

HOUSE BILL ANALYSIS

HB 1229

Title: Carbon Storage

Brief Description: Developing a carbon storage trading market.

Sponsors: Representatives Buck, Anderson, DeBolt, Hatfield, Haigh, Doumit, Schoesler, Eickmeyer and Kessler

HOUSE COMMITTEE ON NATURAL RESOURCES

Meeting Date: January 29, 1999

Bill Analysis Prepared by: Josh Weiss, Counsel (786-7129)

Background: While scientific debate does exist, it is widely thought that global atmospheric carbon levels have risen in recent years. Some scientists argue that this increase in carbon has been caused by the burning of fossil fuels which emit carbon dioxide, and by changing land-use patterns which eliminate naturally occurring carbon sinks— such as forests.

Living forests absorb carbon dioxide from the atmosphere, storing carbon in the wood mass of the trees themselves, and facilitating the storage of carbon in forest soils. It is thought that forests can mitigate recent increases in atmospheric carbon levels.

A carbon emission trading program would provide a financial incentive for landowners to maintain long-term forest production. Such a program would allow landowners to sell credits on a free market to persons who emit carbon. This could only be accomplished through a state standardized and certified program.

Several other states, including Oregon, Montana, California, Hawaii, Georgia, Maine, Minnesota, and Ohio, either have implemented or are in the process of implementing carbon sequestration programs. Some countries, such as Germany, have very active carbon markets.

Summary of Bill: A committee is created which has the responsibility of developing state carbon sequestration implementation and certification plan.

Members of the committee include: two legislative members from each party in the House and in the Senate, a person from the University of Washington College of Forest Resources, a person representing the timber industry, a person representing local government, a person representing environmental interests, a person representing tribal interests, a person representing state agencies, and a person representing farm forestry.

The committee is required to prepare a report to the Legislature by December 15, 1999. The report must:

- Discuss carbon sequestration activities that could earn credits;
- Recommend a credit trading registration system;
- Estimate the current carbon storage capacity in the state;
- Estimate the carbon storage capacity increases available with differing management regimes;
- Evaluate standards to ensure that projects meet eligibility and emission reduction criteria,
- Determine procedures to measure, verify, and track projects; and,
- Include two pilot projects which implement the committee recommendations.

The committee is staffed by the House Office of Program Research and the Senate Committee Services.

Appropriation: The sum of \$100,000 is appropriated to the Department of Natural Resources.

Fiscal Note: Requested January 20, 1999.

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

Rulemaking Authority: None.