
SENATE BILL 6516

State of Washington

60th Legislature

2008 Regular Session

By Senators Pridemore, Rockefeller, Swecker, Oemig, Murray, Hobbs, Fairley, Kohl-Welles, McDermott, Weinstein, Regala, Kilmer, Jacobsen, Hargrove, Prentice, McAuliffe, Kastama, Rasmussen, Franklin, Keiser, Kauffman, Fraser, Shin, Kline, and Brandland; by request of Governor Gregoire

Read first time 01/17/08. Referred to Committee on Water, Energy & Telecommunications.

1 AN ACT Relating to creating a framework for reducing greenhouse
2 gases emissions in the Washington economy; amending RCW 70.94.151 and
3 70.94.161; adding a new section to chapter 43.330 RCW; adding a new
4 chapter to Title 70 RCW; and repealing RCW 80.80.020.

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

6 NEW SECTION. **Sec. 1.** (1) The legislature finds that Washington
7 has long been a national and international leader on energy
8 conservation and environmental stewardship efforts, including air
9 quality protections, renewable energy development and generation,
10 emission standards for fossil-fuel based energy generation, energy
11 efficiency programs, natural resource conservation, vehicle emission
12 standards, and the use of biofuels. Washington is also unique among
13 most states in that in addition to its goals to reduce greenhouse gas
14 emissions, it has established goals to grow the clean energy sector and
15 reduce its use of imported fuels.

16 (2) The legislature further finds that the purpose of this act is
17 to continue Washington's leadership on climate change policy. More
18 specifically, this act is intended to make progress in reducing

1 greenhouse gas emissions, create accountability for achieving the goals
2 established in section 3 of this act, and ensure the state has a well
3 trained workforce for our clean energy future.

4 (3) The major purposes of this act are to: (a) Commence a process
5 to ensure the emission reductions established in section 3 of this act
6 are achieved; (b) direct the state to continue its participation in the
7 development of a regional process to design a multisector, market-
8 based system for regulating greenhouse gas emissions as one measure to
9 achieve our greenhouse gas reduction limits; (c) authorize a reporting
10 system to monitor greenhouse gas emissions; (d) establish a process for
11 maintaining a comprehensive inventory of greenhouse gas emissions to
12 track the state's progress in achieving its greenhouse gas emission
13 reductions; and (e) create a green collar job training account to train
14 and transition workers to clean energy jobs.

15 (4) It is the intent of the legislature that the regional
16 multisector market-based system designed as a result of this act will:
17 (a) Limit and reduce emissions of greenhouse gases consistent with the
18 emission reductions established in section 3 of this act; (b) minimize
19 the potential to export pollution, jobs, and economic opportunities;
20 and (c) reduce emissions at the lowest overall cost to the economy,
21 consumers, and businesses.

22 (5) It is also the intent of the legislature that a regional
23 multisector market-based system will become effective by January 1,
24 2012, after authority is provided to the department of ecology for its
25 implementation. By enacting this act, Washington businesses and
26 citizens will have adequate time and opportunities to be well
27 positioned to take advantage of the low-carbon economy and to make
28 necessary investments in low-carbon technology.

29 (6) It is also the intent of the legislature that the regional
30 multisector market-based system recognize Washington's unique emissions
31 portfolio and the state's leadership in the actions it has already
32 undertaken that have reduced its generation of greenhouse gas
33 emissions.

34 (7) It is also the intent of the legislature that if any revenues
35 that accrue to the state are created by the multisector market-based
36 system, they will be used to further the state's efforts to achieve the
37 goals established in section 3 of this act, address the impacts of
38 global warming on affected habitats, species, and communities, and

1 increase investment in the clean energy economy particularly for
2 communities and workers that have suffered from heavy job losses and
3 chronic unemployment and underemployment.

4 NEW SECTION. **Sec. 2.** The definitions in this section apply
5 throughout this chapter unless the context clearly requires otherwise.

6 (1) "Carbon dioxide equivalents" has the same meaning as defined in
7 RCW 80.70.010.

8 (2) "Climate impact group" means the University of Washington's
9 climate impact group.

10 (3) "Department" means the department of ecology.

11 (4) "Direct emissions" means emissions from sources of emissions,
12 including stationary combustion sources, mobile combustion emissions,
13 process emissions, and fugitive emissions.

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

15 (6) "Downstream" means the point where greenhouse gases are
16 emitted.

17 (7) "Greenhouse gases" and "greenhouse gases emissions" have the
18 same meaning as "greenhouse gases" as defined in RCW 80.80.010.

19 (8) "Indirect emissions" means emissions associated with the
20 purchase of electricity, heating, cooling, or steam.

21 (9) "Leakage" means the movement of manufacturing or other
22 activities that result in greenhouse gases emissions from sources or
23 areas subject to emission limits to sources or areas that are not
24 subject to those limits.

25 (10) "Motor vehicle" has the same meaning as defined in RCW
26 46.04.320.

27 (11) "Person" means an individual, partnership, franchise holder,
28 association, corporation, a state, a city, a county, or any subdivision
29 or instrumentality of a state.

30 (12) "Program" means the department's climate change program.

31 (13) "Total greenhouse gases emissions" means all direct emissions
32 and all indirect emissions.

33 (14) "Upstream" means the point where products that will result in
34 greenhouse gases emissions are produced or come into the state.

35 (15) "Verifiable" means capable of being substantiated on the basis
36 of information and documentation that can be inspected by one or more
37 parties, and shown to be complete, accurate, and prepared in accordance

1 with publicly available methodologies and protocols for the measurement
2 and quantification of greenhouse gases emissions or sequestered carbon
3 dioxide.

4 NEW SECTION. **Sec. 3.** (1)(a) The department shall develop and
5 implement a program to limit greenhouse gases emissions to achieve the
6 following emission reductions for Washington state:

7 (i) By 2020, reduce overall greenhouse gases emissions in the state
8 to 1990 levels;

9 (ii) By 2035, reduce overall greenhouse gases emissions in the
10 state to twenty-five percent below 1990 levels;

11 (iii) By 2050, the state will do its part to reach global climate
12 stabilization levels by reducing overall emissions to fifty percent
13 below 1990 levels, or seventy percent below the state's expected
14 emissions that year.

15 (b) Consistent with this directive, the department shall take the
16 following actions:

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

19 (ii) Track progress toward meeting the emission reductions
20 established in this subsection, including the results from policies
21 currently in effect that have been previously adopted by the state and
22 policies adopted in the future, and report on that progress.

23 (2) By December 31st of each even-numbered year beginning in 2010,
24 the departments of ecology and community, trade, and economic
25 development shall report to the governor and the appropriate committees
26 of the senate and house of representatives the total greenhouse gases
27 emissions for the preceding two years, and totals in each major source
28 sector.

29 (3)(a) The director shall develop, in coordination with a regional
30 effort, such as the western climate initiative, a design for a regional
31 multisector market-based system, such as a cap and trade program, to
32 limit and reduce emissions of greenhouse gases consistent with the
33 emission reductions established in subsection (1) of this section.

34 (b) By December 15, 2008, the director and the director of the
35 department of community, trade, and economic development shall deliver
36 to the legislature specific recommendations for implementing the

1 preferred design of a regional multisector market-based system. These
2 recommendations must include:

3 (i) Proposed legislation, necessary funding, and the schedule
4 necessary to implement the preferred design by January 1, 2012;

5 (ii) Any changes determined necessary to the reporting requirements
6 established under RCW 70.94.151; and

7 (iii) Actions that the state should take to prevent manipulation of
8 the multisector market-based system designed under this section.

9 (4) In developing the design of the regional multisector
10 market-based system under subsection (3) of this section, the
11 department shall coordinate with the department of community, trade,
12 and economic development, and to the extent appropriate, the Washington
13 utilities and transportation commission, the energy facility site
14 evaluation council, and the department of transportation. The
15 department shall also provide opportunity for broad stakeholder
16 engagement and input into the design process.

17 (5) In developing the regional multisector market-based system in
18 subsection (3) of this section, the department shall be guided by the
19 following principles to design a system that:

20 (a) Is equitable, administratively simple for government and
21 private participants, minimizes administrative costs, and has a clear
22 compliance path;

23 (b) Maximizes total benefits throughout the region, including
24 reducing air pollutants, diversifying energy sources, and advancing
25 economic, environmental, and public health objectives, while also
26 avoiding localized or disproportionate environmental or economic
27 impacts;

28 (c) Requires all reductions to be real, surplus/additional,
29 verifiable, permanent, and enforceable;

30 (d) Stimulates investment, especially in low carbon technologies,
31 and rewards innovations that will lead to long-term permanent
32 greenhouse gases reductions;

33 (e) Covers as many sources as is practical while encouraging
34 pollution reductions beyond the capped sources and sectors;

35 (f) Provides appropriate recognition and incentives for early
36 emission reductions;

37 (g) Facilitates linkage to similarly rigorous regional and

1 international greenhouse gases reduction markets and encourages other
2 states, provinces, and countries to join the market;

3 (h) Ensures a transparent and robust accounting system that will
4 measure and report emissions rigorously and consistently across all
5 sectors and throughout all jurisdictions participating in the market
6 system; and

7 (i) Minimizes the potential for leakage.

8 (6) In addition to the information required under subsection (3)(b)
9 of this section, the director and the director of the department of
10 community, trade, and economic development shall submit the following
11 to the legislature by December 15, 2008:

12 (a) Information on progress to date in achieving the requirements
13 of this act;

14 (b) The final recommendations of the climate advisory team,
15 including recommended most promising actions to reduce greenhouse gases
16 emissions or otherwise respond to climate change;

17 (c) A request for additional resources and statutory authority
18 needed to limit and reduce emissions of greenhouse gases consistent
19 with this act including implementation of the most promising
20 recommendations of the climate advisory team; and

21 (d) Recommendations developed in consultation with the department
22 of natural resources as appropriate for policies or programs that may
23 be part of the regional multisector market-based system designed under
24 subsection (3) of this section, to account for, in a way that
25 contributes to achieving the goals of this section:

26 (i) Forestry and agricultural practices that remove atmospheric
27 carbon dioxide on a renewable and recurring basis and sequester it in
28 forests, forest products, and agricultural soils; and

29 (ii) The production and use of energy derived from renewable and
30 recurring biomass sources.

31 **Sec. 4.** RCW 70.94.151 and 2005 c 138 s 1 are each amended to read
32 as follows:

33 (1) The board of any activated authority or the department, may
34 classify air contaminant sources, by ordinance, resolution, rule or
35 regulation, which in its judgment may cause or contribute to air
36 pollution, according to levels and types of emissions and other
37 characteristics which cause or contribute to air pollution, and may

1 require registration or reporting or both for any such class or
2 classes. Classifications made pursuant to this section may be for
3 application to the area of jurisdiction of such authority, or the state
4 as a whole or to any designated area within the jurisdiction, and shall
5 be made with special reference to effects on health, economic and
6 social factors, and physical effects on property. In the case of
7 greenhouse gases emissions, the department shall adopt rules requiring
8 reporting of those emissions. The rules must require that emissions
9 from fossil fuels and those from fuels from biomass are reported
10 separately.

11 (2) Except as provided in subsection (3) of this section, any
12 person operating or responsible for the operation of air contaminant
13 sources of any class for which the ordinances, resolutions, rules or
14 regulations of the department or board of the authority, require
15 registration (~~and~~) or reporting shall register therewith and make
16 reports containing information as may be required by such department or
17 board concerning location, size and height of contaminant outlets,
18 processes employed, nature of the contaminant emission and such other
19 information as is relevant to air pollution and available or reasonably
20 capable of being assembled. For greenhouse gases emissions, the
21 department shall determine by rule whether an air contaminant source
22 must register with and report to the department or a regional or
23 national nonprofit greenhouse gases registry in which the state
24 participates as a member, such as the climate registry. The department
25 or board may require that such registration or reporting be accompanied
26 by a fee payable to the department or board, or for greenhouse gases
27 emissions, to the department or a regional or national nonprofit
28 greenhouse gases registry, and may determine the amount of such fee for
29 such class or classes: PROVIDED, That the amount of the fee shall only
30 be to compensate for the costs of administering such registration or
31 reporting program which shall be defined as initial registration and
32 annual or other periodic reports from the source owner providing
33 information directly related to air pollution registration, on-site
34 inspections necessary to verify compliance with registration
35 requirements, data storage and retrieval systems necessary for support
36 of the registration program, emission inventory reports and emission
37 reduction credits computed from information provided by sources
38 pursuant to registration program requirements, staff review, including

1 engineering or other reliable analysis for accuracy and currentness, of
2 information provided by sources pursuant to registration program
3 requirements, clerical and other office support provided in direct
4 furtherance of the registration program, and administrative support
5 provided in directly carrying out the registration program: PROVIDED
6 FURTHER, That any such registration made with either the board or the
7 department shall preclude a further registration and reporting with any
8 other board or the department, except for greenhouse gases emissions,
9 which must be reported as required under subsection (5) of this
10 section.

11 All registration program and reporting fees collected by the
12 department shall be deposited in the air pollution control account.
13 All registration program fees collected by the local air authorities
14 shall be deposited in their respective treasuries.

15 (3) If a registration or report has been filed for a grain
16 warehouse or grain elevator as required under this section,
17 registration, reporting, or a registration program fee shall not, after
18 January 1, 1997, again be required under this section for the warehouse
19 or elevator unless the capacity of the warehouse or elevator as listed
20 as part of the license issued for the facility has been increased since
21 the date the registration or reporting was last made. If the capacity
22 of the warehouse or elevator listed as part of the license is
23 increased, any registration or reporting required for the warehouse or
24 elevator under this section must be made by the date the warehouse or
25 elevator receives grain from the first harvest season that occurs after
26 the increase in its capacity is listed in the license.

27 This subsection does not apply to a grain warehouse or grain
28 elevator if the warehouse or elevator handles more than ten million
29 bushels of grain annually.

30 (4) For the purposes of subsection (3) of this section:

31 (a) A "grain warehouse" or "grain elevator" is an establishment
32 classified in standard industrial classification (SIC) code 5153 for
33 wholesale trade for which a license is required and includes, but is
34 not limited to, such a licensed facility that also conducts cleaning
35 operations for grain;

36 (b) A "license" is a license issued by the department of
37 agriculture licensing a facility as a grain warehouse or grain elevator
38 under chapter 22.09 RCW or a license issued by the federal government

1 licensing a facility as a grain warehouse or grain elevator for
2 purposes similar to those of licensure for the facility under chapter
3 22.09 RCW; and

4 (c) "Grain" means a grain or a pulse.

5 (5)(a) Except as provided in (b) of this subsection, the department
6 shall, under the authority granted in subsection (1) of this section,
7 adopt rules requiring any person who operates or is responsible for:
8 (i) Operation of on-road motor vehicles that emit at least twenty-five
9 hundred metric tons of greenhouse gases annually in the state to report
10 the greenhouse gases emissions generated from or emitted by those
11 on-road motor vehicles; or (ii) operations that emit at least ten
12 thousand metric tons of greenhouse gases annually in the state to
13 report their total annual greenhouse gases emissions. In calculating
14 greenhouse gases emissions for purposes of determining whether or not
15 reporting is required, only direct emissions are included. The
16 greenhouse gases emissions must be measured or calculated as carbon
17 dioxide equivalents. The rules must require that persons report 2009
18 emissions starting in 2010. The rules must establish an annual
19 reporting schedule that takes into account the time needed to allow the
20 person reporting their greenhouse gases emissions to gather the
21 information needed and to verify the emissions being reported.
22 However, in no event may reports be submitted later than October 31st
23 of the year in which the report is due. The department may phase in
24 the reporting requirements for operations under (a)(ii) of this
25 subsection until the reporting threshold is met, which must be met by
26 January 1, 2012. The department may from time to time amend the rules
27 to include other persons that emit less than the annual greenhouse
28 gases emission levels set out in this subsection if necessary to comply
29 with any federal reporting requirements for greenhouse gases emissions.
30 In its rules, the department may also include reporting of emissions
31 within the threshold established in (a)(ii) of this subsection
32 resulting from upstream and downstream sources.

33 (b) In its rules, the department may exempt persons, classes of
34 persons, or certain types of greenhouse gases emissions from the
35 requirement to report under (a) of this subsection, including persons
36 whose total greenhouse gases emissions meet or exceed the emission
37 levels in (a) of this subsection if the department finds that
38 determining in-state emissions is impractical or onerous. The

1 department shall develop criteria in its rules for determining whether
2 reporting may be impractical or onerous and use those criteria to
3 determine whether or not certain types of emissions, such as commercial
4 air travel emissions, may qualify for exemption from reporting under
5 this subsection. These exemptions must be included in the rules
6 adopted under this subsection.

7 (c) In its rules, the department may require persons who are
8 required to report under (a) of this subsection to report to the
9 department or a regional or national nonprofit greenhouse gases
10 registry in which the state participates as a member, such as the
11 climate registry. If the rules adopted by the department require
12 reporting to a regional or national nonprofit registry, the department
13 shall adopt the protocols and other requirements of the registry in its
14 rules by reference for reporting of in-state emissions. If required to
15 report to a regional or national nonprofit greenhouse gases registry,
16 the person shall pay the reporting fees of the greenhouse gases
17 registry, if any, directly to the registry. The department shall share
18 any reporting information reported to it or to the regional or national
19 nonprofit greenhouse gases registry with the local air authority in
20 which the person reporting under the rules adopted by the department
21 operates.

22 (d) Persons required to report under (a) of this subsection who
23 fail to report or pay the fee are subject to enforcement action
24 including penalties under this chapter. The department shall enforce
25 the reporting rule requirements unless it approves a local air
26 authority's request to enforce the requirements for persons operating
27 within the authority's jurisdiction.

28 (e) The energy facility site evaluation council shall,
29 simultaneously with the department, adopt rules that impose the same
30 greenhouse gases reporting requirements in site certifications on
31 persons operating or responsible for the operation of a facility
32 permitted by the energy facility site evaluation council. The
33 department shall share any information reported to it or to the
34 greenhouse gases registry from facilities permitted by the energy
35 facility site evaluation council with the council, including notice of
36 a facility that has failed to report as required. The energy facility
37 site evaluation council shall contract with the department to enforce
38 the reporting requirements adopted under this section.

1 (f) In developing its rules, the department shall seek to ensure
2 that the reporting allows it to develop a comprehensive inventory of
3 emissions of greenhouse gases from all significant sectors of the
4 Washington economy, including, with the assistance of the department of
5 transportation, identifying a mechanism to report an aggregate estimate
6 of the annual greenhouse gases emissions generated from or emitted by
7 otherwise unreported on-road motor vehicles.

8 (g) The inclusion or failure to include any person, classes of
9 persons, or types of greenhouse gases emissions into the department's
10 rules for reporting under this section does not indicate whether such
11 a person or category is appropriate for inclusion in the multisector
12 market-based system designed under section 3 of this act.

13 **Sec. 5.** RCW 70.94.161 and 1993 c 252 s 5 are each amended to read
14 as follows:

15 The department of ecology, or board of an authority, shall require
16 renewable permits for the operation of air contaminant sources subject
17 to the following conditions and limitations:

18 (1) Permits shall be issued for a term of five years. A permit may
19 be modified or amended during its term at the request of the permittee,
20 or for any reason allowed by the federal clean air act. The rules
21 adopted pursuant to subsection (2) of this section shall include rules
22 for permit amendments and modifications. The terms and conditions of
23 a permit shall remain in effect after the permit itself expires if the
24 permittee submits a timely and complete application for permit renewal.

25 (2)(a) Rules establishing the elements for a statewide operating
26 permit program and the process for permit application and renewal
27 consistent with federal requirements shall be established by the
28 department by January 1, 1993. The rules shall provide that every
29 proposed permit must be reviewed prior to issuance by a professional
30 engineer or staff under the direct supervision of a professional
31 engineer in the employ of the permitting authority. The permit program
32 established by these rules shall be administered by the department and
33 delegated local air authorities. Rules developed under this subsection
34 shall not preclude a delegated local air authority from including in a
35 permit its own more stringent emission standards and operating
36 restrictions.

1 (b) The board of any local air pollution control authority may
2 apply to the department of ecology for a delegation order authorizing
3 the local authority to administer the operating permit program for
4 sources under that authority's jurisdiction. The department shall, by
5 order, approve such delegation, if the department finds that the local
6 authority has the technical and financial resources, to discharge the
7 responsibilities of a permitting authority under the federal clean air
8 act. A delegation request shall include adequate information about the
9 local authority's resources to enable the department to make the
10 findings required by this subsection(~~(+provided)~~). However, any
11 delegation order issued under this subsection shall take effect ninety
12 days after the environmental protection agency authorizes the local
13 authority to issue operating permits under the federal clean air act.

14 (c) Except for the authority granted the energy facility site
15 evaluation council to issue permits for the new construction,
16 reconstruction, or enlargement or operation of new energy facilities
17 under chapter 80.50 RCW, the department may exercise the authority, as
18 delegated by the environmental protection agency, to administer Title
19 IV of the federal clean air act as amended and to delegate such
20 administration to local authorities as applicable pursuant to (b) of
21 this subsection.

22 (3) In establishing technical standards, defined in RCW 70.94.030,
23 the permitting authority shall consider and, if found to be
24 appropriate, give credit for waste reduction within the process.

25 (4) Operating permits shall apply to all sources (a) where required
26 by the federal clean air act, and (b) for any source that may cause or
27 contribute to air pollution in such quantity as to create a threat to
28 the public health or welfare. Subsection (b) of this subsection is not
29 intended to apply to small businesses except when both of the following
30 limitations are satisfied: (i) The source is in an area exceeding or
31 threatening to exceed federal or state air quality standards; and (ii)
32 the department provides a reasonable justification that requiring a
33 source to have a permit is necessary to meet a federal or state air
34 quality standard, or to prevent exceeding a standard in an area
35 threatening to exceed the standard. For purposes of this subsection
36 "areas threatening to exceed air quality standards" shall mean areas
37 projected by the department to exceed such standards within five years.

1 Prior to identifying threatened areas the department shall hold a
2 public hearing or hearings within the proposed areas.

3 (5) Sources operated by government agencies are not exempt under
4 this section.

5 (6) Within one hundred eighty days after the United States
6 environmental protection agency approves the state operating permit
7 program, a person required to have a permit shall submit to the
8 permitting authority a compliance plan and permit application, signed
9 by a responsible official, certifying the accuracy of the information
10 submitted. Until permits are issued, existing sources shall be allowed
11 to operate under presently applicable standards and conditions provided
12 that such sources submit complete and timely permit applications.

13 (7) All draft permits shall be subject to public notice and
14 comment. The rules adopted pursuant to subsection (2) of this section
15 shall specify procedures for public notice and comment. Such
16 procedures shall provide the permitting agency with an opportunity to
17 respond to comments received from interested parties prior to the time
18 that the proposed permit is submitted to the environmental protection
19 agency for review pursuant to section 505(a) of the federal clean air
20 act. In the event that the environmental protection agency objects to
21 a proposed permit pursuant to section 505(b) of the federal clean air
22 act, the permitting authority shall not issue the permit, unless the
23 permittee consents to the changes required by the environmental
24 protection agency.

25 (8) The procedures contained in chapter 43.21B RCW shall apply to
26 permit appeals. The pollution control hearings board may stay the
27 effectiveness of any permit issued under this section during the
28 pendency of an appeal filed by the permittee, if the permittee
29 demonstrates that compliance with the permit during the pendency of the
30 appeal would require significant expenditures that would not be
31 necessary in the event that the permittee prevailed on the merits of
32 the appeal.

33 (9) After the effective date of any permit program promulgated
34 under this section, it shall be unlawful for any person to: (a)
35 Operate a permitted source in violation of any requirement of a permit
36 issued under this section; or (b) fail to submit a permit application
37 at the time required by rules adopted under subsection (2) of this
38 section.

1 (10) Each air operating permit shall state the origin of and
2 specific legal authority for each requirement included therein. Every
3 requirement in an operating permit shall be based upon the most
4 stringent of the following requirements:

5 (a) The federal clean air act and rules implementing that act,
6 including provision of the approved state implementation plan;

7 (b) This chapter and rules adopted thereunder;

8 (c) In permits issued by a local air pollution control authority,
9 the requirements of any order or regulation adopted by that authority;

10 (d) Chapter 70.98 RCW and rules adopted thereunder; and

11 (e) Chapter 80.50 RCW and rules adopted thereunder.

12 (11) Consistent with the provisions of the federal clean air act,
13 the permitting authority may issue general permits covering categories
14 of permitted sources, and temporary permits authorizing emissions from
15 similar operations at multiple temporary locations.

16 (12) Permit program sources within the territorial jurisdiction of
17 an authority delegated the operating permit program shall file their
18 permit applications with that authority, except that permit
19 applications for sources regulated on a statewide basis pursuant to RCW
20 70.94.395 shall be filed with the department. Permit program sources
21 outside the territorial jurisdiction of a delegated authority shall
22 file their applications with the department. Permit program sources
23 subject to chapter 80.50 RCW shall, irrespective of their location,
24 file their applications with the energy facility site evaluation
25 council.

26 (13) When issuing operating permits to coal fired electric
27 generating plants, the permitting authority shall establish
28 requirements consistent with Title IV of the federal clean air act.

29 (14)(a) The department and the local air authorities are authorized
30 to assess and to collect, and each source emitting one hundred tons or
31 more per year of a regulated pollutant shall pay an interim assessment
32 to fund the development of the operating permit program during fiscal
33 year 1994.

34 (b) The department shall conduct a workload analysis and prepare an
35 operating permit program development budget for fiscal year 1994. The
36 department shall allocate among all sources emitting one hundred tons
37 or more per year of a regulated pollutant during calendar year 1992 the

1 costs identified in its program development budget according to a
2 three-tiered model, with each of the three tiers being equally
3 weighted, based upon:

4 (i) The number of sources;

5 (ii) The complexity of sources; and

6 (iii) The size of sources, as measured by the quantity of each
7 regulated pollutant emitted by the source.

8 (c) Each local authority and the department shall collect from
9 sources under their respective jurisdictions the interim fee determined
10 by the department and shall remit the fee to the department.

11 (d) Each local authority may, in addition, allocate its fiscal year
12 1994 operating permit program development costs among the sources under
13 its jurisdiction emitting one hundred tons or more per year of a
14 regulated pollutant during calendar year 1992 and may collect an
15 interim fee from these sources. A fee assessed pursuant to this
16 subsection (14)(d) shall be collected at the same time as the fee
17 assessed pursuant to (c) of this subsection.

18 (e) The fees assessed to a source under this subsection shall be
19 limited to the first seven thousand five hundred tons for each
20 regulated pollutant per year.

21 (15)(a) The department shall determine the persons liable for the
22 fee imposed by subsection (14) of this section, compute the fee, and
23 provide by November 1 ((of)) 1993, the identity of the fee payer with
24 the computation of the fee to each local authority and to the
25 department of revenue for collection. The department of revenue shall
26 collect the fee computed by the department from the fee payers under
27 the jurisdiction of the department. The administrative, collection,
28 and penalty provisions of chapter 82.32 RCW shall apply to the
29 collection of the fee by the department of revenue. The department
30 shall provide technical assistance to the department of revenue for
31 decisions made by the department of revenue pursuant to RCW 82.32.160
32 and 82.32.170. All interim fees collected by the department of revenue
33 on behalf of the department and all interim fees collected by local
34 authorities on behalf of the department shall be deposited in the air
35 operating permit account. The interim fees collected by the local air
36 authorities to cover their permit program development costs under
37 subsection (14)(d) of this section shall be deposited in the dedicated
38 accounts of their respective treasuries.

1 **(b)** All fees identified in this section shall be due and payable on
2 March 1 ((~~of~~)), 1994, except that the local air pollution control
3 authorities may adopt by rule an earlier date on which fees are to be
4 due and payable. The section 5, chapter 252, Laws of 1993 amendments
5 to RCW 70.94.161 do not have the effect of terminating, or in any way
6 modifying, any liability, civil or criminal, incurred pursuant to the
7 provisions of RCW 70.94.161 (15) and (17) as they existed prior to July
8 25, 1993.

9 (16) For sources or source categories not required to obtain
10 permits under subsection (4) of this section, the department or local
11 authority may establish by rule control technology requirements. If
12 control technology rule revisions are made by the department or local
13 authority under this subsection, the department or local authority
14 shall consider the remaining useful life of control equipment
15 previously installed on existing sources before requiring technology
16 changes. The department or any local air authority may issue a general
17 permit, as authorized under the federal clean air act, for such
18 sources.

19 (17) Except in the case of greenhouse gases emissions, RCW
20 70.94.151 shall not apply to any permit program source after the
21 effective date of United States environmental protection agency
22 approval of the state operating permit program.

23 NEW SECTION. **Sec. 6.** Beginning December 1, 2008, the department
24 in consultation with the climate impact group at the University of
25 Washington shall provide a report every four years to the legislature
26 summarizing the science on human caused climate change and provide
27 recommendations regarding whether the greenhouse gases emission
28 reductions required under section 3 of this act need to be updated in
29 light of that science.

30 NEW SECTION. **Sec. 7.** A new section is added to chapter 43.330 RCW
31 to read as follows:

32 (1) The legislature establishes the clean energy jobs growth
33 initiative in support of a clean energy sector jobs goal of, by 2020,
34 increasing the number of clean energy sector jobs to twenty-five
35 thousand from the eight thousand four hundred jobs the state had in
36 2004.

1 (2) The legislature directs the employment security department, in
2 consultation with the department, the state workforce training and
3 education coordinating board, and the Washington State University
4 extension energy program to conduct a survey of employers to estimate
5 the number of clean energy firms in existing Washington state
6 industries. The survey must also provide wage and employment estimates
7 for clean energy sectors. After completing the survey, the employment
8 security department must analyze the current labor market and projected
9 job growth in clean energy sectors, the wage and benefits ranges of
10 jobs within clean energy sectors, and the education and training
11 requirements of entry-level and incumbent workers within those sectors.
12 Based on this research, the department, in consultation with the
13 employment security department, and taking into account the
14 requirements and goals of chapters 80.80 and 19.285 RCW and other state
15 clean energy and energy efficiency policies, shall propose which
16 industries will be considered high-demand green industries, based on
17 current and projected job creation and their strategic importance to
18 the development of the state's clean energy economy, and which jobs
19 within those industries will be considered high-wage occupations and
20 occupations that are part of career pathways to the same, based on
21 family-sustaining wage and benefits ranges. These designations, and
22 the results of the employment security department's broader labor
23 market research, shall inform the planning and strategic direction of
24 the selected industry skill panels under subsection (3) of this
25 section, where timely and relevant, and the selection by the state
26 board for community and technical colleges of recipients of green
27 collar job training account grants under subsection (4) of this
28 section.

29 (3) The state workforce training and education coordinating board
30 shall create and pilot green energy industry skill panels and
31 distribute grants to the panels on a competitive basis. The green
32 energy industry skill panels consist of business representatives from
33 industry sectors related to clean energy, labor unions representing
34 workers in those industries or labor affiliates administering
35 state-approved, joint apprenticeship programs or labor-management
36 partnership programs that train workers for these industries, employer
37 associations, educational institutions, and local workforce investment
38 boards within the region that the panels propose to operate, and other

1 key stakeholders as determined by the applicant. Any of these
2 stakeholder organizations are eligible to receive a grant and serve as
3 the intermediary that convenes and leads the panel. Panel applicants
4 must provide labor market and industry analysis that demonstrates high
5 demand, or demand of strategic importance to the development of the
6 state's clean energy economy as identified in subsection (2) of this
7 section, for high-wage occupations, or occupations that are part of
8 career pathways to the same, within the relevant industry sector. The
9 panel shall:

10 (a) Conduct labor market and industry analyses, in consultation
11 with the employment security department, and drawing on the findings of
12 its research when available;

13 (b) Plan strategies to meet the recruitment and training needs of
14 the industry; and

15 (c) Leverage and align other public and private funding sources.

16 (4) The green collar job training account is created in the state
17 treasury. All receipts from appropriations directed to the account
18 must be deposited in the account. Expenditures from the account may be
19 used only for the purpose of training workers for high-wage occupations
20 or occupations that are part of career pathways to the same in
21 high-demand industries related to clean energy. The state board for
22 community and technical colleges, in consultation with the state
23 workforce training and education coordinating board, and informed by
24 the labor market research of the employment security department and the
25 green energy industry skill panels, may authorize expenditures from the
26 account. The state board for community and technical colleges will
27 distribute grants from the account on a competitive basis. Applicants
28 eligible to receive these grants may be any organization or a
29 partnership of organizations that has demonstrated expertise in:

30 (i) Implementing effective education and training programs that
31 meet industry demand; and

32 (ii) Recruiting and supporting, to successful completion of those
33 training programs carried out under these grants, the target
34 populations of workers under (c) of this subsection.

35 (b) In awarding grants from the green collar job training account,
36 the state board for community and technical colleges shall give
37 priority to applicants that demonstrate the ability to:

1 (i) Use labor market and industry analysis developed by the
2 employment security department and green energy industry skill panels
3 under subsection (3) of this section in the design and delivery of the
4 relevant education and training program, and otherwise utilize
5 strategies developed by green energy industry skill panels;

6 (ii) Leverage and align existing public programs and resources and
7 private resources, toward the goal of recruiting, supporting,
8 educating, and training target populations of workers under (c) of this
9 subsection;

10 (iii) Work collaboratively with other relevant stakeholders in the
11 regional economy;

12 (iv) Link adult basic and remedial education, where necessary, with
13 occupation skills training;

14 (v) Involve employers and, where applicable, labor unions in the
15 determination of relevant skills and competencies and, where relevant,
16 the validation of career pathways; and

17 (vi) Ensure that supportive services, where necessary, are
18 integrated with education and training, and delivered by organizations
19 with direct access to and experience with targeted population of
20 workers identified under (c) of this subsection.

21 (c) Target populations of workers include:

22 (i) Low-income adults and youth in families under two hundred
23 percent of the federal poverty guidelines or a locally defined
24 self-sufficiency standard;

25 (ii) Entry-level or incumbent workers in high-demand green
26 industries who are in, or are preparing for, high-wage occupations; or

27 (iii) Dislocated workers in declining industries who may be
28 retrained for high-wage occupations in high-demand green industries.

29 (d) Allowable uses of these grant funds, which should be used when
30 other public or private funds are insufficient or unavailable, may
31 include:

32 (i) Tuition assistance and the purchase of either books or
33 work-related supplies and tools, or both;

34 (ii) Curriculum development;

35 (iii) Outreach, recruitment, career guidance, counseling, and case
36 management services;

37 (iv) Occupational skills training, on-the-job training, customized
38 training, and classroom training;

1 (v) Basic skills, literacy, general education development
2 certificate, English as a second language, and preapprenticeship
3 training;

4 (vi) Transitional jobs strategies; and

5 (vii) Support services, including income support, child care,
6 transportation, and related services.

7 (5) Beginning in 2010, the state workforce training and education
8 coordinating board shall conduct an evaluation of the job training
9 program established in subsection (4) of this section. The evaluation
10 shall include, but not be limited to, measures of employment, earnings,
11 and skill attainment for participants in the program. The workforce
12 training and education coordinating board shall report the findings of
13 the evaluation to the governor and the relevant policy committees of
14 the legislature by December 1, 2012.

15 NEW SECTION. **Sec. 8.** Except where explicitly stated otherwise,
16 nothing in this act alters or limits any authorities of the department
17 as they existed prior to of the effective date of this section.

18 NEW SECTION. **Sec. 9.** If any provision of this act or its
19 application to any person or circumstance is held invalid, the
20 remainder of the act or the application of the provision to other
21 persons or circumstances is not affected.

22 NEW SECTION. **Sec. 10.** RCW 80.80.020 (Greenhouse gases emissions
23 reduction--Clean energy economy--Goals--Reports) and 2007 c 307 s 3 are
24 each repealed.

25 NEW SECTION. **Sec. 11.** Sections 1 through 3, 6, 8, and 9 of this
26 act constitute a new chapter in Title 70 RCW.

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