
SENATE BILL 5530

State of Washington

57th Legislature

2001 Regular Session

By Senators Fairley, Kline and Kohl-Welles

Read first time 01/25/2001. Referred to Committee on Environment,
Energy & Water.

1 AN ACT Relating to the reduction of greenhouse gases affecting
2 climate change; adding a new chapter to Title 70 RCW; providing an
3 effective date; and declaring an emergency.

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

5 NEW SECTION. **Sec. 1.** The legislature makes the following
6 findings:

7 (1) The overwhelming majority of scientific opinion, as
8 expressed in a recent consensus report of the world's climate
9 research community, has concluded that significant climate change
10 arising from greenhouse gases generated by human activity is
11 already underway.

12 (2) The best available analyses by northwest climate experts
13 now indicate a projected doubling of carbon dioxide in the
14 atmosphere is now expected to increase the average temperature in
15 Washington state four to seven degrees over the next fifty
16 years. This is the same amount of heating that normally occurs over
17 a ten thousand to twenty thousand-year period and is expected to
18 create:

1 (a) Substantial change in the timing, intensity, and
2 distribution of the state's precipitation;

3 (b) Substantial reduction in the state's total snow pack;

4 (c) A thirty to fifty-percent reduction of the natural flow of
5 the Columbia river during the summer; and

6 (d) Significant sea level rise around the state, including
7 Puget Sound, for centuries to come.

8 (3) Such changes are likely to have major, adverse impacts on
9 the state's: (a) Water supply; (b) ability to generate
10 hydroelectricity; (c) air quality; (d) transportation; (e)
11 infectious diseases and public health; (f) agriculture; (g)
12 forestry; (h) fisheries; (i) coastal infrastructure; (j)
13 recreation; and (k) all natural ecosystems including designated
14 wilderness.

15 (4) Carbon dioxide, created by the burning of fossil fuels, is
16 by far the largest source of disrupting greenhouse gases. Current
17 trends indicate that, within fifty to one hundred years, there
18 will be a doubling of atmospheric carbon dioxide over the
19 preindustrial year of 1800. These trends, if left unchecked, will
20 lead to a tripling and quadrupling of atmospheric carbon dioxide
21 over the next century. Stabilizing the atmospheric concentration at
22 twice the current level will require a worldwide capping of the
23 growth of emissions within forty years with a reduction of
24 emissions of over eighty percent thereafter.

25 (5) There has been a breakdown in global leadership on this
26 issue and a response from the United States congress, commensurate
27 with the risks associated here, is not currently foreseeable. The
28 citizens of Washington state have consistently demonstrated
29 extraordinary scientific, technological, visionary, and creative
30 leadership. This kind of leadership is necessary to successfully
31 engage the entire global community in addressing climate
32 change. Consequently, the state of Washington shall strive to emit
33 no net greenhouse gas emissions by the year 2020.

34 (6) The citizens of Washington state are being asked to host an
35 enormous number of new fossil fuel power plants that will increase
36 the state's total greenhouse gas emissions by over thirty percent
37 within the next few years. These plants are projected to emit the

1 equivalent emissions of five and one-half million cars. Over eighty-
2 six percent of the state's emissions of dangerous greenhouse
3 gases are from just two sectors, electricity and transportation.

4 (7) Polluters should normally be expected, as a cost of doing
5 business, to pay the cost to clean up or mitigate their pollution,
6 and that the failure to regulate pollution by greenhouse gases
7 will impact future generations for at least four hundred years. The
8 cost of mitigating greenhouse gas emissions from natural gas
9 plants and transportation is generally expected to cost between
10 three and six percent of the price of the electricity and
11 fuel. Mitigation costs from polluters can be used to dramatically
12 develop and promote the large-scale availability of cost-
13 effective, clean electricity and transportation in Washington
14 state. For purposes of this subsection only, "greenhouse gases"
15 shall include all gases identified for regulation, as of January
16 1, 2001, by the United Nations framework convention on climate
17 change.

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

21 (1) "Board" means the board of directors of the Washington
22 climate center.

23 (2) "Center" means the Washington climate center.

24 (3) "Climate change" means a change of climate attributed
25 directly or indirectly to human activity that alters the
26 composition of the global atmosphere.

27 (4) "Emissions" means the release of greenhouse gases.

28 (5) "Emitter" means the entity releasing greenhouse gases. The
29 "emitter" for:

30 (a) Transportation fuels shall be that party which sells the
31 fuel, not the purchaser; and

32 (b) Electricity produced outside of Washington state, shall be
33 the wholesale seller.

34 (6) "Greenhouse gases" includes only the following gases:
35 Carbon dioxide (CO₂), methane and natural gas (CH₄), and nitrous
36 oxide (N₂O). All carbon neutral emissions are exempt from this
37 chapter, these are: Emissions of carbon dioxide from sources that

1 originally captured the carbon from the atmosphere or hydrosphere
2 within the last five hundred years. This includes, but is not
3 limited to, human or animal respiration and the burning of
4 biofuels.

5 (7) "Mitigate" emissions means to eliminate, or capture-and-
6 store, or to ensure the elimination or capturing and storing of,
7 greenhouse gases.

8 (8) "Most cost-effective" means obtaining the greatest
9 reductions in greenhouse gases per dollar spent.

10 (9) "Permanent" mitigation means to avoid, or remove,
11 greenhouse gases from the atmosphere for a period in excess of two
12 hundred years.

13 (10) "Short-term" mitigation means to avoid, or remove,
14 greenhouse gases from the atmosphere for a period of two hundred
15 years or less.

16 NEW SECTION. **Sec. 3.** The state legislature authorizes the
17 establishment of an independent, nonprofit organization known as
18 the Washington climate center to serve as a central clearinghouse
19 for all climate change activities in the state.

20 NEW SECTION. **Sec. 4.** The center shall be funded through: (1)
21 Cash and in-kind contributions; and (2) administrative fees for
22 services as provided in this chapter.

23 NEW SECTION. **Sec. 5.** (1) The activities of the center shall be
24 directed by a board of directors selected by the governor, for
25 terms of four years, beginning November 1, 2001. The board shall
26 include no less than eleven members as follows:

27 (a) One member from the majority party of both the house of
28 representatives and senate;

29 (b) One member from the minority party of both the house of
30 representatives and senate;

31 (c) One member from the office of the commissioner of public
32 lands;

33 (d) Two members from the nonprofit, climate sector;

34 (e) Two members from the business sector; and

35 (f) Two members from the climate academic sector.

1 (2) The board shall retain and assign staff and volunteers as
2 the board deems necessary. A vote of a majority of the members of
3 the board shall bind the board.

4 NEW SECTION. **Sec. 6.** (1) The duties of the center may
5 include, but are not limited to:

6 (a) Determining current and projected emissions of greenhouse
7 gases in the state;

8 (b) Collecting and sharing scientific and technological data
9 related to climate change;

10 (c) Assisting and collecting all climate contingency planning
11 in the state;

12 (d) Advising relevant sectors of prospective commercial
13 opportunities;

14 (e) Studying and recommending, by January 30, 2002, avenues
15 capping the total amount of greenhouse gas emissions in the state
16 by December 31, 2003;

17 (f) Studying and recommending, by June 30, 2002, the most cost-
18 effective methods for eliminating all net greenhouse gas emissions
19 in the state by December 31, 2020;

20 (g) Studying and recommending, by January 1, 2002, the most
21 cost-effective methods for reducing greenhouse gas emissions from
22 the transportation sector consistent with federal law;

23 (h) Certifying the extent and degree of mitigation projects;

24 (i) Ensuring adequate monitoring and verification of mitigation
25 projects;

26 (j) Serving as a central, independent registry for the trading
27 of emissions credits; and

28 (k) Submitting a report of progress to the legislature by
29 December 31st of each year.

30 (2) The center shall:

31 (a) Draft and publish its rules of operation, calculations, and
32 methods;

33 (b) Accomplish any other duty assigned to it by the legislature
34 for which adequate funding is provided; and

35 (c) Provide an annual report to the governor and legislature by
36 December 31st regarding the implementation of this chapter.

37 (3) The center may also:

1 (a) Identify key sectors within the state likely to be affected
2 adversely by climate change;

3 (b) Notify and convene meetings of key members of those
4 sectors;

5 (c) Provide relevant scientific and technological information
6 to the public and key sectors;

7 (d) Support a collaborative response to assist those sectors;
8 and

9 (e) Assist in the creation of effective contingency planning
10 for those sectors.

11 (4) The following agencies and programs shall work with the
12 center to establish contingency planning under subsection (3) of
13 this section: The department of community, trade, and economic
14 development, the department of ecology, the department of
15 transportation, and the Washington State University energy
16 program.

17 NEW SECTION. **Sec. 7.** (1) All emitters of greenhouse gases from
18 the production of electricity and the burning of transportation
19 fuels are required to mitigate their emissions effective January
20 1, 2002.

21 (2) Emissions of greenhouse gases from all other sectors,
22 including, but not limited to, agriculture, aluminum, cement,
23 forestry, natural gas for heating, and solid waste are exempt from
24 the provisions of this chapter through the year 2006. The board may
25 extend all or part of the exemption if it believes the state can
26 attain a level of no net greenhouse gas emissions by the year 2020
27 without directly addressing emissions from those sectors.

28 (3) Emitters shall either: (a) Secure their own mitigation
29 projects; or (b) remit the cost of mitigation to the center for
30 selection of mitigation projects. Any and all emissions credits
31 earned as a result of mitigation secured through the center shall
32 be owned by the citizens of the state of Washington, not the
33 emitter.

34 (4) While emitters may support mitigation projects outside the
35 state of Washington, for purposes of this chapter, only those
36 mitigation projects located within the state of Washington shall
37 qualify as mitigating emissions.

1 (5) The center shall:

2 (a) Determine and certify the amount of mitigation accomplished
3 by any mitigation project;

4 (b) Determine what, if any, monitoring and verification is
5 required for any mitigation project and assign the costs of
6 monitoring and verification to the emitter; and

7 (c) For any mitigation projects not completed within two
8 calendar years of the calendar year of the emissions, set a
9 standard and discount the future value of projects taking more
10 than two years to mitigate.

11 (6) All entities engaged in, or purchasing, mitigation projects
12 shall remit to the center a sum equivalent to five percent of the
13 cost of the mitigation projects for administrative purposes.

14 NEW SECTION. **Sec. 8.** (1) To encourage emitters to plan and
15 substitute clean technologies, any emitter choosing to purchase
16 mitigation through the center for the years 2002 through 2005,
17 shall pay the following prices:

18 (a) For the year 2002 - two dollars per ton;

19 (b) For the year 2003 - three dollars per ton;

20 (c) For the year 2004 - four dollars per ton; and

21 (d) For the year 2005 - five dollars per ton.

22 (2)(a) By January 1st of every other year, beginning in 2004,
23 the board shall recommend to the legislature: (i) The price of
24 mitigation projects paid through the center effective two years
25 thereafter, and (ii) what, if any, portion of the mitigation funds
26 should be used for mitigation projects outside the state of
27 Washington.

28 (b) In making its recommendations, the board shall be guided by
29 the commitment that: (i) Washington state emit no net greenhouse
30 gas emissions by the year 2020 or earlier, (b) the price shall
31 increase by at least one dollar per year, and (c) clean and
32 efficient technologies in Washington state shall be supported.

33 (3) The center shall use all mitigation funds, not including
34 administrative or verification fees, to purchase or otherwise
35 secure the most cost-effective, permanent mitigation projects
36 available within Washington state.

1 (4) To facilitate this transition, for calendar years 2002
2 through 2005, the center shall direct additional assistance to the
3 following sectors in Washington state as follows:

4 (a) Seven and one-half percent of mitigation funds, not
5 including administrative or verification fees, to support the most
6 effective, short-term mitigation projects presented by the
7 forestry and agriculture sectors of Washington state; and

8 (b) Seven and one-half percent of all mitigation funds, not
9 including administrative or verification fees, to support the most
10 effective proposals presented by the energy conservation and
11 renewable energy sectors in Washington state that would not
12 otherwise qualify on cost-competitive grounds under subsection (3)
13 of this section.

14 (5) Effective January 2006, while additional or continued
15 assistance may be provided to these sectors, that assistance shall
16 in no way reduce, directly or indirectly, the complete and full
17 permanent mitigation of emissions.

18 NEW SECTION. **Sec. 9.** Any person may privately enforce in the
19 superior court any mandatory provision of this chapter by: (1)
20 Giving the alleged violator written notice of the allegation; and
21 (2) providing the alleged violator with forty-five days to comply
22 with the terms of this chapter. If the alleged violator still does
23 not appear to have complied with this chapter, any person may
24 bring an action against the alleged violator. The prevailing party
25 is entitled to costs and attorneys' fees.

26 NEW SECTION. **Sec. 10.** Sections 1 through 9 of this act
27 constitute a new chapter in Title 70 RCW.

28 NEW SECTION. **Sec. 11.** This act is necessary for the immediate
29 preservation of the public peace, health, or safety, or support of
30 the state government and its existing public institutions, and
31 takes effect July 1, 2001.

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