## SECOND SUBSTITUTE HOUSE BILL 2311

## State of Washington 66th Legislature 2020 Regular Session

**By** House 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)

READ FIRST TIME 02/11/20.

AN ACT Relating to amending state greenhouse gas emission limits for consistency with the most recent assessment of climate change science; amending RCW 70.235.020 and 70.235.050; reenacting and amending RCW 70.235.010; adding a new section to chapter 70.235 RCW; and creating a new section.

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

7 <u>NEW SECTION.</u> Sec. 1. (1) Global climate change represents an 8 existential threat to the livelihoods, health, and well-being of all 9 Washingtonians. Our state is experiencing a climate emergency in the 10 form of devastating wildfires, drought, lack of snowpack, and 11 increases in ocean acidification caused in part by climate change.

12 (2) These threats are not distributed evenly across the state. In 13 particular, rural communities with natural resource-based economies, 14 tribes, and communities of lower and moderate incomes will be 15 disproportionately exposed to health and economic impacts driven by 16 climate change.

17 (3) The longer we delay in taking definitive action to reduce 18 greenhouse gas emissions, the greater the threat posed by climate 19 change to current and future generations, and the more costly it will 20 be to protect and maintain our communities against the impacts of 21 climate change. Unchecked, climate change will bring ever more drastic decline to the health and prosperity of future generations,
 particularly for the most vulnerable communities.

3 (4) According to the climate impacts group at the University of
4 Washington, with global warming of at least one and one-half degrees
5 Celsius, by 2050 Washington is projected to experience:

6 (a) An increase of sixty-seven percent in the number of days per 7 year above ninety degrees Fahrenheit, relative to 1976-2005, leading 8 to an increased risk of heat-related illness and death, warmer 9 streams, and more frequent algal blooms;

10 (b) A decrease of thirty-eight percent in the state's snowpack, 11 relative to 1970-1999, leading to reduced water storage, irrigation 12 shortages, and winter and summer recreation losses;

13 (c) An increase of sixteen percent in winter streamflow, relative14 to 1970-1999, leading to an increased risk of river flooding;

15 (d) A decrease of twenty-three percent in summer streamflow, 16 relative to 1970-1999, leading to reduced summer hydropower, 17 conflicts over water resources, and negative effects on salmon 18 populations; and

(e) An increase of one and four-tenths feet in sea level,
relative to 1991-2010, leading to coastal flooding and inundation,
damage to coastal infrastructure, and bluff erosion.

(5) The legislature has taken steps to understand and address the threats posed by climate change as climate change science has continued to evolve. In 2008 with the passage of Engrossed Second Substitute House Bill No. 2815, chapter 70.235 RCW, the legislature acknowledged Washington's history of national and international leadership in clean energy, and set limits on the greenhouse gas emissions that drive climate change.

(6) Chapter 70.235 RCW recognizes that the state of climate 29 change science will continue to evolve, and so it directs the 30 31 department of ecology to consult with the climate impacts group at 32 the University of Washington for the purpose of issuing periodic reports that summarize the current climate change science and that 33 make recommendations regarding whether the state's greenhouse gas 34 emissions reductions need to be updated. As required by chapter 35 70.235 RCW, the department of ecology prepared and submitted reviews 36 of current climate change science and the state of global warming 37 trends in both December 2016, Ecology Publication No. 16-01-010, and 38 39 again in December 2019, Ecology Publication No. 19-02-031. The most recent report underscores the need for Washington to take immediate 40

and aggressive action to reduce greenhouse gas emissions, the primary
 cause of global climate change.

3 (7) Based on the current science and emissions trends, as reported by the department of ecology and the climate impacts group 4 at the University of Washington, the legislature finds that avoiding 5 6 global warming of at least one and one-half degrees Celsius is 7 possible only if global greenhouse gas emissions start to decline precipitously, and as soon as possible. Restoring a safe and stable 8 climate will require mobilization across all levels of government and 9 sectors, including agriculture, 10 economic manufacturing, transportation, and energy production, to reach net zero greenhouse 11 12 gas emissions by 2050. Washington must therefore further strengthen its emissions reduction targets for 2030 and beyond. In addition, all 13 14 pathways to one and one-half degrees Celsius rely on some amount of negative emissions through carbon sequestration. It is therefore the 15 16 intent of the legislature to strengthen Washington's statutory 17 greenhouse gas emission limits to reflect current science and to align with the limits that other jurisdictions are setting to combat 18 19 climate change and to encourage voluntary actions that increase carbon sequestration on natural and working lands and storage in the 20 21 related products from those lands.

(8) In strengthening Washington's statutory greenhouse gas emission limits, it is the intent of the legislature to pursue these limits in a way that:

(a) Reduces the burdens and creates benefits for vulnerable populations and highly impacted communities with long-term and shortterm outcomes for public health, economic well-being, local environments, and community resiliency that benefits all Washington residents;

30 (b) Supports the current skilled and trained construction 31 workforce, retains and creates other high quality employment 32 opportunities, and generates broad, widely shared economic benefits 33 for the state and Washington residents; and

34 (c) Maintains Washington's manufacturing economy and avoids35 leakage of emissions to other jurisdictions.

36 Sec. 2. RCW 70.235.020 and 2008 c 14 s 3 are each amended to 37 read as follows:

1 (1)(a) The state shall limit <u>anthropogenic</u> emissions of 2 greenhouse gases to achieve the following emission reductions for 3 Washington state:

4 (i) By 2020, reduce overall emissions of greenhouse gases in the
5 state to 1990 levels, or ninety million five hundred thousand metric
6 tons;

7 (ii) By ((2035)) 2030, reduce overall emissions of greenhouse 8 gases in the state to ((twenty-five)) fifty million metric tons, or 9 forty-five percent below 1990 levels;

10 (iii) By ((2050, the state will do its part to reach global 11 climate stabilization levels by reducing overall emissions to fifty 12 percent below 1990 levels, or seventy percent below the state's 13 expected emissions that year)) 2040, reduce overall emissions of 14 greenhouse gases in the state to twenty-seven million metric tons, or 15 seventy percent below 1990 levels;

16 (iv) By 2050, reduce overall emissions of greenhouse gases in the 17 state to five million metric tons, or ninety-five percent below 1990 18 levels.

(b) By December 1, 2008, the department shall submit a greenhouse gas reduction plan for review and approval to the legislature, describing those actions necessary to achieve the emission reductions in (a) of this subsection by using existing statutory authority and any additional authority granted by the legislature. Actions taken using existing statutory authority may proceed prior to approval of the greenhouse gas reduction plan.

(c) <u>In addition to the emissions limits specified in (a) of this</u>
 <u>subsection, the state shall also achieve net zero greenhouse gas</u>
 <u>emissions by 2050.</u> Except where explicitly stated otherwise, nothing
 in chapter 14, Laws of 2008 limits any state agency authorities as
 they existed prior to June 12, 2008.

31 (d) Consistent with this directive, the department shall take the 32 following actions:

33 (i) Develop and implement a system for monitoring and reporting 34 emissions of greenhouse gases 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. <u>Progress reporting should include statewide emissions as well as</u> emissions from key sectors of the economy including, but not limited 1 to, electricity, transportation, buildings, manufacturing, and 2 agriculture.

3 <u>(e) Nothing in this section creates any new or additional</u> 4 <u>regulatory authority for any state agency as they existed prior to</u> 5 <u>January 1, 2019.</u>

6 (2) By December 31st of each even-numbered year beginning in 2010, the department and the department of ((community, trade, and 7 economic development)) commerce shall report to the governor and the 8 appropriate committees of the senate and house of representatives the 9 total emissions of greenhouse gases for the preceding two years, and 10 11 totals in each major source sector. The report must include 12 greenhouse gas emissions from wildfires, developed in consultation with the department of natural resources. The department shall ensure 13 the reporting rules adopted under RCW 70.94.151 allow it to develop a 14 15 comprehensive inventory of emissions of greenhouse gases from all 16 significant sectors of the Washington economy.

(3) Except for purposes of reporting, emissions of carbon dioxide from industrial combustion of biomass in the form of fuel wood, wood waste, wood by-products, and wood residuals shall not be considered a greenhouse gas as long as the region's silvicultural sequestration capacity is maintained or increased.

22 Sec. 3. RCW 70.235.050 and 2015 c 225 s 110 are each amended to 23 read as follows:

(1) ((All state)) <u>State</u> agencies shall meet the statewide
 greenhouse gas emission limits established in RCW 70.235.020 to
 achieve the following, using the estimates and strategy established
 in subsections (2) and (3) of this section:

(a) By July 1, 2020, reduce emissions ((by)) of greenhouse gases
 to eight hundred five thousand metric tons, or fifteen percent
 ((from)) below 2005 emission levels;

31 (b) By ((2035)) 2030, reduce emissions of greenhouse gases to 32 ((thirty-six)) five hundred twenty-one thousand metric tons, or 33 forty-five percent below 2005 levels; ((and))

34 (c) ((By 2050, reduce emissions to the greater reduction of 35 fifty-seven and one-half percent below 2005 levels, or seventy 36 percent below the expected state government emissions that year)) By 37 2040, reduce emissions of greenhouse gases to two hundred eighty-four 38 thousand metric tons, or seventy percent below 2005 levels; and 1 (d) By 2050, reduce overall emissions of greenhouse gases to 2 forty-seven thousand metric tons, or ninety-five percent below 2005 3 levels and achieve net zero greenhouse gas emissions by state 4 government as a whole.

5 (2)(a) By June 30, 2010, ((all)) state agencies shall report 6 estimates of emissions for 2005 to the department, including 2009 7 levels of emissions, and projected emissions through 2035.

8 (b) State agencies required to report under RCW 70.94.151 must 9 estimate emissions from methodologies recommended by the department 10 and must be based on actual operation of those agencies. Agencies not 11 required to report under RCW 70.94.151 shall derive emissions 12 estimates using an emissions calculator provided by the department.

(3) ((By June 30, 2011, each state agency shall submit to the department a strategy to meet the requirements in subsection (1) of this section. The strategy must address employee travel activities, teleconferencing alternatives, and include existing and proposed actions, a timeline for reductions, and recommendations for budgetary and other incentives to reduce emissions, especially from employee business travel.

(4))) By ((October)) June 1st of each even-numbered year 20 21 beginning in ((2012)) 2022, ((each)) state ((agency)) agencies shall report to the department ((the actions taken to meet the emission 22 reduction targets under the strategy for the preceding fiscal 23 24 biennium)), and to the state efficiency and environmental performance 25 office at the department of commerce, the actions planned for the next two biennia to meet emission reduction targets and the actions 26 27 taken to meet the emission reduction targets established in this 28 section. The report must also include the agency's long-term strategy for meeting the emission reduction targets established in this 29 30 section, which the agency shall update as appropriate. The department and the state efficiency and environmental performance office at the 31 department of commerce shall review and compile the agency reports 32 and, by December 1st of each even-numbered year beginning in 2022, 33 34 provide a consolidated report to the appropriate committees of the legislature. This report must include recommendations for budgetary 35 and other actions that will assist state agencies in achieving the 36 greenhouse gas emissions reductions specified in this section. The 37 department may authorize the department of enterprise services to 38 39 report on behalf of any state agency having fewer than five hundred full-time equivalent employees at any time during the reporting 40

1 period. The department shall cooperate with the department of 2 enterprise services and <u>the state efficiency and environmental</u> 3 <u>performance office at</u> the department of commerce to develop 4 consolidated reporting methodologies that incorporate emission 5 reduction actions taken across all or substantially all state 6 agencies.

7 ((<del>(5)</del> All state)) <u>(4)</u> State agencies shall cooperate in providing 8 information to the department, the department of enterprise services, 9 and the department of commerce for the purposes of this section.

10 (((6) The governor shall designate a person as the single point of accountability for all energy and climate change initiatives 11 within state agencies. This position must be funded from current 12 full-time equivalent allocations without increasing budgets or 13 staffing levels. If duties must be shifted within an agency, they 14 15 must be shifted among current full-time equivalent allocations. All 16 agencies, councils, or work groups with energy or climate change 17 initiatives shall coordinate with this designee.))

18 <u>NEW SECTION.</u> Sec. 4. A new section is added to chapter 70.235
19 RCW to read as follows:

(1) Separate and apart from the emissions limits established in 20 21 RCW 70.235.020, it is the policy of the state to promote the removal 22 of excess carbon from the atmosphere through voluntary and incentivebased sequestration activities in Washington including, but not 23 24 limited to, on natural and working lands and by recognizing the potential for sequestration in products and product supply chains. It 25 is the policy of the state to prioritize carbon sequestration in 26 27 amounts necessary to achieve the carbon neutrality goal established in RCW 70.235.020, and at a level consistent with pathways to limit 28 29 global warming to one and one-half degrees.

30 (2) (a) All agencies of state government including, but not limited to, the department, the department of natural resources, the 31 department of transportation, the department of fish and wildlife, 32 the department of agriculture, the department of commerce, the 33 recreation and conservation office, and the conservation commission, 34 shall seek all practicable opportunities, consistent with existing 35 legal mandates and requirements and statutory objectives, to cost-36 effectively maximize carbon sequestration and carbon storage in their 37 38 operations, contracting, and grant-making activities.

1 (b) Any such effort to promote or require carbon sequestration 2 activities that affects support for, or management of private lands 3 or trust lands managed by the department of natural resources must be 4 done in cooperation with the owners and managers of those natural and 5 working lands.

6 Sec. 5. RCW 70.235.010 and 2019 c 284 s 2 are each reenacted and 7 amended to read as follows:

8 The definitions in this section apply throughout this chapter 9 unless the context clearly requires otherwise.

10 (1) "Carbon dioxide equivalents" means a metric measure used to 11 compare the emissions from various greenhouse gases based upon their 12 global warming potential.

(2) "Class I substance" and "class II substance" means those
substances listed in 42 U.S.C. Sec. 7671a, as it read on November 15,
1990, or those substances listed in Appendix A or B of Subpart A of
40 C.F.R. Part 82, as those read on January 3, 2017.

17 (3) "Climate advisory team" means the stakeholder group formed in 18 response to executive order 07-02.

(4) "Climate impacts group" means the University of Washington'sclimate impacts group.

21 22 (5) "Department" means the department of ecology.

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

(7) "Greenhouse gas" and "greenhouse gases" includes carbon
 dioxide, methane, nitrous oxide, hydrofluorocarbons,
 perfluorocarbons, sulfur hexafluoride, and any other gas or gases
 designated by the department by rule.

(8) "Hydrofluorocarbons" means a class of greenhouse gases that
 are saturated organic compounds containing hydrogen, fluorine, and
 carbon.

30 (9) "Manufacturer" includes any person, firm, association, 31 partnership, corporation, governmental entity, organization, or joint 32 venture that produces any product that contains or uses 33 hydrofluorocarbons or is an importer or domestic distributor of such 34 a product.

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

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

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1 (12) "Residential consumer refrigeration products" has the same 2 meaning as defined in section 430.2 of Subpart A of 10 C.F.R. Part 3 430 (2017).

4 (13) "Retrofit" has the same meaning as defined in section 152 of
5 Subpart F of 40 C.F.R. Part 82, as that section existed as of January
6 3, 2017.

7 (14) "Substitute" means a chemical, product substitute, or alternative manufacturing process, whether existing or new, that is 8 used to perform a function previously performed by a class I 9 substance or class II substance and any substitute subsequently 10 11 adopted to perform that function, including, but not limited to, hydrofluorocarbons. "Substitute" does not include 2-BTP or any 12 13 compound as applied to its use in aerospace fire extinguishing 14 systems.

(15) "Western climate initiative" means the collaboration of states, Canadian provinces, Mexican states, and tribes to design a multisector market-based mechanism as directed under the western regional climate action initiative signed by the governor on February 22, 2007.

20 <u>(16) "Carbon sequestration" means the process of capturing and</u> 21 <u>storing atmospheric carbon dioxide through biologic, chemical,</u> 22 <u>geologic, or physical processes.</u>

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