



WASHINGTON FOREST PROTECTION ASSOCIATION

ANNUAL REPORT 2019

NOVEMBER 2019



From the Executive Director: **Mark L. Doumit**

We started the year with a highly charged legislative session, more than 2,200 bills introduced in the 105-day session. The legislature passed record tax increases of more than \$2.3 billion targeted at specific industries, but the forest products industry was not one of them. The graduated real estate excise tax (REET) will increase on all real estate transactions except timberland and agricultural land, which WFPA led the effort to exempt. Multiple attempts were again made to pass a standalone capital gains tax, which did not pass, but would typically apply to the routine growing and harvesting of timber. WFPA was able to secure a "carve out" or exemption language for forestry in these bills.

This year we celebrate the 20th Anniversary of the Forests & Fish Law. Former Governor Gary Locke *commended forest landowners for their contributions for the good of all, especially salmon* at the 7th Biennial Salmon Recovery Conference, in front of more than 800 attendees. He will also help us celebrate the success of landowner investments in fish habitat and clean water at WFPA's annual meeting this year. Since 2001, landowners have removed more than 7,900 fish passage barriers resulting in more than 5,200 miles of historic fish habitat reopened. Road surface runoff is now prevented in nearly 90% of the streams by using cross drains and other mechanisms directing road runoff onto the forest floor.

We said farewell to Karen Terwilliger our Sr. Director of Forest Policy. Karen managed our Forest Policy and regulatory issues for many years. Post Oso landslide in 2014, Karen worked with a policy group to update the Forest Practices Board Manual Section 16 – guidelines for evaluating potentially unstable slopes. After the Board adopted the guidance, the environmental caucus (Sumas Mountain Community) sued for failure to adopt the guidance through the rulemaking process. The Washington Supreme Court ultimately sided with the Forest Practices Board and us against the case in 2019.

WFPA welcomes two highly talented staff members to our team. Martha Wehling, former assistant attorney general and Darin Cramer as the new Senior Director of Forest Policy. We also welcome three new members, Inland Empire Paper Co., Manke Timber Co. and Hama Hama Co. 2019 has been a very good year at WFPA thanks to our committed staff and members and their hard work and dedication.

Mark L. Doumit, Executive Director, WFPA



From the President: **Jason Spadaro, SDS Lumber**

I've always believed in sustainable forestry and wood production as a fundamental good for society. The forest products sector provides renewable building materials for homes that shelter families. Our working forests provide protection of fish and wildlife habitat, clean water, and open spaces for hiking, fishing, hunting and recreation. While the trees we have planted are growing, they remove carbon from the atmosphere and release oxygen through photosynthesis. When timber is harvested, the carbon stays in the wood product, acting like a carbon vault.

Recently the University of Washington completed a study about the forest products sector in Washington, and on private forestlands alone, the sector offsets nearly 13% of our total state's carbon emissions. The forest products industry is the only economic sector that reverses the state's carbon emissions, while also providing public environmental benefits and employing thousands of people across our state in rural communities. This gives me even more pride about the industry we are dedicated to.

Scientists, architects, high-tech industries, NGOs, and the general public are looking for natural carbon solutions. How can we add another 82 million people each year to the world population, and still reduce our carbon footprint on a finite global land base? Sustainable forest management and construction with renewable wood products is the natural solution. This is why our vision to *Grow More Trees, Use More Wood* is the natural answer to reversing carbon emissions.

The global scientific community agrees with us. In their 5th Assessment report, the Intergovernmental Panel on Climate Change (IPCC) concluded that sustainable forestry, active forest management and the use of wood products as a substitute for more energy intensive building materials is one of the most beneficial actions humans can take to reversing carbon emissions. The IPCC also recognized that carbon storage is enhanced by transferring forest carbon to wood building products.

As forest landowners and manufacturers of wood products, we add to the quality of all our lives in multitudes of ways, including the removal of carbon from our atmosphere. Our forests and wood products are the natural solution, for Washington State and beyond, and I'm proud to be a part of it.

Jason Spadaro, President, WFPA

THE YEAR IN REVIEW

70,000-square-foot

Vaagen Timbers LLC opens its 70,000-square-foot mass timber factory in Colville to meet growing demand for cross-laminated timber and glue-laminated beams.

75 years

Smokey Bear – one of the most recognized icons and star of the longest-running public awareness ad campaign in US history – celebrates 75 years.

\$275 million

Gov. Jay Inslee directs state agencies to ramp up culvert repairs to restore salmon passageways and provided a dedicated fund of \$275 million over the next two years.

20 years

Forests & Fish Law, one of the largest and most comprehensive pieces of environmental legislation in the U.S., celebrates 20 years.

The Smoke Season

In partnership with WFPA, Pacific Science Center launches The Smoke Season: a summer-long exhibit that looks at the science behind as well as the health, public safety, environmental and economic impacts of catastrophic wildfire.

800 scientists

Gov. Gary Locke opens 7th Biennial Salmon Recovery Conference where more than 800 scientists, forest landowners, state and federal agencies, nonprofit organizations and others vowed to redouble their efforts for salmon recovery.

Right to Farm Act

Bill passed: The legislature passed a bill amending the state's real estate disclosure statements to notify how the Right to Farm Act protects working forests.

Family Business of the year

Port Blakely named Puget Sound Business Journal 2019 Family Business of the Year for its leadership in environmental stewardship and mission to "cultivate a healthy world."

7,900 barriers removed

Forest landowners have removed 7,900 barriers to fish passage, opening more than 5,200 miles of potential fish habitat.

Forest Policy Update

Water Typing: The Forest Practices Board agreed to establish a committee to study outstanding issues related to the water typing system effort. The Board committee will also look at how rulemaking should be applied in E. Washington, matters concerning the anadromous floor, additional science needs, and resolve whether width can be precisely estimated for the purposes of the economic and environmental analyses. Recommendations to the full board are expected in November 2019.

Water Quality: In response to the CMER 'Hard Rock' study (Type N Buffer Effectiveness) findings, the Forest Practices Board accepted the Timber Fish Wildlife Policy (TFW) Committee's consensus recommendations to establish a technical subgroup. The subgroup will identify information gaps and develop a suite of Riparian Management Zone buffer prescriptions for W. Washington that achieve temperature protection standards. Recommendations to Policy are expected by the end of 2020. Clean Water Act Assurances will expire in 2019, but the Dept. of Ecology has stated it anticipates a two-year extension while the subgroup completes its assignments.

Aerial Herbicide: The Legislature directed a task force to review all existing best management practices for aerial herbicide application on forestlands and, if necessary, develop recommendations for improvement. The task force, led by Senator Rolfes, consists of four legislators and up to 19 participants, including representatives from landowners, aerial applicators, and environmental interests. Recommendations will be made by the end of the year.

Marbled Murrelet: The Marbled Murrelet up-listing from state threatened to state endangered became effective in early 2017. The WA Dept. of Fish and Wildlife subsequently established a Marbled Murrelet Wildlife Working Group to evaluate the rule effectiveness in protecting murrelet habitat, consider potential conservation incentives and bring consensus recommendations to the Forest Practices Board. The group anticipates providing recommendations to the Board in the Spring of 2020. Additionally, the technical subgroup of the Pacific Seabird Group is currently considering revisions to the Protocol Survey that is used to assess habitat occupancy. The subgroup anticipates completion of the work in mid-2020.

Highlights from the 2019 Legislative Session

Key legislation that was signed into law.

Real estate disclosure: HB 1011 amends the wording of the state's real estate disclosure statement to notify a buyer on how the Right to Farm Act protects working forests. The law underscores the important role of working forestlands within communities.

Forest health and wildfire response: 2SHB 1784 for the first-time ties together forest health investments with wildfire response. The legislation directs the state Department of Natural Resources (DNR) to prioritize forest health treatments that serve the dual benefits of increasing forest health and strategic wildfire response. The law also directs the DNR to prioritize fuel breaks that protect commercial timberlands.

Real estate excise tax: ESSB 5998 exempts working lands from the increased real estate excise tax (REET) and maintains the existing flat rate for timberland sales. The legislation keeps the cost of routine working land transactions from climbing.

Rural economic development: E3SHB 1324 recognizes the connection between rural economies and environmental stewardship by incentivizing efforts to keeping working lands working. It also extends the forest products preferential B&O rate through 2045. The law also provides increased funding for the state's adaptive management program, ensuring the protective standards of forest practices are based on current and accurate science.

Studying Impacts to small forestland owners: ESSB 5330 directs the University of Washington to complete a trends and regulatory impact analysis on small forestland owners. The UW also is tasked with reviewing the effectiveness of the Small Forest Landowner's Office and provide recommendations on better supporting working forestlands.

The WFPA also focused, for and against, bills that didn't pass. These include a capital gains tax proposal, limits on using hounds in depredation hunts, community forests, and a working forests license plate. The WFPA will build on the groundwork and progress made during the 2019 session.



Forests & Fish 20th Anniversary (1999-2019)

Throughout their lives, Pacific salmon travel hundreds of miles, from high mountain lakes to the ocean. Private forest landowners share in the responsibility for protecting our mountain-to-sea environment. After 20 years of Adaptive Management, forest landowner investments DO make a difference. Since 2001 landowners have:

- Removed more than 7,900 barriers to fish passage.
- Opened more than 5,200 miles of historic fish habitat.
- Invested \$300 million for road improvements through 2017.
- Improved drainage systems on forested roads preventing nearly 90% of surface runoff from delivering sediment to streams, and
- 95% of all road activities are substantially compliant with approved forest practices applications.

The Good Works of **Washington's Working Forests**

WFPA's public information campaign delivered 28 million impressions to viewers through zoned cable, online video, social display, outdoor billboards, and Seattle Times and Centralia Chronicle branded content. After the campaign, 79% of the active voters in King County believe **working forests create a better today and tomorrow for us all**. The main messages are working forests reduce carbon, protect cool, clean water, and continuously replant after harvest.

The updated www.workingforests.org website received nearly 27,000 total clicks during the ten week campaign from June – August 2019. The website features three :15 ads, social media and calls to action: 7 carbon tips, water bottle sticker and newsletter sign up. WFPA also reached more than 240,000 targeted individuals with paid social content through its grassroots efforts. The goal is to deliver targeted messages in at-risk areas.



WFPA Centenarians

Inland Empire Paper Co., 1911
*Olympic Resource Management (Pope & Talbot), 1849
Stimson Lumber Co., 1850
*Port Blakely, 1864
*Merrill & Ring, 1886
*Green Diamond Resource Co. (S.G. Simpson Co.), 1890
*Weyerhaeuser, 1900
Fruit Growers Supply Company, 1907
Wilcox Farms, Inc., 1909
*WFPA member for 100 years or more

WFPA Staff

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WFPA Members

Barker Tree Farm - Woods Trust
Bloedel Timberlands Development
Broughton Lumber Company
BTG Pactual
Conservation Forestry Partners, LP
DGS Timber
Dye, Mary
Forest Northwest LLP
Fruit Growers Supply Co.
Grandy Lake Forest
Green Crow Corp.
Green Crow Forecastle NW
Green Crow Timber
Green Diamond Resource Company
GreenWood Resources Inc.
Hama Hama Co.
Hampton Lumber
Hancock Forest Management, Inc.
Hanson, Gary
Hess, Phil
Inland Empire Paper Co.
JLCG, LLC
Manke Timber Co.
Miller, Ken & Bonnie
Molpus Woodlands Group, LLC
Munro, LLC
NBGC, LLC
Nookachamps Forest
Norseman Timber Company
Olympic Resource Management, LLC
O'Neill Pine Company
Overton & Associates
Pacific Denkmann - Pilchuck Tree Farm
Pacific Forest Management, Inc.

Pacific West Timber Company, LLC
PB Lumber, LP
Plas Newydd, LLC
Port Blakely
Rayonier
RD Merrill Company
Ring Family Limited Partnership
Schaaf, Norm
Seefeld Corporation
Sheldon Properties
Sierra Pacific Industries
Stevenson Land Company
Stimson Lumber Company
TC&I Chinook, LLC
Two Cats Timber
Vaagen Brothers Lumber
Weyerhaeuser Company
Wilcox Farms, Inc.
Wilson Tree Farm



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