

SENATE BILL REPORT

E2SHB 2311

As Passed Senate, March 5, 2020

Title: An act relating to amending state greenhouse gas emission limits for consistency with the most recent assessment of climate change science.

Brief Description: Amending state greenhouse gas emission limits for consistency with the most recent assessment of climate change science.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Slatter, Fitzgibbon, Callan, Chapman, Orwall, Ramel, Tarleton, Valdez, Duerr, Frame, Bergquist, Davis, Tharinger, Fey, Ormsby, Macri, Wylie, Doglio, Cody, Kloba, Goodman, Hudgins and Pollet; by request of Governor Inslee).

Brief History: Passed House: 2/16/20, 55-41.

Committee Activity: Environment, Energy & Technology: 2/20/20, 2/25/20 [DP-WM, DNP, w/oRec].

Ways & Means: 2/28/20, 3/02/20 [DP, DNP].

Floor Activity:

Passed Senate: 3/05/20, 28-21.

Brief Summary of Bill

- Modifies state anthropogenic greenhouse gas (GHG) emissions reduction limits and state agency GHG emissions reduction targets.
- Requires the state and state government as a whole to achieve net zero GHG emissions by 2050.
- Requires state agencies to report biannually on short-term and long-term strategies for meeting emissions reduction targets.
- Requires all state agencies to seek all practicable opportunities to cost-effectively maximize carbon sequestration and carbon storage in their nonland management agency operations, contracting, and grant-making activities.

SENATE COMMITTEE ON ENVIRONMENT, ENERGY & TECHNOLOGY

Majority Report: Do pass and be referred to Committee on Ways & Means.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Signed by Senators Carlyle, Chair; Lovelett, Vice Chair; Das, Llias, McCoy, Nguyen, Stanford and Wellman.

Minority Report: Do not pass.

Signed by Senators Erickson, Ranking Member; Brown, Rivers and Short.

Minority Report: That it be referred without recommendation.

Signed by Senators Fortunato, Assistant Ranking Member, Environment; Sheldon, Assistant Ranking Member, Energy & Technology.

Staff: Kimberly Cushing (786-7421)

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

Signed by Senators Rolfes, Chair; Frockt, Vice Chair, Operating, Capital Lead; Mullet, Capital Budget Cabinet; Billig, Carlyle, Conway, Darneille, Dhingra, Hasegawa, Hunt, Keiser, Llias, Pedersen and Van De Wege.

Minority Report: Do not pass.

Signed by Senators Braun, Ranking Member; Brown, Assistant Ranking Member, Operating; Honeyford, Assistant Ranking Member, Capital; Becker, Muzzall, Rivers, Schoesler, Wagoner, Warnick and Wilson, L..

Staff: Jed Herman (786-7346)

Background: Overall Greenhouse Gas Reduction Limits. At the state level, GHGs are regulated by Ecology under the state Clean Air Act. In 2008, Washington enacted legislation setting a series of limits on the emission of GHGs within the state. Ecology is responsible for monitoring and tracking the state's progress toward the emission limits.

Current law requires the state to limit GHG emissions for achieving overall reductions as follows:

- by 2020, to 1990 levels;
- by 2035, to 25 percent below 1990 levels; and
- by 2050, to 50 percent below 1990 levels, or 70 percent below the state's expected emissions for that year.

The 2008 legislation also required Ecology to consult with the climate impacts group at the University of Washington regarding the science on human-caused climate change and provide a report to the Legislature making recommendations regarding whether the GHG emissions reductions needed to be updated.

In December 2019, Ecology issued its most recent report on Washington State GHG emission reduction limits. The report recommended reducing overall GHG emissions in the state:

- by 2030, to 45 percent below 1990 levels;
- by 2040, to 70 percent below 1990 levels; and

- by 2050, to 95 percent below 1990 levels, and achieve net zero GHG emissions in the state.

According to Ecology's report, carbon neutrality or net zero means that any remaining emissions would be offset by carbon capture processes that remove GHG from the atmosphere.

State Government Greenhouse Gas Reduction Limits. State agencies are currently required to meet the statewide GHG emissions limits and reduce their emissions as follows:

- by 2020, to 15 percent below 2005 levels;
- by 2035, to 36 percent below 2005 levels; and
- by 2050, to the greater of 57.5 percent below 2005 levels, or 70 percent below expected state government emissions that year.

GHG emissions from Washington State agencies represent approximately 1 percent of total state GHG emissions. Twenty-two state agencies contribute 93 percent of Washington state government emissions.

State Efficiency and Environmental Performance Office. In 2018, the Governor issued Executive Order 18-01, State Efficiency and Environmental Performance, which created the State Efficiency and Environmental Performance Office (SEEP). Located within the Department of Commerce (Commerce), SEEP works with state agency partners to achieve reductions in GHG emissions and eliminate toxic materials from state agency operations.

Summary of Bill: Greenhouse Gas Reduction Limits. The state must limit anthropogenic emissions of GHG. The current overall GHG emissions reductions for Washington State are revised as follows:

- by 2020 reduce to 1990 levels, or 90.5 million metric tons (MT);
- by 2030 reduce to 50 million MT or 45 percent below 1990 levels;
- by 2040 reduce to 27 million MT or 70 percent below 1990 levels; and
- by 2050 reduce to 5 million MT or 95 percent below 1990 levels, and achieve net zero GHG emissions.

In progress reports on GHG emissions, Ecology should include statewide emissions, including those from key sectors of the economy. Ecology and Commerce's December biannual report to the Governor and Legislature on total emissions of GHG for the preceding two years must include GHG emissions from wildfires.

Nothing under the GHG emissions reductions section creates any new or additional regulatory authority for any state agency as it existed prior to January 1, 2019.

State Government Greenhouse Gas Reduction Limits. The current GHG emissions reduction targets for state agencies are revised as follows:

- by 2020 reduce to 805,000 MT, or 15 percent below 2005 levels;
- by 2030 reduce to 521,000 MT or 45 percent below 2005 levels;
- by 2040 reduce to 284,000 MT or 70 percent below 2005 levels; and
- by 2050 reduce to 47,000 MT or 95 percent below 2005 levels, and achieve net zero GHG emissions by state government as a whole.

Beginning June 1, 2022, state agencies must report biannually to Ecology and SEEP on actions planned for the next two biennia and actions taken to meet emission reduction targets, and the agency's long-term strategy for meeting emissions reduction targets. Beginning December 1, 2022, Ecology and SEEP must biannually review and compile the agency reports and provide a consolidated report to the Legislature, with recommendations for budgetary and other actions to assist state agencies in achieving these GHG reduction targets.

Carbon Sequestration Activities. Separate and apart from the emissions limits established, it is state policy to (1) promote the removal of excess carbon from the atmosphere through voluntary and incentive-based sequestration activities in Washington, on natural and working lands and by recognizing the potential for sequestration in products and product supply chains, and (2) prioritize carbon sequestration in amounts necessary to achieve the carbon neutrality goals and at a level consistent with pathways to limit global warming to 1.5 degrees.

All state agencies must seek all practicable opportunities to cost-effectively maximize carbon sequestration and carbon storage in their nonland management agency operations, contracting, and grant-making activities, consistent with existing legal mandates, requirements, and statutory objectives.

Any effort to promote carbon sequestration activities that affect support for or management of private lands or trust lands managed by the Department of Natural Resources must be done in cooperation with the owners and managers of those natural and working lands.

Carbon sequestration is defined as the process of capturing and storing atmospheric carbon dioxide through biologic, chemical, geologic, or physical processes.

Appropriation: None.

Fiscal Note: Available (Partial).

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony (Environment, Energy & Technology): PRO: In 2008, the Legislature asked that Ecology set goals to measure GHG emissions and that they update these goals periodically based on the latest science. We have not updated the goals in over a decade. Why are we updating goals that we have not necessarily achieved? To put it in a health-care context, these goals are like a cholesterol target. There is a risk when you do not meet or exceed your cholesterol goals. You may become sick or even die. You may not meet this goal, but it is important to know what the goal is and if the science changes. This bill is a moon shot. Thus, it is really important, when we are putting resources toward meeting these goals, to know where the moon is. The science is rigorous, confident, and comprehensive that we need to reduce our human activities and contributions toward climate change. The scientists are also recognizing the value of carbon sequestration to address goals going forward. And we are asking state agencies to provide a roadmap for doing this. We

are saving civilization. Other legislation around emissions we want to be centered around correlated science. We are glad the bill addresses a just transition. As we drive toward targets we need to meet, we are cognizant of the workers we will be impacting. This bill lends critical direction to the state's climate policy work. Science alone is not enough, and this bill ensures the state will consider impacts on highly impacted communities, ensuring that climate policy is improving public health and economic opportunity. We do not want to ask certain populations to bear a disproportionate burden of the work on climate change. Global climate change is the most serious threat facing our state today. There is a cost to various state agencies for implementation of the bill, however reduction and impacts from emissions will reduce the cost of health care, flooding, sea level rise, ocean acidification, and wildfires. Targets are as meaningless scientifically as not updating them. We must act drastically. King County's top priorities are confronting climate change and accelerating the transition to a clean economy. The climate affects life. Flooding has been so horrible this year the school buses can not get to kids. I believe in human innovation. Strengthened targets are essential to address health impacts, including worsening air pollution contributing to heart and lung disease, heat stress, and changes in disease vectors such as West Nile virus. Updating targets will save health care costs. We support the policy addressing the importance of achieving net zero emissions as a state by removing carbon from the environment through carbon sequestration. This will make rural communities a part of the solution as we address our climate challenge. I am 15 years old and do not want to worry about whether the world will survive.

CON: We have not met the original state goals, in part because of population growth. This will continue to be a problem. The state agency baseline is different than the rest of the state. These baselines should be aligned.

OTHER: We are supportive of carbon sequestration. The Legislature retains the authority to grant any additional regulation or enforcement of the targets. This bill sets GHG targets beyond Paris and are more stringent than those in other jurisdictions, which we may link to for a market-based system and will disadvantage those under a more stringent system. This is an economic issue not a science issue and there are no economic standards in the bill. The cost of meeting a 1.5 degrees Celsius target would cost ten times as much as the benefits. This is like killing ten people to save one. Washington State subsidizes solar and electric vehicles, which are more expensive than effective projects like carbon capture. The lack of snowpack is not occurring this year. The chance that the sea level will rise is 1 percent under the worst-case scenario. There is no science that says climate change is an existential threat.

Persons Testifying (Environment, Energy & Technology): PRO: Representative Vandana Slatter, Prime Sponsor; Michael Foster; Clifford Traisman, Washington Environmental Council, Washington Conservation Voters; Vlad Gutman-Britten, Washington State Labor Council and Climate Solutions; Jess Koski, Blue/Green Alliance; Justin Allegro, The Nature Conservancy; Lacy Nadeau, Our Climate; Dr. Lisa Johnson, Washington Physicians for Social Responsibility; Phyllis Farrell, Washington League of Women Voters; Celia Jackson, King County; Mona Das, Senator LD 47.

CON: Peter Godlewski, Association of Washington Business.

OTHER: Tom Davis, Washington Farm Bureau; Todd Myers, Washington Policy Center; John Rothlin, Avista.

Persons Signed In To Testify But Not Testifying (Environment, Energy & Technology):
PRO: Nicolette Oliver, citizen.

Staff Summary of Public Testimony (Ways & Means): PRO: DNR supports the bill, but wants to convey that it will be challenging to meet all of the goals. TNC supports the bill as it manages over 100,000 acres in the state, much of which sequesters carbon.

CON: Baseline numbers in this bill are out of alignment. The bill needs to be changed. It will put Washington out of sync with the rest of the west coast.

OTHER: We express a note of caution—this bill could lead to a new regulatory scheme. And could cause the market to shift to other states, which puts us at a competitive disadvantage.

Persons Testifying (Ways & Means): PRO: Jim Hurst, Department of Natural Resources; Scott Richards, The Nature Conservancy.

CON: Peter Godlewski, Association of Washington.

OTHER: John Rothlin, Avista.

Persons Signed In To Testify But Not Testifying (Ways & Means): No one.