State of Washington 60th Legislature 2008 Regular Session

By Representatives Dunshee, Priest, Linville, Upthegrove, Nelson, Goodman, Hurst, Lantz, Hunt, Cody, McCoy, Quall, Pettigrew, Fromhold, Dickerson, Darneille, Appleton, Green, Sells, Pedersen, Jarrett, Conway, Morrell, Miloscia, Sullivan, Schual-Berke, McIntire, Williams, Hudgins, Simpson, Ericks, VanDeWege, and Ormsby; by request of Governor Gregoire

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

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

NEW SECTION. Sec. 1. (1) The legislature finds that Washington has long been a national and international leader on energy conservation and environmental stewardship efforts, including air quality protections, 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 goals to reduce greenhouse gas emissions, it has established goals to grow the clean energy sector and reduce its use of imported fuels.

(2) The legislature further finds that the purpose of this act is to continue Washington's leadership on climate change policy. More specifically, this act is intended to make progress in reducing
greenhouse gas emissions, create accountability for achieving the goals established in section 3 of this act, and ensure the state has a well trained workforce for our clean energy future.

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

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

(5) It is also the intent of the legislature that a regional multisector market-based system will become effective by January 1, 2012, after authority is provided to the department of ecology for its implementation. By enacting this act, 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.

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

(7) It is also the intent of the legislature that if any revenues that accrue to the state are created by the multisector market-based system, they will be used to further the state's efforts to achieve the goals established in section 3 of this act, 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.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(15) "Verifiable" means capable of being substantiated on the basis of information and documentation that can be inspected by one or more parties, and shown to be complete, accurate, and prepared in accordance
with publicly available methodologies and protocols for the measurement and quantification of greenhouse gases emissions or sequestered carbon dioxide.

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

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

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

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

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

(i) Develop and implement a system for monitoring and reporting greenhouse gases emissions 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 currently in effect that have been previously adopted by the state and policies adopted in the future, and report on that progress.

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

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

(b) By December 15, 2008, the director and the director of the department of community, trade, and economic development shall deliver to the legislature specific recommendations for implementing the
preferred design of a regional multisector market-based system. These recommendations must include:

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

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

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

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

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

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

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

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

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

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

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

(g) Facilitates linkage to similarly rigorous regional and
international greenhouse gases reduction markets and encourages other
states, provinces, and countries to join the market;

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

(i) Minimizes the potential for leakage.

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

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

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

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

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

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

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

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

(1) The board of any activated authority or the department, may
classify air contaminant sources, by ordinance, resolution, rule or
regulation, which in its judgment may cause or contribute to air
pollution, according to levels and types of emissions and other
characteristics which cause or contribute to air pollution, and may
require registration or reporting or both for any such class or classes. Classifications made pursuant to this section may be for application to the area of jurisdiction of such authority, or the state as a whole or to any designated area within the jurisdiction, and shall be made with special reference to effects on health, economic and social factors, and physical effects on property. **In the case of greenhouse gases emissions, the department shall adopt rules requiring reporting of those emissions.** The rules must require that emissions from fossil fuels and those from fuels from biomass are reported separately.

(2) Except as provided in subsection (3) of this section, any person operating or responsible for the operation of air contaminant sources of any class for which the ordinances, resolutions, rules or regulations of the department or board of the authority, require registration or reporting shall register therewith and make reports containing information as may be required by such department or board concerning location, size and height of contaminant outlets, processes employed, nature of the contaminant emission and such other information as is relevant to air pollution and available or reasonably capable of being assembled. **For greenhouse gases emissions, the department shall determine by rule whether an air contaminant source must register with and report to the department or a regional or national nonprofit greenhouse gases registry in which the state participates as a member, such as the climate registry.** The department or board may require that such registration or reporting be accompanied by a fee payable to the department or board, or for greenhouse gases emissions, to the department or a regional or national nonprofit greenhouse gases registry, and may determine the amount of such fee for such class or classes: PROVIDED, That the amount of the fee shall only be to compensate for the costs of administering such registration or reporting program which shall be defined as initial registration and annual or other periodic reports from the source owner providing information directly related to air pollution registration, on-site inspections necessary to verify compliance with registration requirements, data storage and retrieval systems necessary for support of the registration program, emission inventory reports and emission reduction credits computed from information provided by sources pursuant to registration program requirements, staff review, including
engineering or other reliable analysis for accuracy and currentness, of
information provided by sources pursuant to registration program
requirements, clerical and other office support provided in direct
furtherance of the registration program, and administrative support
provided in directly carrying out the registration program: PROVIDED
FURTHER, That any such registration made with either the board or the
department shall preclude a further registration and reporting with any
other board or the department, except for greenhouse gases emissions,
which must be reported as required under subsection (5) of this
section.

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

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

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

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

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

(b) A "license" is a license issued by the department of
agriculture licensing a facility as a grain warehouse or grain elevator
under chapter 22.09 RCW or a license issued by the federal government
licensing a facility as a grain warehouse or grain elevator for purposes similar to those of licensure for the facility under chapter 22.09 RCW; and

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

(5)(a) Except as provided in (b) of this subsection, the department shall, under the authority granted in subsection (1) of this section, adopt rules requiring any person who operates or is responsible for:

(i) Operation of on-road motor vehicles that emit at least twenty-five hundred metric tons of greenhouse gases annually in the state to report the greenhouse gases emissions generated from or emitted by those on-road motor vehicles; or (ii) operations that emit at least ten thousand metric tons of greenhouse gases annually in the state to report their total annual greenhouse gases emissions. In calculating greenhouse gases emissions for purposes of determining whether or not reporting is required, only direct emissions are included. The greenhouse gases emissions must be measured or calculated as carbon dioxide equivalents. The rules must require that persons report 2009 emissions starting in 2010. The rules must establish an annual reporting schedule that takes into account the time needed to allow the person reporting their greenhouse gases emissions to gather the information needed and to verify the emissions being reported. However, in no event may reports be submitted later than October 31st of the year in which the report is due. The department may phase in the reporting requirements for operations under (a)(ii) of this subsection until the reporting threshold is met, which must be met by January 1, 2012. The department may from time to time amend the rules to include other persons that emit less than the annual greenhouse gases emission levels set out in this subsection if necessary to comply with any federal reporting requirements for greenhouse gases emissions. In its rules, the department may also include reporting of emissions within the threshold established in (a)(ii) of this subsection resulting from upstream and downstream sources.

(b) In its rules, the department may exempt persons, classes of persons, or certain types of greenhouse gases emissions from the requirement to report under (a) of this subsection, including persons whose total greenhouse gases emissions meet or exceed the emission levels in (a) of this subsection if the department finds that determining in-state emissions is impractical or onerous. The
department shall develop criteria in its rules for determining whether reporting may be impractical or onerous and use those criteria to determine whether or not certain types of emissions, such as commercial air travel emissions, may qualify for exemption from reporting under this subsection. These exemptions must be included in the rules adopted under this subsection.

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

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

(e) The energy facility site evaluation council shall, simultaneously with the department, adopt rules that impose the same greenhouse gases reporting requirements in site certifications on persons operating or responsible for the operation of a facility permitted by the energy facility site evaluation council. The department shall share any information reported to it or to the greenhouse gases registry from facilities permitted by the energy facility site evaluation council with the council, including notice of a facility that has failed to report as required. The energy facility site evaluation council shall contract with the department to enforce the reporting requirements adopted under this section.
(f) In developing its rules, the department shall seek to ensure that the reporting allows it to develop a comprehensive inventory of emissions of greenhouse gases from all significant sectors of the Washington economy, including, with the assistance of the department of transportation, identifying a mechanism to report an aggregate estimate of the annual greenhouse gases emissions generated from or emitted by otherwise unreported on-road motor vehicles.

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

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

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

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

(2)(a) Rules establishing the elements for a statewide operating permit program and the process for permit application and renewal consistent with federal requirements shall be established by the department by January 1, 1993. The rules shall provide that every proposed permit must be reviewed prior to issuance by a professional engineer or staff under the direct supervision of a professional engineer in the employ of the permitting authority. The permit program established by these rules shall be administered by the department and delegated local air authorities. Rules developed under this subsection shall not preclude a delegated local air authority from including in a permit its own more stringent emission standards and operating restrictions.
(b) The board of any local air pollution control authority may apply to the department of ecology for a delegation order authorizing the local authority to administer the operating permit program for sources under that authority's jurisdiction. The department shall, by order, approve such delegation, if the department finds that the local authority has the technical and financial resources, to discharge the responsibilities of a permitting authority under the federal clean air act. A delegation request shall include adequate information about the local authority's resources to enable the department to make the findings required by this subsection. However, any delegation order issued under this subsection shall take effect ninety days after the environmental protection agency authorizes the local authority to issue operating permits under the federal clean air act.

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

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

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

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

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

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

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

(9) After the effective date of any permit program promulgated under this section, it shall be unlawful for any person to: (a) Operate a permitted source in violation of any requirement of a permit issued under this section; or (b) fail to submit a permit application at the time required by rules adopted under subsection (2) of this section.
(10) Each air operating permit shall state the origin of and specific legal authority for each requirement included therein. Every requirement in an operating permit shall be based upon the most stringent of the following requirements:

(a) The federal clean air act and rules implementing that act, including provision of the approved state implementation plan;
(b) This chapter and rules adopted thereunder;
(c) In permits issued by a local air pollution control authority, the requirements of any order or regulation adopted by that authority;
(d) Chapter 70.98 RCW and rules adopted thereunder; and
(e) Chapter 80.50 RCW and rules adopted thereunder.

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

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

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

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

(b) The department shall conduct a workload analysis and prepare an operating permit program development budget for fiscal year 1994. The department shall allocate among all sources emitting one hundred tons or more per year of a regulated pollutant during calendar year 1992 the
costs identified in its program development budget according to a
three-tiered model, with each of the three tiers being equally
weighted, based upon:

(i) The number of sources;

(ii) The complexity of sources; and

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

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

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

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

(15)(a) The department shall determine the persons liable for the
fee imposed by subsection (14) of this section, compute the fee, and
provide by November 1 (of 1993), the identity of the fee payer with
the computation of the fee to each local authority and to the
department of revenue for collection. The department of revenue shall
collect the fee computed by the department from the fee payers under
the jurisdiction of the department. The administrative, collection,
and penalty provisions of chapter 82.32 RCW shall apply to the
collection of the fee by the department of revenue. The department
shall provide technical assistance to the department of revenue for
decisions made by the department of revenue pursuant to RCW 82.32.160
and 82.32.170. All interim fees collected by the department of revenue
on behalf of the department and all interim fees collected by local
authorities on behalf of the department shall be deposited in the air
operating permit account. The interim fees collected by the local air
authorities to cover their permit program development costs under
subsection (14)(d) of this section shall be deposited in the dedicated
accounts of their respective treasuries.
(b) All fees identified in this section shall be due and payable on March 1, 1994, except that the local air pollution control authorities may adopt by rule an earlier date on which fees are to be due and payable. The section 5, chapter 252, Laws of 1993 amendments to RCW 70.94.161 do not have the effect of terminating, or in any way modifying, any liability, civil or criminal, incurred pursuant to the provisions of RCW 70.94.161 (15) and (17) as they existed prior to July 25, 1993.

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

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

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

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

(1) The legislature establishes the clean energy jobs growth initiative in support of a clean energy sector jobs goal of, by 2020, increasing the number of clean energy sector jobs to twenty-five thousand from the eight thousand four hundred jobs the state had in 2004.
(2) The legislature directs the employment security department, in consultation with the department, the state workforce training and education coordinating board, and the Washington State University extension energy program to conduct a survey of employers to estimate the number of clean energy firms in existing Washington state industries. The survey must also provide wage and employment estimates for clean energy sectors. After completing the survey, the employment security department must analyze the current labor market and projected job growth in clean energy sectors, the wage and benefits ranges of jobs within clean energy sectors, and the education and training requirements of entry-level and incumbent workers within those sectors. Based on this research, the department, in consultation with the employment security department, and taking into account the requirements and goals of chapters 80.80 and 19.285 RCW and other state clean energy and energy efficiency policies, shall propose which industries will be considered high-demand green industries, based on current and projected job creation and their strategic importance to the development of the state's clean energy economy, and which jobs within those industries will be considered high-wage occupations and occupations that are part of career pathways to the same, based on family-sustaining wage and benefits ranges. These designations, and the results of the employment security department's broader labor market research, shall inform the planning and strategic direction of the selected industry skill panels under subsection (3) of this section, where timely and relevant, and the selection by the state board for community and technical colleges of recipients of green collar job training account grants under subsection (4) of this section.

(3) The state workforce training and education coordinating board shall create and pilot green energy industry skill panels and distribute grants to the panels on a competitive basis. The green energy industry skill panels consist of business representatives from industry sectors related to clean energy, labor unions representing workers in those industries or labor affiliates administering state-approved, joint apprenticeship programs or labor-management partnership programs that train workers for these industries, employer associations, educational institutions, and local workforce investment boards within the region that the panels propose to operate, and other
key stakeholders as determined by the applicant. Any of these stakeholder organizations are eligible to receive a grant and serve as the intermediary that convenes and leads the panel. Panel applicants must provide labor market and industry analysis that demonstrates high demand, or demand of strategic importance to the development of the state's clean energy economy as identified in subsection (2) of this section, for high-wage occupations, or occupations that are part of career pathways to the same, within the relevant industry sector. The panel shall:

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

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

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

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

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

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

(b) In awarding grants from the green collar job training account, the state board for community and technical colleges shall give priority to applicants that demonstrate the ability to:
(i) Use labor market and industry analysis developed by the employment security department and green energy industry skill panels under subsection (3) of this section in the design and delivery of the relevant education and training program, and otherwise utilize strategies developed by green energy industry skill panels;

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

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

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

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

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

(c) Target populations of workers include:

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

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

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

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

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

(ii) Curriculum development;

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

(iv) Occupational skills training, on-the-job training, customized training, and classroom training;
(v) Basic skills, literacy, general education development certificate, English as a second language, and preapprenticeship training;

(vi) Transitional jobs strategies; and

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

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

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

NEW SECTION. Sec. 9. 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.

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

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

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