sustainable Economy. Available online at: https://irp.cdn-website.com/0358d1eb/files/uploaded/CSE-Federal-logging-report-May-2019.pdf.

Based on emissions factors reported in the literature, climate damages from DNR logging activities top $1.5 billion every year – nearly 8 times gross revenue from timber sales.[34]

Direct public investments in wood products facilities are routine. Recent state-level investments include $2 million for a wood innovation center in Darrington,[35] $1.5 million for a new hardwood mill at Port of Willapa Harbor[36] and $250,000 to support the Mercer Mass Timber facility in Spokane Valley[37]. In contrast, public investments in non-wood facilities such as bamboo and green steel are absent.

Washington State, like many others, offers a highly preferential property tax rate on lands used for timber production. Under the designated forestland program, owners can receive a property tax break of up to 99% on their lands as long as these lands are "devoted primarily to growing and harvesting timber."[38] County revenue losses have not been calculated for Washington, but in neighboring Oregon, this identical tax break results in revenue losses of over $80 million per year.[39] Owners who decide to allocate their lands to other uses – like water supply, recreation, or aesthetics – pay a penalty that includes nine years of back taxes. Washington also offers a preferential business and occupation (B&O) tax rate for the timber and wood products industry. The rate is 30% lower than the standard manufacturing B&O rate and costs the state at least $30 million each year according to a 2016 analysis.[40]

Exemptions from environmental and social safeguards are another way Washington subsidizes the timber industry. These exemptions greatly lower the cost of legal compliance. Previously, exemptions from the Administrative Procedures Act and HEAL Act were discussed. Two other examples include the Climate Commitment Act's exemption or

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[34] DNR volume sold averaged 431,626 mbf 2022 – 2024. At an average emissions factor of 13.51 tons CO2-e/mbf, logging related emissions average 5,831,267 metric tons. At the current ($2026) social cost of carbon ($262/t) this is equivalent to over $1.5 billion in damages. Average timber sale revenue is about $200 million.
[35] Forterra.org, 2017. Town of Darrington Announces New Wood Innovation Center. Available online at: https://forterra.org/press-releases/town-of-darrington-announces-new-wood-innovation-center/.
[36] Department of Natural Resources (DNR), 2018. Rural Communities Partnership Initiative: New Pacific Hardwoods Mill. Available online at: https://dnr.wa.gov/sites/default/files/2025-03/em_rcpi_millproject.pdf.
[37] Greater Spokane, Inc., 2025: https://greaterspokane.org/economic-development/gsi-secures-250000-grant-for-mercer-mass-timber-expansion-in-spokane-valley/.
[38] Washington Department of Revenue, 2023. Designated Forestland. Available online at: https://dor.wa.gov/sites/default/files/2022-02/designatedforestland.pdf.
[39] Oregon Department of Revenue, Research Section, 2024. Oregon Tax Expenditure Report, 2025 – 2027 Biennium. Pages 308 – 310. Salem, OR: DOR. Available online at: https://www.oregon.gov/dor/programs/gov-research/Documents/2025-27%20Tax%20Expenditure%20Report_Web%20(SECURED).pdf.
[40] Washington State Legislature, Joint Audit and Review Committee, 2016. JLARC Final Report: 2016 Tax Preference Performance Review. Timber and Wood Products | B&O Tax; Real Estate Excise Tax. Available online at: https://leg.wa.gov/jlarc/taxReports/2016/TimberandWoodProducts/pf/default.htm.

greatly reduced greenhouse gas (GHG) emission reduction requirements for "emissions – intensive trade – exposed industries" (EITE) which include all major pulp, paper, and wood products facilities in the state despite the fact that these facilities are often the most significant source of GHG emissions in the counties in which they operate.[41] The Port Townsend Paper Mill, for example, is the single largest GHG emitter in Jefferson County. Annual emissions from just this one facility are greater than the rest of the county's economy combined.[42] Another exemption is for woody biomass,[43] a fuel source that can be more carbon intensive than coal.[44]

Key provisions of legislation rescinding unjustified logging subsidies should include:

- A comprehensive review of all state and county logging subsidies documenting fiscal impacts and effects of repeal;
- Repeal of the special B&O tax rate for wood products facilities at RCW 82.04.260(12);
- Amendments to Sustainable Harvest Calculation requirements at RCW 79.10.300 - 340 to ensure that DNR timber sales generate more economic benefit than harm;
- Based on model legislation introduced in Oregon,[45] amendments to the designated forestland assessment program to strike language that requires logging and offer the property tax breaks only on lands where forest cover is maintained;
- Rescind emissions-intensive trade-exposed designation for wood and paper products facilities under the Climate Commitment Act, and;
- Rescind woody biomass exemption from CCA GHG reduction goals at RCW 70A.45.020 (3).

[41] RCW 70A.65.110.
[42] Biogenic and fossil fuel emissions from the mill top 554,000 metric tons CO2-e each year. That's over two and a half times the emissions from the rest of Jefferson County's economy (207,582 metric tons CO2-e). Source: EPA GHG facility level reports, available online at: https://ghgdata.epa.gov/flight/details/1005732/2023/E.
[43] RCW 70A.45.020 (3).
[44] Helmer, J., 2022. No, burning wood fuels is not climate friendly. Washington, DC: Natural Resources Defense Council. Available online at: https://www.nrdc.org/stories/no-burning-wood-fuels-not-climate-friendly.
[45] HB 2956 (2019). Available online at: https://olis.oregonlegislature.gov/liz/2019R1/Downloads/MeasureDocument/HB2659/Introduced.

Modernizing Washington's Forest Laws Should Be A Priority for All Legislators

Deforestation is not just a rural issue. It affects the lives of everyone on the planet. In urban areas – and Washington is among the nation's most urbanized – the effects of floods, wildfires, heat waves, water shortages and exposure to novel diseases remind us that how we manage natural ecosystems far removed from our urban cores can enhance or harm our welfare in many significant ways.

As such, legislators from both rural and urban regions of Washington should work together to research and enact legislation to modernize the laws that govern forest management by the Department of Natural Resources (DNR) and corporate forestland owners to halt and reverse the loss and degradation of forest ecosystems that we all depend upon for a wide range of valuable ecosystem services like flood control, maintenance of clean water supplies, climate stability, recreation, and sustainable supplies of timber.

"Leaders in both the House and Senate need to move beyond the historic deference given to rural legislators that all too often side with corporate owners of mills and forestlands to the detriment of all Washington citizens."

To do this, leaders in both the House and Senate need to move beyond the historic deference given to rural legislators that all too often side with corporate owners of mills and forestlands to the detriment of all Washington citizens. Extractive industries frequently use scare tactics such as threats of layoffs or loss of state revenues to defeat measures that are clearly in the public interest wherever the operate in the world. Washington is no exception.

For example, in 2026, legislators failed to advance House Bill 2170,[46] which would have enabled DNR to earn revenues from ecosystem service markets, by taking unsubstantiated timber industry claims about the economic harms it would generate at face value when in fact the bill was specifically designed to expand DNR's revenue generating capacity and protect resources and functions of healthy forests that are far more valuable than timber.[47]

[46] Bill text available online at: https://lawfilesext.leg.wa.gov/biennium/2025-26/Pdf/Bills/House%20Bills/2170.pdf.

[47] Over a 50-year rotation, timber revenue per acre is about $12,250 for the logging of older, structurally complex forests (see note 7). In contrast, ecosystem services yield over $758 per acre per year in perpetuity, or $37,900 over that same 50-year period. Source: K. Cousins, Mojica, J., Madsen, T., Armistead, C., Fletcher, A. 2020. Trust Land Performance Assessment: Non-Market Environmental Benefits and Values. Earth Economics. Tacoma, WA (values updated to $2026).

To help move beyond this dysfunctional political dynamic CSE and This Land have proposed five legislative initiatives that are grounded in principles of environmental justice, genuine economic welfare, and good governance.

Each of the measures proposed here has the potential to enhance our quality of life, reduce budget deficits, stimulate economic diversification and promote natural solutions to climate change. In particular:

- A primary forest protection act is a long overdue measure that will keep carbon rich stands and unique assemblages of plants, fish and wildlife intact while eliminating DNR logging activities that cause more economic harm than good.

- A no-net-loss of carbon sequestration program is essential for halting deforestation from urban sprawl and generating revenues to protect and restore one of the world's most productive carbon sinks.

- A forest carbon tax and reward program will catalyze a more rapid transition to climate smart forestry while potentially raising hundreds of millions of dollars each year to help the state finance climate adaptation.

- Repealing statutory drivers of deforestation will remove market distortions that sustain economically inefficient and environmentally harmful levels of logging, perpetuate environmental injustices, and facilitate DNR's abuse of discretion.

- Rescinding logging subsidies will help replenish public coffers and incentivize more sustainable forest practices.

The measures proposed here can be implemented with several distinct pieces of legislation that range from simple strikeouts of outdated language to more sophisticated legislation based on model initiatives drafted or passed in other states. To help address Washington's forest crisis head on, CSE and This Land encourage legislators from both major parties and from both rural and urbanized districts to consider one or more of these options during the long legislative session in 2027.