## **SHB 1915** - H AMD **345**

By Representative Short

## NOT CONSIDERED

Beginning on page 3, line 16, strike all of section 2 and insert the following:

- "NEW SECTION. Sec. 2. (1)(a) The office of financial management shall contract with an independent and objective consultant or consultants, as selected by the climate legislative and executive work group created in section 3 of this act, to prepare a credible evaluation of approaches to reducing greenhouse gas emissions, as outlined in this section.
- (b) The climate legislative and executive work group must select the consultant or consultants to be retained by the office of financial management. The consultant or consultants must demonstrate that they can perform nonpartisan, objective, and independent work. The climate legislative and executive work group may not select a consultant or consultants whose employer has retained a lobbyist in Washington state during the immediately preceding five years. Nor may the climate legislative and executive work group select a consultant or consultants whose employer or who has personally contributed to the campaign of a statewide elected official, legislative candidate, or any other political committee in the previous four years. No less than four of the climate legislative and executive work group's five members must support the retention of a consultant or consultants.
- (2) The evaluation must be provided to the governor by October 15, 2013, for use by the climate legislative and executive work group created in section 3 of this act, and prior to that date the independent and objective consultant or consultants selected under subsection (1) of this section may provide selective analyses, drafts, or portions of the report to the work group.
- (3) The evaluation must include a review of comprehensive greenhouse gas emission reduction programs being implemented in other states and countries, including a review of reduction strategies being

implemented in the Pacific Northwest, on the west coast, in neighboring provinces in Canada, and in other regions of the country. For each program, the evaluation must include available information regarding:

- (a) The effectiveness in achieving the jurisdiction's emission reduction objectives, including the cost per ton of emission reduction;
- (b) The relative impact upon different sectors of the jurisdiction's economy, including power rates, agriculture, manufacturing, and transportation fuel costs;
- 9 (c) The impacts upon household consumption and spending, including 10 fuel, food, and housing costs, and program measures to mitigate impacts 11 to low-income populations;
- 12 (d) Displacement of emission sources from the jurisdiction due to 13 the program;
- 14 (e) Any significant cobenefits to the jurisdiction, such as 15 reduction of potential adverse effects to public health, from 16 implementing the program;
- 17 (f) Opportunities for new manufacturing infrastructure, investments 18 in cleaner energy, and greater energy efficiency and jobs;
  - (g) Achievements in greater independence from fossil fuels and the costs and benefits to their economy of doing so; and
- 21 (h) The most effective strategy and the trade-offs made to 22 implement that strategy.
  - (4) The evaluation must analyze:

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- 24 (a) Washington's emissions and related energy consumption profile, 25 including:
  - (i) Total expenditures for energy by fuel category; and
- 27 (ii) The sources of the fuels, including imports of oil and other 28 fossil fuels;
  - (b) Options for an approach to emissions reduction that would increase expenditures upon energy sources produced in state relative to expenditures upon imported energy sources, and how that increase would affect job growth and economic performance;
  - (c) Opportunities for new manufacturing infrastructure and other job-producing investments in Washington relating to cleaner energy and greater energy efficiency;
- (d) Existing studies of the potential costs to Washington consumers and businesses of greenhouse gas emissions reduction programs or strategies being implemented in other jurisdictions;

- 1 (e) Washington state policies to stabilize or reduce greenhouse gas 2 emissions that will contribute to meeting the greenhouse gas emissions 3 targets, including:
  - (i) Renewable fuels standard;
- 5 (ii) Energy codes adopted by the state building code council;
- 6 (iii) Emission performance standards;
- 7 (iv) Appliance standards;

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- (v) The energy independence act;
- 9 (vi) Energy efficiency and energy consumption requirement programs 10 for public buildings;
- 11 (vii) Conversion of public vehicles to clean fuels; and
- 12 (viii) Public purchasing requirements of vehicles that use clean 13 fuels; and
- 14 (f) The overall effect on global greenhouse gas levels if 15 Washington meets its greenhouse gas emissions targets.
- 16 (5) The evaluation must also examine and summarize federal policies 17 that will contribute to meeting the state greenhouse gas emissions 18 targets, including:
  - (a) Renewable fuel standards;
  - (b) Tax incentives for renewable energy;
- 21 (c) Tailpipe emissions standards for vehicles;
- 22 (d) Corporate average fuel economy standards for cars and light 23 trucks; and
- 24 (e) Clean air act requirements for emissions from stationary 25 sources and fossil-fueled electric generating units."

<u>EFFECT:</u> Selection of Consultant to Prepare the Evaluation of Approaches to Reduce Greenhouse Gas Emissions

Directs the Office of Financial Management to contract with a consultant selected by the climate legislative and executive work group (work group) to prepare an evaluation of approaches to reduce greenhouse gas (GHG) emissions (evaluation), rather than the office of the governor.

Specifies that the consultant or consultants must demonstrate that they can perform nonpartisan, objective, and independent work.

Prohibits the work group from selecting a consultant or consultants whose employer has retained a lobbyist in Washington state during the immediately preceding five years.

Restricts the work group from selecting a consultant or consultants whose employer or who has personally contributed to the campaign of a statewide elected official, legislative candidate, or any other political committee in the previous four years.

Provides that no less than four of the work group's five members

must support the retention of a consultant or consultants.

Evaluation of Approaches to Reduce Greenhouse Gas Emissions

Requires the evaluation to provide available information on the impact of various GHG emission reduction programs on different sectors of the jurisdiction's economy, including to the agriculture and manufacturing sectors, and to transportation fuel costs.

Specifies that the evaluation must include an examination of various state and federal energy and climate policies that will contribute to meeting the GHG emissions reduction limits.

Requires the evaluation to include what is the overall effect on global greenhouse gas levels, if Washington meets its GHG emissions reduction targets.

Specifies that the evaluation must include an analysis of existing studies of the potential costs to Washington consumers and businesses of GHG emissions reduction programs or strategies being implemented in other jurisdictions.

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