
Fiscal Year 2023-25 Operating Budget Proviso Ecosystem Services Inventory and Asset Plan

Ecosystem Services Work Group | 2023 Operating Budget (ESSB 5187), Section 310 (12), pages 440-441

(12)

- (a) \$1,500,000 of the natural climate solutions account—state appropriation is provided solely for the department, in close collaboration with the department of ecology, to convene a group composed of a balanced representation of experts and stakeholders to conduct a state ecosystem services inventory and develop a state lands ecosystem services asset plan. The plan must outline how state lands under the department's jurisdiction can be monetized, including ecosystem services credits, and utilized to reduce the overall greenhouse emissions, or increase greenhouse gas sequestration and storage, in the state, including both public and private emissions.
- (b) In developing the plan, the department must:
- (i) Conduct a resource and asset inventory to identify all state-owned or controlled lands under its jurisdiction that could be eligible or utilized in ecosystem services credits, including carbon offset markets;
 - (ii) Explore opportunities for the department to utilize its inventoried proprietary assets in offering ecosystem services credits, including carbon offset credits, both under the regulatory offset programs, such as the one established under RCW 70A.65.170, and existing or future voluntary, private ecosystem service markets, including carbon offset programs;
 - (iii) Develop a marginal cost abatement model to inform highest and best use of state assets in ecosystem services markets, including carbon markets;
 - (iv) Conduct a needs assessment in relation to marketing state-owned carbon assets on state lands under the department's jurisdiction to third party developers, including a proposed implementation plan and recommendations for plan execution;
 - (v) Identify any known or suspected policy or regulatory limitations to the formation and full execution of the ecosystem services inventory and asset plan identified above;
 - (vi) Create an implementation plan for a virtual dashboard where public and private sector participants in regulatory or voluntary carbon markets can locate the inventory created under this subsection, understand the marginal cost abatement model, and locate any requests for proposals from state asset-involved carbon projects on lands under the department's jurisdiction; and
 - (vii) Make recommendations for the creation of an ecosystems services equity and innovation account that includes:
 - (A) New modes of ecosystem services; and
 - (B) Identification of new or different beneficiaries of carbon investments that increase the participation of historically marginalized groups in ecosystem service opportunities.

(c) The department must report its progress and findings under this subsection to the legislature no later than December 31, 2024.