

## GOVERNMENT & REGULATIONS NEWS



🔑 FEB 28, 2018, 4:55 PM PST

### **Opinion: Businesses should support new carbon tax bill**

Puget Sound Business Journal

By Douglas Reed

Feb 28, 2018, 4:55pm PST

*Douglas Reed is president of Green Diamond Resource Co.*

Washingtonians are lucky. Half of our Evergreen State is forested, and half of those forests have been set aside as parks, wilderness and environmental reserves on both public and private land — an endowment we will cherish for generations to come. The rest are working forests, which also provide important habitat, ecosystem services, and recreation opportunities as well as being engines for rural jobs and economic growth.

At Green Diamond Resource Co., we know firsthand that working forests can be a source for both economic and environmental benefit.

The Pacific Northwest is the wood basket to the world. Washington's timber industry alone employs over 100,000 people and generates \$5.2 billion in wages annually.

At the same time, forests capture carbon pollution as they grow — offsetting an impressive 28.6 percent of our state's overall carbon emissions every year. By storing carbon in healthy standing trees, sequestering it in durable wood products as well as producing biofuels and biochar from thinnings and waste, the forest industry and the rural communities supporting it play an important role in protecting our planet from climate change.

State policy makers will need those contributions. In order to reduce our carbon emissions to 40 percent below 1990 levels by 2035 (and 80 percent below by 2050) as recommended by the Department of

Ecology, we need to reduce fossil fuel consumption while increasing carbon storage in forest, agricultural and aquatic lands.

Washington has a proud heritage of caring for our natural environment, so it is not surprising that a majority of residents want to take action on climate change. Polling from the Yale program on Climate Change found that 73 percent of Washingtonians believe global warming is happening and 76 percent support regulating carbon dioxide as a pollutant.

At Green Diamond, we agree that something must be done. We believe that carefully vetted legislation is the right approach for this complex issue, rather than a less nuanced measure imposed by initiative or the courts.

Fortunately, our governor and state lawmakers, led by Sens. Reuven Carlyle and Guy Palumbo, have been working hard to design a carbon tax policy that would be effective at reducing emissions while also protecting our state's economic competitiveness.

Rather than creating a heavy-handed regulatory framework, SB 6203 would guide market forces to reward efficiency, cleaner energy and the impressive carbon storage that our forests provide.

A predictable rate schedule enables businesses to plan their budgets, and strong accountability measures ensure taxpayer funds are used wisely to further reduce emissions and adapt to the unavoidable impacts of climate change.

It is critical that this policy works for everybody in the state, including rural residents who tend to drive longer distances, have fewer transit options, and struggle with limited local economic opportunities. Lawmakers should ensure that those in rural areas have the resources needed to adapt to higher fossil fuel costs.

We also urge legislators to provide incentives that keep working forests in forestry, and support production of durable, carbon-storing wood products and sustainable biofuels.

SB 6203 is an important first step in carbon legislation for Washington and passing this bill would provide a solid foundation for further progress in the years to come. Business leaders should get involved and support action in the Legislature this year.

As a fifth-generation, family-owned forest products company, Green Diamond already operates under some of the toughest forest practice regulations anywhere, and yet we still believe in taking steps to lead the nation and the world in changing the carbon equation.

Climate change is a threat that we can, and must, address. With the right policies, Washingtonians can help achieve a lower-carbon future, while also safeguarding prosperity for ourselves and future generations.

###