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## Environment & Energy Committee

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### HB 1984

**Brief Description:** Ensuring that attempts to limit greenhouse gas emissions in Washington state do not make Washington's agricultural products and food processing businesses economically uncompetitive, thereby shifting emissions to jurisdictions without similar greenhouse gas policies.

**Sponsors:** Representatives Maycumber, Walsh, Kretz and Eslick.

<p style="text-align: center;"><b>Brief Summary of Bill</b></p> <ul style="list-style-type: none"><li>• Requires food processing facilities to be designated as energy-intensive trade-exposed industries for the purposes of any policies adopted or implemented by the state that limit greenhouse gas emissions.</li></ul>
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**Hearing Date:** 2/18/19

**Staff:** Nikkole Hughes (786-7156).

**Background:**

Federal and State Regulation of Greenhouse Gases.

The United States Environmental Protection Agency (EPA) and the Washington State Department of Ecology (Ecology) identify carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride as greenhouse gases (GHGs) because of their capacity to trap heat in the Earth's atmosphere. Under the federal Clean Air Act, GHGs are regulated as an air pollutant and are subject to several air regulations administered by the EPA. 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 targets for the reduction of GHG emissions within the state. The Department of Ecology is responsible for monitoring and tracking the state's progress toward the emissions reduction targets.

The state's current GHG emissions reduction targets are:

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- By 2020, overall GHG emissions in the state must be reduced to 1990 levels.
- By 2035, overall GHG emissions in the state must be reduced to 25 percent below 1990 levels.
- By 2050, overall GHG emissions in the state must be reduced to 50 percent below 1990 levels, or 70 percent below the state's expected emissions for that year.

As part of the 2008 legislation, Ecology and the Department of Commerce are required to submit a biennial report of the state's GHG emissions. The 2008 legislation also required Ecology to consult with the Climate Impacts Group at the University of Washington within 18 months of each global or national assessment of climate change science, and to provide a report to the Legislature summarizing that science and making recommendations regarding whether the state's GHG emissions reduction targets need to be updated. The Department of Ecology's most recent such report was issued in 2016 and recommended the following GHG emissions reduction targets:

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

**Summary of Bill:**

Any policies adopted or implemented by the state that limit greenhouse gas (GHG) emissions or that are otherwise intended to support the achievement of the state's GHG emissions reduction targets must designate food processing facilities as energy-intensive trade-exposed industries (EITE). As a consequence of this designation as EITEs, food processing facilities are exempt from any GHG emission reduction requirements, GHG emission taxes, or similar policies that create disincentives or restrictions on the emission of GHGs.

"Food processing facility" includes but is not limited to any premises, plant, establishment, building, room, area, or facilities, in whole or in part, where food is prepared, handled, or processed in any manner for distribution or sale for resale by retail outlets, restaurants, and any other facility selling or distributing to the ultimate consumer.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.