

SENATE BILL REPORT

E3SHB 1144

As Reported by Senate Committee On:
Energy, Environment & Technology, February 22, 2018

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 Fitzgibbon, Ryu, Peterson, Stanford, Jinkins, Goodman, Ormsby, Fey, Pollet, Tarleton, Doglio, Farrell and Macri).

Brief History: Passed House: 2/14/18, 50-48.

Committee Activity: Energy, Environment & Technology: 2/21/18, 2/22/18 [DPA, DNP].

Brief Summary of Amended Bill

- Revises current statewide greenhouse gas (GHG) emissions reduction limits from 25 percent to 40 percent below 1990 levels by 2035, from 50 percent to 80 percent below 1990 levels by 2050, and adds a 2025 limit of 19 percent below 1990 levels.
- Directs the Department of Ecology (Ecology) to include additional information in its biennial GHG emissions report.
- Directs the Joint Legislative Audit and Review Committee (JLARC) to provide an analysis of the economic impact and the impact on jobs resulting from the GHG emissions reductions beginning June 30, 2019.

SENATE COMMITTEE ON ENERGY, ENVIRONMENT & TECHNOLOGY

Majority Report: Do pass as amended.

Signed by Senators Carlyle, Chair; Palumbo, Vice Chair; Hobbs, McCoy, Ranker and Wellman.

Minority Report: Do not pass.

Signed by Senators Ericksen, Ranking Member; Brown, Hawkins and Sheldon.

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.

Staff: Kimberly Cushing (786-7421)

Background: GHG Reduction Limits. At the state level, GHGs are regulated by Ecology under the state Clean Air Act. In 2008 Washington enacted legislation that set 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.

The state's current limits on the emission of GHGs are:

- by 2020, reduce overall GHG emissions in the state to 1990 levels;
- by 2035, reduce overall GHG emissions in the state to 25 percent below 1990 levels; and
- by 2050, reduce overall GHG emissions in the state 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 to provide a report to the Legislature making recommendations regarding whether the GHG emissions reductions needed to be updated.

Ecology issued its most recent report in December 2016. The report recommended the following GHG emission limits:

- by 2020, reduce overall emissions of GHGs in the state to 1990 levels;
- by 2035, reduce overall GHGs in the state to 40 percent below 1990 levels; and
- by 2050, reduce overall GHG emissions in the state to 80 percent below 1990 levels.

Summary of Amended Bill: GHG Emissions Reductions. The current GHG emissions limits are modified to achieve the following additional reductions for the state:

- adds a new 2025 limit to reduce GHG emissions to 19 percent below 1990 levels, and to make best efforts to reduce GHG emissions to 21 percent below 1990 levels, consistent with the commitment submitted to the United Nations as the intended nationally determined contribution by the United States under the 2015 Paris climate agreement;
- increases the 2035 limit, from 25 percent below 1990 levels to 40 percent below 1990 levels; and
- increases the 2050 limit, from 50 percent below 1990 levels to 80 percent below 1990 levels, and eliminates the alternative reduction of 70 percent below the state's expected emissions for that year.

Reporting Requirements. For the biennial report that Ecology and the Department of Commerce submits to the Governor and the Legislature, Ecology must describe Washington's per capita and total GHG emissions as compared to other states, and include Washington's numerical ranking among other states as an emitter of GHGs. The report must also include the amount of money that each state agency has spent during the biennium to reduce GHG emissions, the GHG emissions reductions made by each state agency during the biennium, and the cost-per-ton of GHG emissions reductions for each state agency.

Ecology must also coordinate with the Department of Natural Resources to calculate and report the total GHG emissions from wildfires in the state. The state must encourage

proactive forest management as a means of achieving the state's GHG emissions reductions goals.

EFFECT OF ENERGY, ENVIRONMENT & TECHNOLOGY COMMITTEE AMENDMENT(S):

- Removes the requirement that JLARC must prepare and submit to the Legislature by June 30, 2019, and every five years thereafter, an analysis of the economic impact and the impact on jobs resulting from the statewide GHG reduction limits.

Appropriation: None.

Fiscal Note: Available.

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 on Third Engrossed Substitute House Bill : *The committee recommended a different version of the bill than what was heard.* PRO: Our first target is in 2020 and we are on track to meet this target. The assertion we are not on track only applies to far out goals, which is why we set goals. The bill resets limits to be consistent with science. The bill sets strong goals and allows the state to determine if we are meeting these goals. The goals align with efforts of other industrialized nations. The 2008 bill was a set of goals and it was assumed it would be updated. We can now pass policies to help us meet those limits.

CON: This bill is symbolic. There are no tools necessary to meet these goals. If we want parity, we need to move to a different emissions database. The bill creates litigation exposure for the state.

OTHER: Washington is a leader with emissions reductions, so what is Washington's fair share? We should keep in perspective the cleaner baseline we start with. It is easy to legislate certain sectors—but it affects consumer choice and fuel choice to get to sectors where most of emissions occur. How is this bill useful? Will it be a guide to policy? Where is the accountability if we miss targets?

Persons Testifying: PRO: Representative Joe Fitzgibbon, Prime Sponsor; Stu Clark, Department of Ecology; Vlad Gutman-Britten, Climate Solutions; Clifford Traisman, Washington Conservation Voters, Washington Environmental Council.

CON: Mary Catherine McAler, Association of Washington Business.

OTHER: Todd Myers, Washington Policy Center; John Rothlin, Avista.

Persons Signed In To Testify But Not Testifying: No one.