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HOUSE BILL 2772

State of Washington 61st Legislature 2010 Regular Session

By Representatives Hinkle, Short, Kretz, McCune, Crouse, Rodne, Kristiansen, Johnson, Taylor, Haler, Ross, Klippert, Shea, Condotta, and Angel

Read first time 01/13/10. Referred to Committee on Ecology & Parks.

- 1 AN ACT Relating to accountability of climate change expenditures;
- amending RCW 70.235.010; adding a new section to chapter 70.235 RCW;
- 3 and creating new sections.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 <u>NEW SECTION.</u> **Sec. 1.** The legislature finds that in order to
- 6 improve efficiency and the use of scarce resources, the state must
- 7 receive the greatest return on the environmental investments it makes.
- 8 Projects that do not return the expected environmental benefits waste
- 9 not only the funds given to the project but also prevent funding from
- 10 being available for projects that would have a positive environmental
- 11 impact.
- 12 The legislature further finds that reliable information and
- 13 accountability are critical to ensuring that environmental projects are
- 14 effective. By setting clear goals, the state can determine what
- 15 projects best promote environmental sustainability and allow the state
- 16 to hold contractors and agencies accountable if those goals are not
- 17 met.
- 18 The legislature believes that by promoting climate accountability,

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- the state can make the most of its resources in the effort to reduce greenhouse gas emissions and promote energy efficiency.
- 3 **Sec. 2.** RCW 70.235.010 and 2008 c 14 s 2 are each amended to read 4 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.
- 10 (2) "Climate advisory team" means the stakeholder group formed in 11 response to executive order 07-02.
- 12 (3) "Climate impacts group" means the University of Washington's climate impacts group.
 - (4) "Department" means the department of ecology.

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- (5) "Direct emissions" means emissions of greenhouse gases from sources of emissions, including stationary combustion sources, mobile combustion emissions, process emissions, and fugitive emissions.
 - (6) "Director" means the director of the department.
- 19 (7) "Greenhouse gas" and "greenhouse gases" includes carbon 20 dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, 21 and sulfur hexafluoride.
- 22 (8) "Indirect emissions" means emissions of greenhouse gases 23 associated with the purchase of electricity, heating, cooling, or 24 steam.
 - (9) "Person" means an individual, partnership, franchise holder, association, corporation, a state, a city, a county, or any subdivision or instrumentality of the state.
 - (10) "Program" means the department's climate change program.
- 29 (11) "Total emissions of greenhouse gases" means all direct 30 emissions and all indirect emissions.
- 31 (12) "Western climate initiative" means the collaboration of 32 states, Canadian provinces, Mexican states, and tribes to design a 33 multisector market-based mechanism as directed under the western 34 regional climate action initiative signed by the governor on February 35 22, 2007.
- 36 (13) "Climate expenditure" means any state expenditure designed to 37 address or reduce greenhouse gas emissions.

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- 1 (14) "CO2e" means carbon dioxide equivalent calculated as 2 greenhouse gases normalized to metric tons of carbon dioxide.
- 3 (15) "Certified carbon offsets" means carbon credits certified to
 4 meet the United Nations' clean development mechanism standards as
 5 adopted prior to January 1, 2010.
- 6 <u>NEW SECTION.</u> **Sec. 3.** A new section is added to chapter 70.235 RCW 7 to read as follows:
 - (1) Any climate expenditure intended to reduce greenhouse gas emissions must, prior to implementation and expenditure, provide the following information:
 - (a) The number of tons of CO2e reduction by the climate action;
 - (b) The total cost to implement the climate action; and
- 13 (c) The cost per ton of CO2e reduction.

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- (2)(a) The state shall regularly audit any climate expenditure contracts to ensure the contracts are meeting performance standards for cost per ton of CO2e, and report its findings. If contractors are not in compliance, the contractor shall:
 - (i) Provide certified carbon offset equivalents in an amount equal to the difference between the actual emissions reductions and the contracted emissions reductions; or
- (ii) Refund a portion of the contracted funds until the cost per ton of CO2e reduction is equivalent to the emission reduction amount included in the contract associated with the climate expenditure.
 - (b) Agencies managing climate expenditure contracts shall regularly provide reports to the legislature outlining the performance of those individual contracts, including:
 - (i) Total tons of CO2e reduced;
 - (ii) Total contract amount; and
- 29 (iii) Cost per ton of CO2e reduced.
- 30 (c) Agencies that fail to complete audits and legislative reports 31 will have all funding for all climate expenditures suspended until the 32 agencies meet the requirements of this section.
- 33 <u>NEW SECTION.</u> **Sec. 4.** This act may be known and cited as the 34 climate change accountability act.

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NEW SECTION. Sec. 5. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

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