STATE OF OUR FORESTS AND PUBLIC LANDS

An Evaluation of Public Lands Commissioner Hilary Franz’s Results
For over 50 years, Washington Environmental Council (WEC) has worked to protect Washington's forests for current and future generations. The goal of WEC’s and Washington Conservation Voters’ (WCV) Evergreen Forests program is to improve the management of state and private forests. One way we work toward this goal is holding our elected officials accountable. Nonprofit organizations like WEC and WCV have a responsibility to keep the public informed on how well elected officials are protecting the environment.

In 2017, Hilary Franz became Washington State’s 14th Commissioner of Public Lands. This position is the only elected statewide office that works almost exclusively with our natural resources, making it a very important position for Washington’s environment.

The Commissioner of Public Lands administers the State Department of Natural Resources (DNR), which is responsible for managing, regulating, and protecting over 5.6 million acres of state-owned lands. The position also supervises our state's wildfire protection on millions of acres of forestland, and chairs the Washington State Board of Natural Resources and the Forest Practices Board. The Board of Natural Resources sets policies to guide how DNR manages our state's lands and resources, and the Forest Practices Board adopts rules on private forests that are implemented and enforced by the department.

The 2018 State of Our Forests report looks back on the Commissioner’s first 18 months in office to reflect on where progress has been made, where work still needs to be done, and where things need improvement. The report begins with an evaluation of relevant areas to WEC and WCV’s program work and then identifies emerging issues that we expect to follow in future years.
CARBON FRIENDLY FORESTRY CONFERENCE

Trees are incredible and the more we learn about them, the more impressive they become. With the threats from climate change increasing, understanding how trees absorb CO2 and store carbon becomes all the more important. As we look for ways to create a sustainable future, trees and their ability to store carbon have to be a part of the equation.

For this reason, WEC hosted the Carbon Friendly Forestry Conference last September. The conference brought together researchers, conservationists, business leaders, and government officials to talk about current carbon science and the options we have to draw down climate pollution by increasing carbon storage in the forested landscape.

Commissioner Franz was our keynote speaker. She spoke about smart forest carbon policy that reduces carbon pollution and strengthens our communities, which makes it a win-win for all Washingtonians. Shortly after the conference, Commissioner Franz released her Four Resilience Principles to guide and inform the statewide debate on climate policy.¹

1. Tackle the root cause - carbon pollution - and invest in reduction efforts
2. Strengthen the health and resilience of our lands, waters, and communities
3. Accelerate carbon sequestration
4. Invest in and incentivize solutions with multiple benefits

Implementing these Principles benefits all Washingtonians.

Stay tuned for the next Carbon Friendly Forestry Conference.

¹ https://www.dnr.wa.gov/climate-change
ISSUES ON PRIVATE FOREST LANDS

DNR regulates forestry practices on approximately 8 million acres of private forest land. Practices may include cutting trees, constructing forest roads, or applying chemicals. State rules, as well as a Habitat Conservation Plan (HCP) covering water and fish, specify which practices are allowed and which are not. The HCP includes an Adaptive Management Program to provide science-based recommendations and technical information to assist the Forest Practices Board in determining if it is necessary to adjust forestry rules and guidance. Commissioner Franz has begun to elevate these issues, now we will be looking for progress.
Steep and Unstable Slopes

Forestry related landslides and mudslides can threaten public safety, fish, and water quality in local communities. Trees play a critical role in protecting downslope communities because their roots anchor the soil, they prevent erosion, and they soak up large amounts of groundwater that can trigger landslides. Keeping trees on the landscape has many other benefits as well including burned and fallen trees preventing mudslides after a wildfire. Although DNR has taken some positive steps forward, we would like to see the Forest Practices Board strengthen the rules and board manual guidance that govern logging on steep and unstable slopes, both on state and private lands, in order to protect public safety and public resources.

- This legislative session DNR advanced legislation that would have given the department additional time, up to thirty days after receiving a pre-application for forest practices, to review and request additional information from the applicant. Unfortunately, the timber industry opposed this bill and it did not pass.
- DNR seems to be using more precautionary judgment in approving forest practice applications on steep and unstable slopes, particularly on DNR (state) timber sales. DNR’s enhanced oversight is a positive step that promotes public safety and keeps rivers free from sediment and debris.
- Unfortunately, there have been no improved rules and no new board manual on this issue. The forest practice rules related to steep and unstable slopes were adopted in 2001 and have not been updated since. This is despite the fact that DNR-commissioned studies, focused on private forests in SW Washington after the 2007 storm, found that the forest practice rules were not preventing shallow rapid landslides and in fact may be both substantively inadequate and inadequately enforced.

Water-Typing

Water typing is a DNR classification system of streams and other water bodies that identifies whether or not fish use them, and if they experience perennial or seasonal flow. The Forest Practices program uses water types to determine how large of a protective riparian buffer is required for logging operations. The Commissioner needs to create a system that adequately protects our salmon and other important aquatic species.

- This issue has languished at the Forest Practices Board and in the Adaptive Management process for over 10 years. In recognition that the interim rules do not provide adequate protections, the Board asked Tribal participants and the Department of Fish and Wildlife to draft guidance that will further protect fish habitat while the new rules are being developed.
- The Board, under Commissioner Franz’s leadership, has taken a positive and encouraging step forward by putting the issue back on the table. Although the new rules are not expected until mid-2019, the promotion of the two entities that best understand fish behavior to lead the process is an important step forward in the interim as we work together to strengthen Washington’s Forest Practices rules. We are counting on DNR’s leadership to ensure that any future changes are faithfully implemented.

2 http://apps2.leg.wa.gov/billsummary?BillNumber=6235&Year=2017&BillNumber=6235&Year=2017
ISSUES ON STATE FOREST LAND

DNR manages approximately 2 million acres of state owned forests. In 1889, the U.S. Congress granted these lands to support public institutions such as funding the construction of public schools. DNR also manages state forest lands that help fund services in many counties, and State Natural Areas which are managed for conservation, research, and education. In addition to earning income, these lands must protect habitat for native plants and animals and provide clean and abundant water. Some lands also offer diverse public recreation opportunities. They must be managed sustainably over time, to ensure that future trust beneficiaries are not disadvantaged by today’s actions.
Marbled Murrelets

Marbled murrelets are small, shy seabirds that nest in old-growth forests and feed in salt water. Murrelets prefer large areas of coastal and near-coastal old-growth forest. DNR has struggled over the last decade to develop a conservation strategy for this important species, which serves as a key indicator of ecosystem health. Over the last couple years the issue has gained visibility and momentum, but the Board of Natural Resources still needs to adopt a conservation strategy.

- DNR is required to submit a long-term conservation strategy (LTCS) to the U.S. Fish and Wildlife Service to maintain the State’s federal habitat conservation plan, which gives the State immunity under the Endangered Species Act. DNR and the federal government have been negotiating this LTCS for over six years and in the Fall of 2017, DNR proposed a preferred LTCS alternative. We were disappointed with the selected alternative which did not go far enough to ensure the murrelets’ survival.

- During previous administrations, the Board of Natural Resources considered logging areas of forest that were under consideration for protection. Thus far, Commissioner Franz has not sought to log any of these areas, which is good.

- We commend the Commissioner for forming the Solutions Table, diverse coalition of stakeholders tasked with finding ways to support the counties experiencing economic impacts because of murrelet conservation, as well as brainstorming ways to aid in the recovery of the marbled murrelet outside of the legally defined Habitat Conservation Plan.5

Forest Stewardship Council

The Forest Stewardship Council is the most trusted forest certification program. It helps consumers and companies identify and purchase products from responsibly managed forests. FSC conserves wildlife habitat, protects clean water, and respects the rights of Native people and local communities on 170 million acres of forestland in the US and Canada. DNR's FSC program contains about 172,000 acres. If the DNR FSC program is to improve, there needs to be more entrepreneurial spirit and support to try new things.

- A recent study commissioned by DNR showed some customers are willing to pay a premium for FSC wood, and the best way to access that premium is through sort sales.6 These are sales that sell portions of a harvest to various customers. DNR has acknowledged this and is looking to pursue additional sort sales to test FSC market expansion opportunities.

- There needs to be a dedicated staff person assigned to make the DNR FSC program work. Entrepreneurialism is key. This staffer should be able to work inside the agency and to interface with customers. This should be a leadership position at the agency that is empowered to try new ideas.

- DNR forest managers are actively engaging in the FSC forest management standard revision process, which is just getting underway. This is a small but positive step to show commitment to this issue.

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5 https://www.dnr.wa.gov/SolutionsTable

Constitutional Obligations

DNR has historically believed that the agency has a “trust mandate” to maximize revenue production from state forests, in order to deliver financial benefit to trust beneficiaries such as local governments and schools. While we recognize the need to fund services in rural areas, the Washington constitution directs that “All the public lands granted to the state are held in trust for all the people.” We believe a more holistic approach that uses less environmentally impactful forestry would create more jobs, provide new opportunities for sustainable revenue, and better meet the constitutional requirement to manage these lands for the public.

- When Commissioner Franz ran for office, she promised to consider decoupling an overreliance on logging for school funding, and recognized the inconsistency in causing environmental harm that will impact our state's youth for their supposed benefit. Despite numerous opportunities to do so, DNR and the Board of Natural Resources have not taken any steps to clarify the “trust mandate” and demonstrate that DNR can provide more conservation on state forests.

- Commissioner Franz should use the next Sustainable Harvest Calculation or a revised Policy for Sustainable Forests to take the steps needed to manage forests based on our modern understanding of all the benefits forests provide, including not just logging revenue but also carbon sequestration, recreation, wildlife habitat, and clean water.

20-Year Forest Health Strategic Plan: Eastern Washington

A new 20-Year Forest Health Strategic Plan for eastern Washington calls for maximizing the effectiveness of forest health treatments, such as mechanical thinning, and prescribed fire, by coordinating and prioritizing forest management activities across watersheds and large landscapes. It provides a framework for our state to plan to restore our forests. This plan will reduce the threat of wildfire as well as provide habitat, clean water, and economic opportunities. We congratulate the Commissioner on the completion of this plan, and look forward to working with the department when the plan for western Washington begins.

- The new 20-Year Plan establishes a mission to restore and manage forested landscapes at a pace and scale that reduces the risk of uncharacteristic wildfires and increases the health and resilience of forest and aquatic ecosystems in a changing climate.

- The Commissioner brought together a diverse array of expertise and interests. Thirty-three organizations helped create the plan that established five ambitious goals to ensure Washington’s forests are in an ecologically functioning and resilient condition to fight against climate change.

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7 [http://leg.wa.gov/lawsandagencyrules/documents/12-2010-wasteconstitution.pdf](http://leg.wa.gov/lawsandagencyrules/documents/12-2010-wasteconstitution.pdf) (Article XVI, Sect. 1)

ISSUES ON STATE AQUATIC LANDS

DNR manages, leases, and protects more than 2.6 million acres of aquatic lands that include navigable lakes, rivers, streams, and marine waters such as Puget Sound, the Salish Sea, and the outer coast. While most of this report is focused on forests, it should be recognized water and trees are connected from the uplands to the lowlands making up complex ecosystems and economic opportunities. Several actions demonstrate that DNR is responsibly stewarding these unique resources while also balancing economic benefits.
Issues on State Aquatic Lands

- Cooke Aquaculture’s Cypress Island net pen failed catastrophically in August 2017, spilling 260,000 non-native Atlantic salmon into Puget Sound. DNR fast-tracked inspections at several similar facilities. When inspectors found deficient maintenance and other flagrant violations of the lease terms, DNR canceled leases at Cypress Island as well as Port Angeles.

- Creosote-treated wood represents the largest direct source of polycyclic aromatic hydrocarbons (PAHs) to Puget Sound’s environment. PAHs were used as a preservative for wood, but they harm people and aquatic life. Despite facing drastic reductions in funding to just $465,000 in the current biennium, the program still removed 171 tons of creosote-treated wood that washed ashore around Puget Sound.9

- The Millennium Coal Export Terminal in Longview, WA would export 44 million tons of coal every year and cause direct harm to our public aquatic lands. In January 2017, DNR rejected a request to sub-lease aquatic lands in Longview to the coal company and has since defended its decision against the company’s litigation. In October 2017, DNR then denied the Millennium Coal Export Terminal's request to build improvements (docks) on aquatic lands. This decision further protects the Columbia River from the harms of a coal export terminal. Also in October 2017, DNR submitted comments detailing the harm from coal dust to our aquatic lands during consideration of the shoreline permit application for the Millennium Coal Export Terminal. DNR’s comments confirmed the agency’s commitment to protecting aquatic lands and waterways from further pollution.

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SPECIAL THANKS TO DNR

Tesoro Savage Oil Terminal

DNR was the only state agency to intervene as a party in the adjudicative proceeding to evaluate the Tesoro Savage oil terminal proposed in Vancouver, WA.

DNR’s expert testimony highlighted the threat of wildfires caused by oil trains that would serve the terminal, as well as landslide threats along the rail corridor.

Protection of Federal Public Lands

In late 2017 when the federal government was threatening to cut public lands, Commissioner Franz voiced her opposition stating that any decision that would drastically reduce these places was “unlawful and threatens our country’s culture, history, and outdoor heritage.”

Blanchard Mountain

Almost 2,800 acres of natural areas have been added under Commissioner Franz, 800 of which are at Blanchard Mountain. Thanks to the Commissioner and state legislators, after working on this for many years, Blanchard Mountain will be protected. The area is a hugely popular recreation destination for many Washingtonians.

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EMERGING ISSUES

Offshore Drilling

Commissioner Franz should be commended for her early stand on offshore drilling. In January 2018, the Trump Administration initiated a process to begin opening coastal waters, including off Washington’s coast, to drilling for oil and gas. In response, DNR submitted a formal comment letter to U.S. Department of the Interior Secretary Zinke outlining DNR’s strong opposition to opening the waters off Washington’s coast to oil and gas exploration and drilling. Additionally, Commissioner Franz promised that DNR would do everything in its power to stop the use of our ports and aquatic lands from servicing drilling rigs. Protecting our coastal waters from the threat of offshore drilling is likely to continue to be an ongoing issue.

Rural Communities Partnership Initiative

The Commissioner smartly identified a need in rural communities and has begun to tackle it. In 2017, Commissioner Franz announced the launch of the Rural Communities Partnership Initiative (RCPI), a program that partners DNR assets and expertise with communities around the State to create new economic opportunities, especially in areas of the State that have traditionally depended on the natural resources industry. WEC and Mt. Adams Resource Stewards submitted a proposal on the Mt. Adams Community Forest to become a selected RCPI project. The proposal will fund an economic impact assessment and provide guidance for future economic development planning for wood products, recreation, and ecosystem services supply chain opportunities from community forest efforts in Klickitat County. We look forward to working on this innovative proposal with the department.

Building with Wood

The Commissioner should take more of a leadership role for sustainably managed forests in the building with wood discussions. Specifically, as there is a push for greater use of wood in buildings, we need her leadership to call for ensuring that such wood comes from the right forests. Recently, tall wood buildings that use mass timber products like Cross-Laminated Timber (CLT) have gained prominence. Proponents of mass timber maintain that climate pollution can be reduced by substituting wood for other building materials because trees capture and store atmospheric carbon. Too often, however, the carbon benefit of such substitution is exaggerated because the impacts of timber extraction on forests are left out of the equation. Scientists increasingly recognize that a key component of efforts to mitigate the effects of climate change is to reduce logging-related greenhouse gas emissions through improvements in forest management and increases in forest restoration and protection.
CONCLUSION

Throughout this report we were looking for change – meaningful, at-scale change that we could point to as improvements. While that is hard for an elected official to do in a relatively short amount of time, it is what the public needs for sustainable management of our state lands, and what we will continue to look for in the future.

The Commissioner has made progress in some areas, especially in aquatics. However, forestry issues continue to be complicated with mixed results. We look forward to this coming year, to see how momentum in these areas develops. We also welcome the anticipated release of a more formal strategic plan for the department. Beyond policy topics covered in this report, the Commissioner has increased public engagement and brought forward issues that have languished in previous administrations. These are both noteworthy improvements.

This office has such incredible potential for our environment. By leading both the Board of Natural Resources for state lands and the Forest Practices Board for private lands the Commissioner has the ability to make positive change on millions of acres. WEC and WCV look forward to working with the Commissioner and her staff to realize this promise.
WEC is a nonpartisan 501(c) 3 nonprofit organization that does not support or oppose any candidates or political parties. We educate the public about the actions their elected officials have taken on environmental issues and we work with elected officials of all party affiliations to protect our environment.

learn more at wecprotects.org

WCV is a 501 (c) 4 that ensures Washington’s decision makers keep our environment protected, healthy, and vibrant. Over the last 35 years, we have elected environmental champions, held our elected leaders to the highest standard, and built statewide momentum for environmental campaigns through innovative voter outreach efforts and community organizing.

learn more at wcvolters.org.