



PROPOSED LEGISLATION

State of Washington

**65th Legislature
Session**

2017 Regular

AN ACT Relating to updating the framework for reducing greenhouse gas emissions in Washington based upon best available climate science; amending RCW 70.235.005, 70.235.010, 70.235.020, and 70.235.050.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

Sec. 1. RCW 70.235.005 is amended to read as follows:

(1) The legislature finds that Washington has long been a national and international leader on energy conservation and environmental stewardship, including air quality protection, renewable energy development and generation, emission standards for fossil-fuel based energy generation, energy efficiency programs, natural resource conservation, vehicle emission standards, and the use of biofuels. Washington is also unique among most states in that in addition to its commitment to reduce emissions of greenhouse gases, it has established goals to grow the clean energy sector and reduce the state's expenditures on imported fuels.

(2) The legislature further finds that Washington should continue its leadership on climate change policy by creating accountability for achieving the emission reductions established in RCW 70.235.020, participating in the design of a regional multisector market-based system to help achieve those emission reductions, assessing other market strategies to reduce emissions of greenhouse gases, and ensuring the state has a well trained workforce for our clean energy future.

(3) It is the intent of the legislature that the state will: (a) Limit and reduce emissions of greenhouse gas consistent with the emission reductions established in RCW 70.235.020; (b) minimize the potential to export pollution, jobs, and economic opportunities; and (c) reduce emissions at the lowest cost to Washington's economy, consumers, and businesses.

(4) In the event the state elects to participate in a regional multisector market-based system, it is the intent of the legislature that the system will become effective by January 1, 2012, after

authority is provided to the department for its implementation. By acting now, Washington businesses and citizens will have adequate time and opportunities to be well positioned to take advantage of the low-carbon economy and to make necessary investments in low-carbon technology.

(5) It is also the intent of the legislature that the regional multisector market-based system recognize Washington's unique emissions portfolio, including the state's hydroelectric system, the opportunities presented by Washington's abundant forest resources and agriculture land, and the state's leadership in energy efficiency and the actions it has already taken that have reduced its generation of greenhouse gas emissions and that entities receive appropriate credit for early actions to reduce greenhouse gases.

(6) If any revenues that accrue to the state are created by a market system, they must be used to further the state's efforts to achieve the ~~goals~~ minimum reductions established in RCW 70.235.020, address the impacts of global warming on affected habitats, species, and communities, and increase investment in the clean energy economy particularly for communities and workers that have suffered from heavy job losses and chronic unemployment and underemployment.

(7) It is also the intent of the legislature that the greenhouse gas emissions reductions established in RCW 70.235.020 preserve, protect, and enhance the air quality for current and future generations, and safeguard the fundamental and inalienable right of the people of the State of Washington to live in a healthful and pleasant environment and to benefit from the proper development and use of its natural resources.

Sec. 2. RCW 70.235.010 is amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Carbon dioxide equivalents" means a metric measure used to compare the emissions from various greenhouse gases based upon their global warming potential.

(2) "Climate advisory team" means the stakeholder group formed in response to executive order 07-02.

(3) "Climate impacts group" means the University of Washington's climate impacts group.

(4) "Consumption-based emissions" means the global greenhouse gas emissions that result from satisfying economic final demand in Washington state, including the purchases of goods and services

(including energy) by Washington households and governments, plus inventory and capital formation by businesses.

(4) (5) "Department" means the department of ecology.

(5) (6) "Director" means the director of the department.

(6) (7) "Greenhouse gas" and "greenhouse gases" includes carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, and any other gas or gases designated by the department by rule.

(7) (8) "Person" means an individual, partnership, franchise holder, association, corporation, a state, a city, a county, or any subdivision or instrumentality of the state.

(8) (9) "Program" means the department's climate change program.

(9) (10) "Western climate initiative" means the collaboration of states, Canadian provinces, Mexican states, and tribes to design a multisector market-based mechanism as directed under the western regional climate action initiative signed by the governor on February 22, 2007.

(10) (11) "Climate stabilization" means reducing global atmospheric concentrations of carbon dioxide to below three hundred and fifty parts per million by 2100.

Sec. 3. RCW 70.235.020 is amended to read as follows:

(1) (a) The state shall limit emissions of greenhouse gases to achieve the following emission reductions for Washington state:

(i) By 2020, reduce overall emissions of greenhouse gases in the state to at least ten percent below 1990 levels, and ensure that emissions of carbon dioxide in the state decrease by at least ten percent below 1990 levels.

(ii) By 2035, reduce overall emissions of greenhouse gases in the state to ~~twenty-five percent below~~ at least sixty-eight percent below 1990 levels, and ensure that emissions of carbon dioxide in the state decrease by at least sixty-eight percent below 1990 levels.

(iii) By 2050, the state will do its part to reach global climate stabilization levels by reducing overall emissions of greenhouse gases in the state ~~fifty percent~~ to at least ninety-one percent below 1990 levels, and ensure that emissions of carbon dioxide in the state decrease by at least ninety-one percent below 1990

~~levels or seventy percent below the state's expected emissions that year.~~

(b) By December 1, 2008, the department shall submit a greenhouse gas reduction plan for review and approval to the legislature, describing those actions necessary to achieve the emission reductions in (a) of this subsection by using existing statutory authority and any additional authority granted by the legislature. Actions taken using existing statutory authority may proceed prior to approval of the greenhouse gas reduction plan.

(c) Except where explicitly stated otherwise, nothing in chapter 14, Laws of 2008 limits any state agency authorities as they existed prior to June 12, 2008.

(d) Consistent with this directive, the department shall take the following actions:

(i) Develop and implement a system for monitoring and reporting emissions of greenhouse gases as required under RCW 70.94.151; and

(ii) Track progress toward meeting the emission reductions established in this subsection, including the results from policies, rules and regulations currently in effect that have been previously adopted by the state and policies, rules and regulations adopted in the future, and report on that progress by January 1 of each year, beginning in 2018, to the governor, the appropriate committees of the senate and house of representatives, and the public; and

(iii) By December 1, 2017, use its existing authority to adopt policies, rules and regulations establishing annual aggregate emission limits that ensure statewide greenhouse gas emissions are reduced to at least the emission limits set forth in subsection (1) (a) of this section; and

(iv) By July 1, 2017, the department shall report to the governor, the appropriate committees of the senate and house of representatives, and the public regarding the state's silvicultural and agricultural sequestration capacity and by December 1, 2017 shall develop and implement a plan to increase the state's sequestration capacity in order to achieve Washington's proportionate share of the 100 gigatons of carbon dioxide that must be sequestered globally prior to 2100 in order to achieve climate stability. This sequestration requirement shall be in addition to the emission reductions required by this section.

(2) By December 31st of each even-numbered year beginning in 2010, the department and the *department of community, trade, and economic development shall report to the governor and the appropriate committees of the senate and house of representatives the total emissions of greenhouse gases for the preceding two years, and totals in each major source sector. The department shall ensure the reporting rules adopted under RCW 70.94.151 allow it to develop a comprehensive inventory of emissions of greenhouse gases from all significant sectors of the Washington economy, including consumption-based emissions.

(3) ~~Except for purposes of reporting, emissions of carbon dioxide from industrial combustion of biomass in the form of fuel wood, wood waste, wood by-products, and wood residuals shall not be considered a greenhouse gas as long as the region's silvicultural sequestration capacity is maintained or increased.~~

Sec. 4. RCW 70.235.050 is amended to read as follows:

(1) All state agencies shall meet the statewide greenhouse gas emission limits established in RCW 70.235.020 to achieve the following, using the estimates and strategy established in subsections (2) and (3) of this section:

(a) By July 1, 2020, reduce emissions by at least fifteen percent from 2005 emission levels;

(b) By 2035, reduce emissions ~~to~~ by at least thirty-six sixty-eight percent below 2005 levels; and

(c) By 2050, reduce emissions ~~to the greater reduction of fifty-seven and one-half percent~~ by at least ninety-one percent below 2005 levels, ~~or seventy percent below the expected state government emissions that year.~~

(2)(a) By June 30, 2010, all state agencies shall report estimates of emissions for 2005 to the department, including 2009 levels of emissions, and projected emissions through ~~2035~~ 2050.

(b) State agencies required to report under RCW 70.94.151 must estimate emissions from methodologies recommended by the department and must be based on actual operation of those agencies. Agencies not required to report under RCW 70.94.151 shall derive emissions estimates using an emissions calculator provided by the department.

(3) By June 30, 2011, each state agency shall submit to the department a strategy to meet the requirements in subsection (1) of this section. The strategy must address employee travel activities, teleconferencing alternatives, and include existing and proposed actions, a timeline for

reductions, and recommendations for budgetary and other incentives to reduce emissions, especially from employee business travel.

(4) By October 1st of each even-numbered year beginning in 2012, each state agency shall report to the department the actions taken to meet the emission reduction targets under the strategy for the preceding fiscal biennium. The department may authorize the department of enterprise services to report on behalf of any state agency having fewer than five hundred full-time equivalent employees at any time during the reporting period. The department shall cooperate with the department of enterprise services and the department of commerce to develop consolidated reporting methodologies that incorporate emission reduction actions taken across all or substantially all state agencies.

(5) All state agencies shall cooperate in providing information to the department, the department of enterprise services, and the department of commerce for the purposes of this section.

(6) The governor shall designate a person as the single point of accountability for all energy and climate change initiatives within state agencies. This position must be funded from current full-time equivalent allocations without increasing budgets or staffing levels. If duties must be shifted within an agency, they must be shifted among current full-time equivalent allocations. All agencies, councils, or work groups with energy or climate change initiatives shall coordinate with this designee.

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