
SUBSTITUTE SENATE BILL 6516

State of Washington

60th Legislature

2008 Regular Session

By Senate Water, Energy & Telecommunications (originally sponsored 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 01/30/08.

1 AN ACT Relating to creating a framework for reducing greenhouse gas
2 emissions in the Washington economy; amending RCW 70.94.151 and
3 70.94.161; adding a new section to chapter 47.01 RCW; adding a new
4 section to chapter 43.330 RCW; adding a new chapter to Title 70 RCW;
5 and repealing RCW 80.80.020.

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

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

17 (2) The legislature further finds that Washington should continue
18 its leadership on climate change policy by creating accountability for
19 achieving the emission reductions established in section 3 of this act,

1 participating in the design of a regional multisector market-based
2 system to help achieve those emission reductions, and ensuring the
3 state has a well trained workforce for our clean energy future.

4 (3) It is the intent of the legislature that:

5 (a) The regional multisector market-based system designed as a
6 result of this act will: (i) Limit and reduce emissions of greenhouse
7 gas consistent with the emission reductions established in section 3 of
8 this act; (ii) minimize the potential to export pollution, jobs, and
9 economic opportunities; and (iii) reduce emissions at the lowest
10 overall cost to the economy, consumers, and businesses;

11 (b) The regional multisector market-based system will become
12 effective by January 1, 2012, after authority is provided to the
13 department for its implementation. By acting now, Washington
14 businesses and citizens will have adequate time and opportunities to be
15 well positioned to take advantage of the low-carbon economy and to make
16 necessary investments in low-carbon technology;

17 (c) The regional multisector market-based system recognize
18 Washington's unique emissions portfolio, the opportunities presented by
19 Washington's abundant forest resources and agriculture land, the
20 state's leadership in the actions it has already undertaken that have
21 reduced its generation of greenhouse gas emissions, and that entities
22 receive appropriate credit for early voluntary reductions actions to
23 reduce greenhouse gases; and

24 (d) If any revenues that accrue to the state are created by the
25 multisector market-based system, they will be used to further the
26 state's efforts to achieve the goals established in section 3 of this
27 act, address the impacts of global warming on affected habitats,
28 species, and communities, and increase investment in the clean energy
29 economy particularly for communities and workers that have suffered
30 from heavy job losses and chronic unemployment and underemployment.

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

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

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

- 1 (3) "Climate impacts group" means the University of Washington's
2 climate impacts group.
- 3 (4) "Department" means the department of ecology.
- 4 (5) "Direct emissions" means emissions from sources of emissions,
5 including stationary combustion sources, mobile combustion emissions,
6 process emissions, and fugitive emissions.
- 7 (6) "Director" means the director of the department.
- 8 (7) "Downstream" means the point where greenhouse gases are
9 emitted.
- 10 (8) "Greenhouse gas" and "greenhouse gas emissions" have the same
11 meaning as "greenhouse gases" as defined in RCW 80.80.010.
- 12 (9) "Indirect emissions" means emissions associated with the
13 purchase of electricity, heating, cooling, or steam.
- 14 (10) "Motor vehicle" has the same meaning as defined in RCW
15 46.04.320.
- 16 (11) "Person" means an individual, partnership, franchise holder,
17 association, corporation, a state, a city, a county, or any subdivision
18 or instrumentality of a state.
- 19 (12) "Program" means the department's climate change program.
- 20 (13) "Total greenhouse gas emissions" means all direct emissions
21 and all indirect emissions.
- 22 (14) "Upstream" means the point where products that will result in
23 greenhouse gas emissions are produced or come into the state.
- 24 (15) "Western climate initiative" means the collaboration of
25 states, Canadian provinces, Mexican states, and tribes to design a
26 multisector market-based mechanism as directed under the western
27 regional climate action initiative signed by the governor on February
28 22, 2007.

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

- 32 (i) By 2020, reduce overall greenhouse gas emissions in the state
33 to 1990 levels;
- 34 (ii) By 2035, reduce overall greenhouse gas emissions in the state
35 to twenty-five percent below 1990 levels;
- 36 (iii) By 2050, the state will do its part to reach global climate

1 stabilization levels by reducing overall emissions to fifty percent
2 below 1990 levels, or seventy percent below the state's expected
3 emissions that year.

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

6 (i) Develop and implement a system for monitoring and reporting
7 greenhouse gas emissions as required under RCW 70.94.151; and

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

12 (2) By December 31st of each even-numbered year beginning in 2010,
13 the department and the department of community, trade, and economic
14 development shall report to the governor and the appropriate committees
15 of the senate and house of representatives the total greenhouse gas
16 emissions for the preceding two years, and totals in each major source
17 sector. The department shall ensure that the reporting rules adopted
18 under section 4 of this act allow it to develop a comprehensive
19 inventory of emissions of greenhouse gases from all significant sectors
20 of the Washington economy.

21 (3)(a) The director shall develop, in coordination with the western
22 climate initiative, a design for a regional multisector market-based
23 system to limit and reduce emissions of greenhouse gas consistent with
24 the emission reductions established in subsection (1) of this section.

25 (b) By December 1, 2008, the director and the director of the
26 department of community, trade, and economic development shall deliver
27 to the legislature specific recommendations for implementing the
28 preferred design of a regional multisector market-based system,
29 including how the intent of the legislature expressed in section 1(3)
30 (a) and (c) of this act have been addressed. These recommendations
31 must include:

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

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

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

1 (4) In developing the design, the department shall provide
2 opportunity for public review and comment.

3 (5) In addition to the program design requirements of subsection
4 (1) of this section, the department shall design for legislative
5 consideration a program to achieve the greenhouse gas emissions
6 reductions required in this section through measures that:

7 (a) Provide a direct price signal applied at the level of the first
8 possession of fossil fuels in the state;

9 (b) Offer predictability as to the cost to reduce emissions on a
10 per emissions unit basis;

11 (c) Employ existing institutions, mechanisms, and emissions data to
12 simplify implementation and administration;

13 (d) Could be implemented with a similar regional or national
14 program were such a regional or national program to be authorized;

15 (e) Prevent manipulation of commodity prices by purchasers of
16 fossil fuels;

17 (f) Apply broadly to all sectors of the economy that directly
18 consume fossil fuels, as well as include the carbon emissions embedded
19 within products imported into and consumed within the state; and

20 (g) May be implemented in ways that are integrated with the program
21 developed under subsection (1) of this section.

22 (6) In addition to the information required under subsection (3)(b)
23 of this section, the director and the director of the department of
24 community, trade, and economic development shall submit the following
25 to the legislature by December 1, 2008:

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

28 (b) The final recommendations of the climate advisory team,
29 including recommended most promising actions to reduce greenhouse gas
30 emissions or otherwise respond to climate change. These
31 recommendations must include strategies to adopt a low-carbon fuel
32 standard, to meet and exceed the renewable fuel standards in RCW
33 19.112.110 and 19.112.120, and recommendations to increase the use of
34 clean technology vehicles such as plug-in hybrid electric vehicles,
35 zero emission vehicles, and other clean vehicle technologies;

36 (c) A request for additional resources and statutory authority
37 needed to limit and reduce emissions of greenhouse gas consistent with

1 this act including implementation of the most promising recommendations
2 of the climate advisory team;

3 (d) Recommendations on how local governments could be included in
4 the multisector market-based system designed under subsection (3) of
5 this section; and

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

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

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

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

18 (1) The board of any activated authority or the department, may
19 classify air contaminant sources, by ordinance, resolution, rule or
20 regulation, which in its judgment may cause or contribute to air
21 pollution, according to levels and types of emissions and other
22 characteristics which cause or contribute to air pollution, and may
23 require registration or reporting or both for any such class or
24 classes. Classifications made pursuant to this section may be for
25 application to the area of jurisdiction of such authority, or the state
26 as a whole or to any designated area within the jurisdiction, and shall
27 be made with special reference to effects on health, economic and
28 social factors, and physical effects on property. In the case of
29 greenhouse gas emissions as defined in section 2 of this act, the
30 department shall adopt rules requiring reporting of those emissions.
31 The rules must require that emissions from fossil fuels and those from
32 fuels from biomass are reported separately.

33 (2) Except as provided in subsection (3) of this section, any
34 person operating or responsible for the operation of air contaminant
35 sources of any class for which the ordinances, resolutions, rules or
36 regulations of the department or board of the authority, require
37 registration (~~and~~) or reporting shall register therewith and make

1 reports containing information as may be required by such department or
2 board concerning location, size and height of contaminant outlets,
3 processes employed, nature of the contaminant emission and such other
4 information as is relevant to air pollution and available or reasonably
5 capable of being assembled. For greenhouse gas emissions as defined in
6 section 2 of this act, the department shall determine by rule whether
7 an air contaminant source must register with and report to the
8 department. The department or board may require that such registration
9 or reporting be accompanied by a fee, and may determine the amount of
10 such fee for such class or classes: PROVIDED, That the amount of the
11 fee shall only be to compensate for the costs of administering such
12 registration or reporting program which shall be defined as initial
13 registration and annual or other periodic reports from the source owner
14 providing information directly related to air pollution registration,
15 on-site inspections necessary to verify compliance with registration
16 requirements, data storage and retrieval systems necessary for support
17 of the registration program, emission inventory reports and emission
18 reduction credits computed from information provided by sources
19 pursuant to registration program requirements, staff review, including
20 engineering or other reliable analysis for accuracy and currentness, of
21 information provided by sources pursuant to registration program
22 requirements, clerical and other office support provided in direct
23 furtherance of the registration program, and administrative support
24 provided in directly carrying out the registration program: PROVIDED
25 FURTHER, That any such registration made with either the board or the
26 department shall preclude a further registration and reporting with any
27 other board or the department, except for greenhouse gas emissions as
28 defined in section 2 of this act, which must be reported as required
29 under subsection (5) of this section.

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

34 (3) If a registration or report has been filed for a grain
35 warehouse or grain elevator as required under this section,
36 registration, reporting, or a registration program fee shall not, after
37 January 1, 1997, again be required under this section for the warehouse
38 or elevator unless the capacity of the warehouse or elevator as listed

1 as part of the license issued for the facility has been increased since
2 the date the registration or reporting was last made. If the capacity
3 of the warehouse or elevator listed as part of the license is
4 increased, any registration or reporting required for the warehouse or
5 elevator under this section must be made by the date the warehouse or
6 elevator receives grain from the first harvest season that occurs after
7 the increase in its capacity is listed in the license.

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

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

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

17 (b) A "license" is a license issued by the department of
18 agriculture licensing a facility as a grain warehouse or grain elevator
19 under chapter 22.09 RCW or a license issued by the federal government
20 licensing a facility as a grain warehouse or grain elevator for
21 purposes similar to those of licensure for the facility under chapter
22 22.09 RCW; and

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

24 (5)(a) Except as provided in (b) of this subsection, the department
25 shall, under the authority granted in subsection (1) of this section,
26 adopt rules requiring annual reporting of total greenhouse gas
27 emissions by any person who operates or is responsible for: (i)
28 Operation of on-road motor vehicles that emit at least twenty-five
29 hundred metric tons of greenhouse gas annually in the state to report
30 the greenhouse gas emissions generated from or emitted by those on-road
31 motor vehicles; or (ii) operations that emit at least ten thousand
32 metric tons of greenhouse gas annually in the state. In calculating
33 greenhouse gas emissions for purposes of determining whether or not
34 reporting is required, only direct emissions shall be included. The
35 greenhouse gas emissions must be reported as carbon dioxide
36 equivalents. The rules must require that persons report 2009 emissions
37 starting in 2010. The rules must establish an annual reporting
38 schedule that takes into account the time needed to allow the person

1 reporting their greenhouse gas emissions to gather the information
2 needed and to verify the emissions being reported. However, in no
3 event may reports be submitted later than October 31st of the year in
4 which the report is due. The department may phase in the reporting
5 requirements for operations under (a)(ii) of this subsection until the
6 reporting threshold is met, which must be met by January 1, 2012. The
7 department may from time to time amend the rules to include other
8 persons that emit less than the annual greenhouse gas emission levels
9 set out in this subsection if necessary to comply with any federal
10 reporting requirements for greenhouse gas emissions. In its rules, the
11 department may also include reporting of emissions within the threshold
12 established in (a)(ii) of this subsection resulting from upstream and
13 downstream sources.

14 (b) In its rules, the department may defer the reporting
15 requirement under (a) of this subsection for emissions associated with
16 interstate commercial aircraft, rail, or marine vessels until (i) there
17 is a federal requirement to report these emissions; or (ii) the
18 department finds that there is a generally accepted reporting protocol
19 for determining interstate emissions from these sources.

20 (c) The department shall share any reporting information reported
21 to it with the local air authority in which the person reporting under
22 the rules adopted by the department operates.

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

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

1 (f) In developing its rules, the department shall, with the
2 assistance of the department of transportation, identify a mechanism to
3 report an aggregate estimate of the annual greenhouse gas emissions
4 generated from or emitted by otherwise unreported on-road motor
5 vehicles.

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

11 (h) Should the federal government adopt rules governing the
12 reporting of greenhouse gases, the department shall propose amendments
13 to its rules, as necessary, to ensure administrative consistency with
14 the federal rules and to ensure duplicate reporting is not required.
15 Nothing in this section requires the department to increase the
16 reporting threshold established in (a) of this subsection or otherwise
17 requires the department's rules be identical to the federal rules in
18 scope.

19 (i) The definitions in section 2 of this act apply throughout this
20 subsection (5) unless the context clearly requires otherwise.

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

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

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

33 (2)(a) Rules establishing the elements for a statewide operating
34 permit program and the process for permit application and renewal
35 consistent with federal requirements shall be established by the
36 department by January 1, 1993. The rules shall provide that every
37 proposed permit must be reviewed prior to issuance by a professional

1 engineer or staff under the direct supervision of a professional
2 engineer in the employ of the permitting authority. The permit program
3 established by these rules shall be administered by the department and
4 delegated local air authorities. Rules developed under this subsection
5 shall not preclude a delegated local air authority from including in a
6 permit its own more stringent emission standards and operating
7 restrictions.

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

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

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

32 (4) Operating permits shall apply to all sources (a) where required
33 by the federal clean air act, and (b) for any source that may cause or
34 contribute to air pollution in such quantity as to create a threat to
35 the public health or welfare. Subsection (b) of this subsection is not
36 intended to apply to small businesses except when both of the following
37 limitations are satisfied: (i) The source is in an area exceeding or
38 threatening to exceed federal or state air quality standards; and (ii)

1 the department provides a reasonable justification that requiring a
2 source to have a permit is necessary to meet a federal or state air
3 quality standard, or to prevent exceeding a standard in an area
4 threatening to exceed the standard. For purposes of this subsection
5 "areas threatening to exceed air quality standards" shall mean areas
6 projected by the department to exceed such standards within five years.
7 Prior to identifying threatened areas the department shall hold a
8 public hearing or hearings within the proposed areas.

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

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

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

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

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

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

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

13 (b) This chapter and rules adopted thereunder;

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

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

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

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

22 (12) Permit program sources within the territorial jurisdiction of
23 an authority delegated the operating permit program shall file their
24 permit applications with that authority, except that permit
25 applications for sources regulated on a statewide basis pursuant to RCW
26 70.94.395 shall be filed with the department. Permit program sources
27 outside the territorial jurisdiction of a delegated authority shall
28 file their applications with the department. Permit program sources
29 subject to chapter 80.50 RCW shall, irrespective of their location,
30 file their applications with the energy facility site evaluation
31 council.

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

35 (14)(a) The department and the local air authorities are authorized
36 to assess and to collect, and each source emitting one hundred tons or
37 more per year of a regulated pollutant shall pay an interim assessment

1 to fund the development of the operating permit program during fiscal
2 year 1994.

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

- 10 (i) The number of sources;
- 11 (ii) The complexity of sources; and
- 12 (iii) The size of sources, as measured by the quantity of each
13 regulated pollutant emitted by the source.

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

17 (d) Each local authority may, in addition, allocate its fiscal year
18 1994 operating permit program development costs among the sources under
19 its jurisdiction emitting one hundred tons or more per year of a
20 regulated pollutant during calendar year 1992 and may collect an
21 interim fee from these sources. A fee assessed pursuant to this
22 subsection (14)(d) shall be collected at the same time as the fee
23 assessed pursuant to (c) of this subsection.

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

27 (15)(a) The department shall determine the persons liable for the
28 fee imposed by subsection (14) of this section, compute the fee, and
29 provide by November 1 ((of)) 1993, the identity of the fee payer with
30 the computation of the fee to each local authority and to the
31 department of revenue for collection. The department of revenue shall
32 collect the fee computed by the department from the fee payers under
33 the jurisdiction of the department. The administrative, collection,
34 and penalty provisions of chapter 82.32 RCW shall apply to the
35 collection of the fee by the department of revenue. The department
36 shall provide technical assistance to the department of revenue for
37 decisions made by the department of revenue pursuant to RCW 82.32.160
38 and 82.32.170. All interim fees collected by the department of revenue

1 on behalf of the department and all interim fees collected by local
2 authorities on behalf of the department shall be deposited in the air
3 operating permit account. The interim fees collected by the local air
4 authorities to cover their permit program development costs under
5 subsection (14)(d) of this section shall be deposited in the dedicated
6 accounts of their respective treasuries.

7 (b) All fees identified in this section shall be due and payable on
8 March 1 ((of)), 1994, except that the local air pollution control
9 authorities may adopt by rule an earlier date on which fees are to be
10 due and payable. The section 5, chapter 252, Laws of 1993 amendments
11 to RCW 70.94.161 do not have the effect of terminating, or in any way
12 modifying, any liability, civil or criminal, incurred pursuant to the
13 provisions of RCW 70.94.161 (15) and (17) as they existed prior to July
14 25, 1993.

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

25 (17) Except in the case of greenhouse gas emissions as defined in
26 section 2 of this act, RCW 70.94.151 shall not apply to any permit
27 program source after the effective date of United States environmental
28 protection agency approval of the state operating permit program.

29 NEW SECTION. Sec. 6. Within eighteen months of the next and each
30 successive global or national assessment of climate change science, the
31 department shall consult with the climate impacts group at the
32 University of Washington regarding the science on human-caused climate
33 change and provide a report to the legislature summarizing that science
34 and make recommendations regarding whether the greenhouse gas emissions
35 reductions required under section 3 of this act need to be updated.

1 NEW SECTION. **Sec. 7.** A new section is added to chapter 47.01 RCW
2 to read as follows:

3 (1) To support the implementation of RCW 47.04.280 and
4 47.01.078(4), the department shall adopt broad statewide goals to
5 reduce annual per capita vehicle miles traveled by 2050 consistent with
6 the stated goals of executive order 07-02. Consistent with these
7 goals, the department shall:

8 (a) Work with the climate advisory team and develop recommendations
9 to:

10 (i) Decrease the annual per capita vehicle miles traveled by
11 eighteen percent by 2020;

12 (ii) Decrease the annual per capita vehicle miles traveled by
13 thirty percent by 2035; and

14 (iii) Decrease the annual per capita vehicle miles traveled by
15 fifty percent by 2050; and

16 (b) Include in those recommendations a set of tools and best
17 practices to assist state, regional, and local entities in making
18 progress towards the recommendations established in this subsection.

19 (3) The climate advisory team process must:

20 (a) Provide for participation from regional transportation planning
21 organizations, the Washington state transit association, the Puget
22 Sound clean air agency, and at least one major private employer that
23 participates in the commute trip reduction program;

24 (b) Identify current strategies to reduce vehicle miles traveled in
25 the state as well as successful strategies in other jurisdictions that
26 may be applicable in the state; and

27 (c) Identify potential new revenue options for local and regional
28 governments to authorize to finance vehicle miles traveled reduction
29 efforts.

30 (4) The definitions in section 2 of this act apply throughout this
31 section unless the context clearly requires otherwise.

32 NEW SECTION. **Sec. 8.** A new section is added to chapter 43.330 RCW
33 to read as follows:

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

1 2004. The department, in consultation with the University of
2 Washington business and economic development center, shall: Analyze
3 the current opportunities for and participation in the clean energy
4 economy by minority and women-owned business enterprises in Washington;
5 identify existing barriers to their successful participation in the
6 clean energy economy; and develop strategies with specific policy
7 recommendations to improve their successful participation in the clean
8 energy economy. The research may be informed by the research of the
9 Puget Sound regional council prosperity partnership, as well as other
10 entities. The department shall report to the appropriate committees of
11 the house of representatives and the senate on their research,
12 analysis, and recommendations by December 1, 2008.

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

1 board for community and technical colleges of recipients of green
2 collar job training account grants under subsection (4) of this
3 section.

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

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

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

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

29 (4)(a) The green collar job training account is created in the
30 state treasury. All receipts from appropriations directed to the
31 account must be deposited in the account. Expenditures from the
32 account may be used only for the purpose of training workers for
33 high-wage occupations or occupations that are part of career pathways
34 to the same in high-demand industries related to clean energy. The
35 state board for community and technical colleges, in consultation with
36 the state workforce training and education coordinating board, and
37 informed by the labor market research of the employment security
38 department and the green energy industry skill panels, may authorize

1 expenditures from the account. The state board for community and
2 technical colleges will distribute grants from the account on a
3 competitive basis. Applicants eligible to receive these grants may be
4 any organization or a partnership of organizations that has
5 demonstrated expertise in:

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

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

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

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

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

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

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

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

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

34 (c) Target populations of workers include:

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

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

3 (iii) Dislocated workers in declining industries who may be
4 retrained for high-wage occupations in high-demand green industries; or

5 (iv) Adults and youth eligible to participate in the opportunity
6 grant program pursuant to RCW 28B.50.271.

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

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

12 (ii) Curriculum development;

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

15 (iv) Occupational skills training, on-the-job training, customized
16 training, and classroom training;

17 (v) Basic skills, literacy, general education development
18 certificate, English as a second language, and preapprenticeship
19 training;

20 (vi) Transitional jobs strategies; and

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

23 (e) Training and education programs identified within high-demand
24 green industries or high-wage occupations and occupations that are part
25 of career pathways within high-demand green industries are eligible to
26 participate in the opportunity grant program under RCW 28B.50.271.

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

35 NEW SECTION. **Sec. 9.** Except where explicitly stated otherwise,
36 nothing in this act alters or limits any authorities of the department
37 as they existed prior to of the effective date of this section.

1 NEW SECTION. **Sec. 10.** If any provision of this act or its
2 application to any person or circumstance is held invalid, the
3 remainder of the act or the application of the provision to other
4 persons or circumstances is not affected.

5 NEW SECTION. **Sec. 11.** RCW 80.80.020 (Greenhouse gases emissions
6 reduction--Clean energy economy--Goals--Reports) and 2007 c 307 s 3 are
7 each repealed.

8 NEW SECTION. **Sec. 12.** Sections 1 through 3, 6, 9, and 10 of this
9 act constitute a new chapter in Title 70 RCW.

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