SENATE BILL REPORT SB 6272

As of January 23, 2020

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: Senators Das, Carlyle, Lovelett, Nguyen, Wilson, C., Keiser, Saldaña, Dhingra, Kuderer, Rolfes, McCoy, Liias, Randall, Salomon, Cleveland, Hunt, Frockt, Pedersen, Stanford, Wellman and Darneille; by request of Office of the Governor.

Brief History:

Committee Activity: Environment, Energy & Technology: 1/16/20, 1/21/20.

Brief Summary of Bill

- Adds new interim milestones for state greenhouse gas (GHG) emission reduction limits in 2030 and 2040.
- Revises the 2050 state GHG emissions reduction limits from 50 percent to 95 percent below 1990 levels and requires the state to achieve net zero GHG emissions.
- Amends GHG emissions reduction targets for state agencies.
- Requires all state agencies to seek all practicable opportunities to costeffectively maximize carbon sequestration.

SENATE COMMITTEE ON ENVIRONMENT, ENERGY & TECHNOLOGY

Staff: Kimberly Cushing (786-7421)

Background: Overall Greenhouse Gas Reduction Limits. At the state level, GHGs are regulated by Ecology under the state Clean Air Act. In 2008, Washington enacted legislation setting 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.

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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.

Current law requires the state to limit GHG emissions for achieving overall reductions as follows:

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

In December 2019, Ecology issued its most recent report on Washington State GHG emission reduction limits. The report recommended reducing overall GHG emissions in the state:

- by 2030, to 45 percent below 1990 levels;
- by 2040, to 70 percent below 1990 levels; and
- by 2050, to 95 percent below 1990 levels, and achieve net zero GHG emissions in the state.

According to Ecology's report, "carbon neutrality or net zero means that any remaining emissions would be offset by carbon capture processes that remove GHG from the atmosphere."

<u>State Government Greenhouse Gas Reduction Limits.</u> Additionally, state agencies are currently required to meet the statewide GHG emissions limits and reduce their emissions as follows:

- by 2020, to 15 percent below 2005 levels;
- by 2035, to 36 percent below 2005 levels; and
- by 2050, to the greater of 57.5 percent below 2005 levels, or 70 percent below expected state government emissions that year.

GHG emissions from Washington State agencies represent approximately 1 percent of total state GHG emissions. Twenty-two state agencies contribute 93 percent of Washington state government emissions.

State Efficiency and Environmental Performance Office. In 2018, the Governor issued Executive Order 18-01, State Efficiency and Environmental Performance, which created the State Efficiency and Environmental Performance Office (SEEP). Located within the Department of Commerce (Commerce), SEEP works with state agency partners to achieve reductions in GHG emissions and eliminate toxic materials from state agency operations.

Summary of Bill: Greenhouse Gas Reduction Limits. The current GHG emissions reductions for Washington State are revised as follows:

- adds a new 2030 limit, to reduce GHG emissions to 45 percent below 1990 levels;
- removes the 2035 limit of 25 percent below 1990 levels;
- adds a new 2040 limit, to reduce GHG emissions to 70 percent below 1990 levels; and

• revises the 2050 limit, from 50 percent to 1990 levels to 95 percent below 1990 levels.

By 2050, the state must also achieve net zero greenhouse gas emissions.

In progress reports on GHG emissions, Ecology should include statewide emissions, including those from key sectors of the economy. Ecology and Commerce's December biannual report to the Governor and Legislature on total emissions of GHG for the preceding two years must include GHG emissions from wildfires.

<u>State Government Greenhouse Gas Reduction Limits.</u> The current GHG emissions reduction targets for state agencies are revised as follows:

- adds a new 2030 target to reduce GHG emissions to 45 percent below 2005 levels;
- removes the 2035 target of 36 percent below 2005 levels;
- adds a new 2040 target to reduce GHG emissions to 70 percent below 2005 levels; and
- revises the 2050 target, from 57.5 percent to 95 percent below 2005 levels, and achieve net zero GHG emissions by state government as a whole.

Beginning June 1, 2022, state agencies must report biannually to Ecology and SEEP on actions planned for the next two biennia and actions taken to meet emission reduction targets, and the agency's long-term strategy for meeting emissions reduction targets. Beginning December 1, 2022, Ecology and SEEP must biannually review and compile the agency reports and provide a consolidated report to the Legislature, with recommendations for budgetary and other actions to assist state agencies in achieving these GHG reduction targets.

<u>Carbon Sequestration Activities.</u> Separate and apart from the emissions limits established, it is state policy to (1) promote the removal of excess carbon from the atmosphere through voluntary and incentive-based sequestration activities on natural and working lands and by recognizing the potential for sequestration in products and product supply chains associated with working lands, and (2) prioritize sequestration activities in amounts necessary to achieve the carbon neutrality goals and at a level consistent with pathways to limit global warming to 1.5 degrees.

All state agencies must seek all practicable opportunities to cost-effectively maximize carbon sequestration in their operations, contracting, and grant-making activities, consistent with existing legal mandates, requirements, and statutory objectives. Any changes affecting support for private land must be done in cooperation with the owners and managers of natural and working lands.

Carbon sequestration is defined as the process of capturing and storing atmospheric carbon dioxide through biologic, chemical, geologic, or physical processes.

Appropriation: None.

Fiscal Note: Requested on January 8, 2020.

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: PRO: We are working toward a cleaner and greener Washington. Our ecosystem is struggling to adapt. This bill does not bind us, but puts on track to reach goals. It is like a doctor sharing cholesterol targets. This puts targets in statute. Over 12 years climate science has evolved. What science says is necessary. These are not feel-good goals, but are in line with the thinking in the rest of the world. We have seen dramatic reductions for other air pollutants in the past. This bill lays foundation for what we need to achieve. Intent language should be strengthened. The state should account for GHG by adding consumption goals-reduce instead of shifting emissions. It is obvious there should be targets to reduce GHG emissions. The targets are ambitious, but given the urgency it is needed. The bill enhances reporting back to Legislature. What is net zero target? It needs a definition or to be removed. Carbon sequestration benefits rural communities across state. Sequestration is critical and is about capturing carbon in trees and soils. Sequestration does not replace the need to decarbonize-there are co-benefits. At a 40 percent decrease in GHG emissions, new jobs will be created at all levels of educational attainment. Some jobs will be adversely impacted as well and bill language should address this.

CON: Section 2 strikes language that acknowledges authority rests with Legislature. What is the scope of emissions? Does it include naturally occurring emissions? Federally exempted emissions, like from airlines? The bill uses two different dates for baseline data and we would like to see the dates aligned. The bill should move toward technology neutral language.

OTHER: Ecology consulted with UW Climates Impact Group. Every bit of global warming matters and what is necessary to reduce global warming requires steep declines-global emissions must reach net zero. We are interested and supportive of net zero language because it can be flexibly implemented by agencies. Consider that the state can achieve GHG reduction goals while allowing modest project emission increases. Sequestration might help with regional equity.

Persons Testifying: PRO: Senator Mona Das, Prime Sponsor; Celia Jackson, King County; Nancy Tosta, Burien City Councilmember; Jay Arnold, Kirkland Deputy Mayor; Darcy Nonemacher, Washington Environmental Council, Washington Conservation Voters, Leah Missik, Climate Solutions; Sameer Ranade, Front and Centered; Tony Horton, Our Climate; Phyllis Farrell, League of Women Voters; Stu Clark, Department of Ecology; Greg Rock, Carbon Washington; Vlad Gutman-Britten, Washington State Labor Council; Mo McBroom, The Nature Conservancy.

CON: John Rothlin, Avista; Peter Godlewski, Association of Washington Business.

OTHER: Amy Snover, University of Washington Climate Impacts Group; Gerry O'Keefe, Public Ports Assn.

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