

CLIMATE ACTION IN WASHINGTON STATE

Leading the state-level march towards the Paris Agreement



Sen. Reuven Carlyle

Chair, Environment, Energy & Technology Committee
Washington State Legislature
2022



Our journey toward major climate legislation

2007

Washington enters the Western Climate Initiative.

2013

GOP control of Senate (2013-2018). No substantive climate legislation adopted.

2018

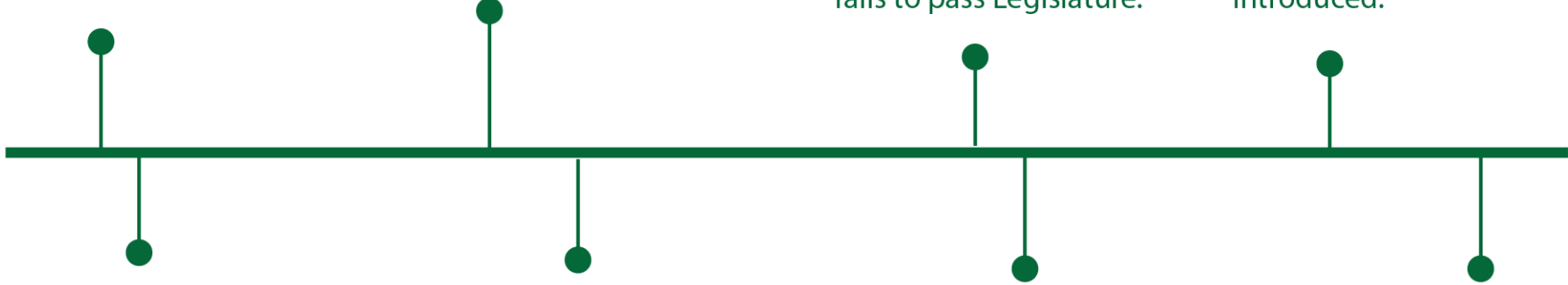
Carbon tax bill, SB 6203, passes Senate policy committee for first time; fails to pass Legislature.

2019

100% Clean Energy/CETA passes Legislature. Cap and invest legislation introduced.

2022

Legislature passes building standards, methane control legislation, and \$17B transportation package, including \$5.4 billion in CCA revenues.



2009

Major cap-and-invest legislation introduced at request of Gov. Christine Gregoire.

2016

Citizen activist-led carbon tax initiative, I-732, fails at the ballot box, receiving little institutional support.

2018

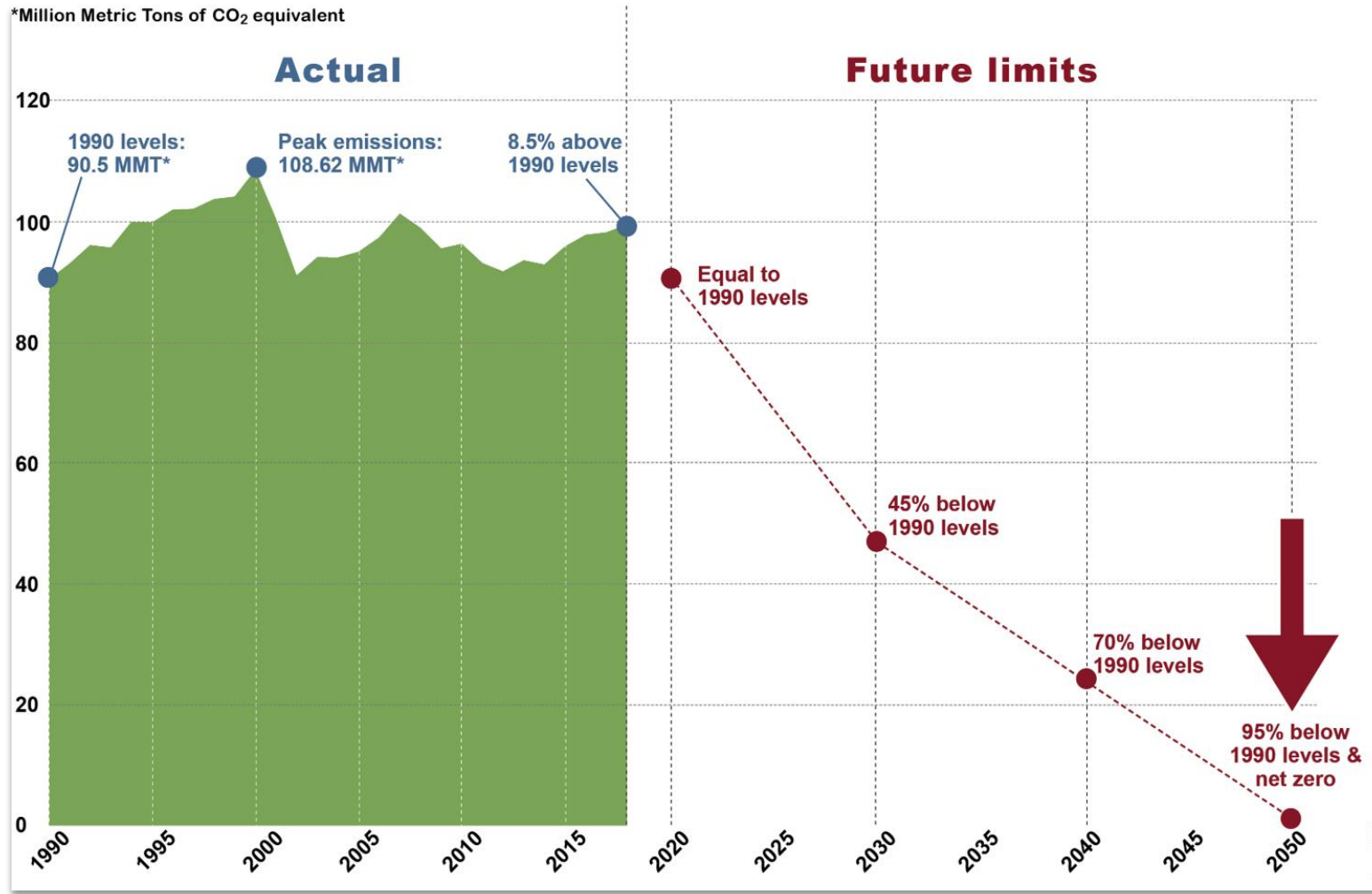
Second carbon tax initiative, I-631, with broad environmental, labor, and activist support, fails at the ballot box.

2021

Cap and invest, HEAL Act (Env Justice), Clean Fuel Standard pass into law.



Emissions targets are science based and set in statute

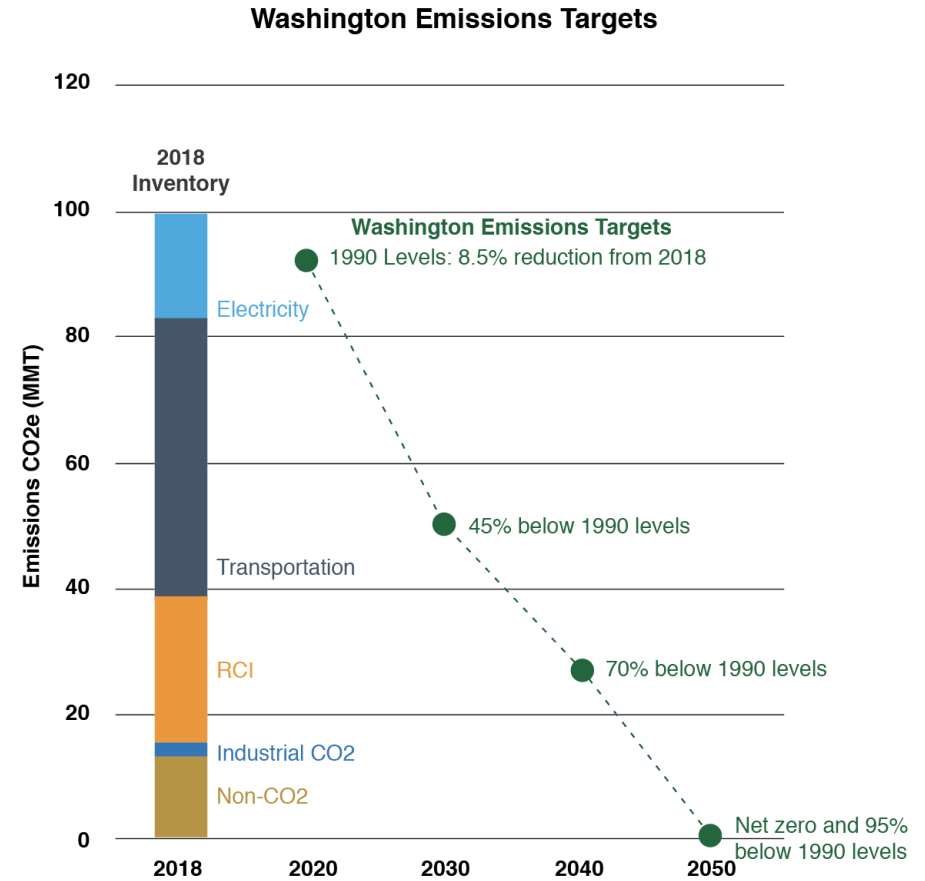
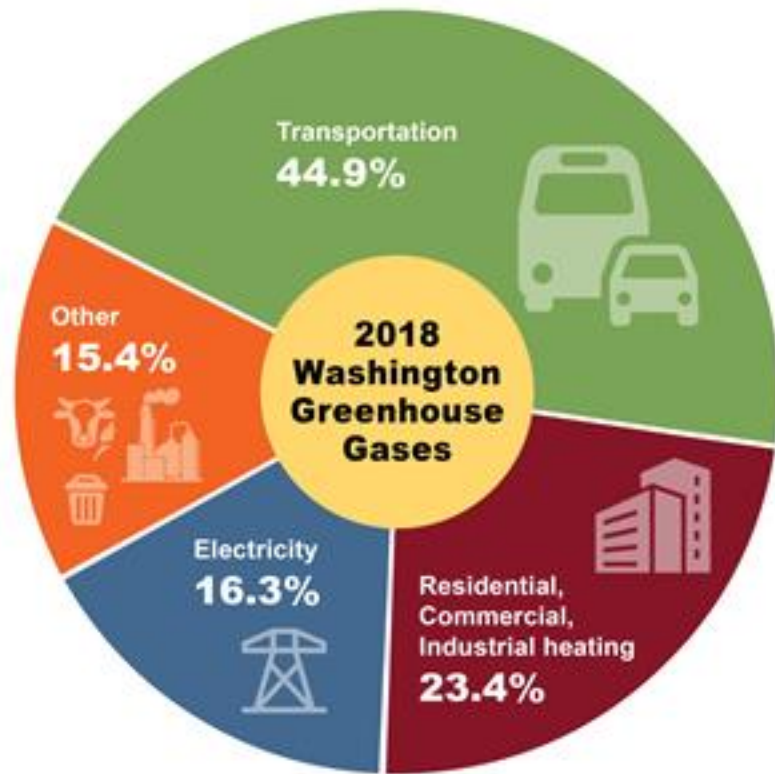


Statutory greenhouse gas limits were updated in 2020:

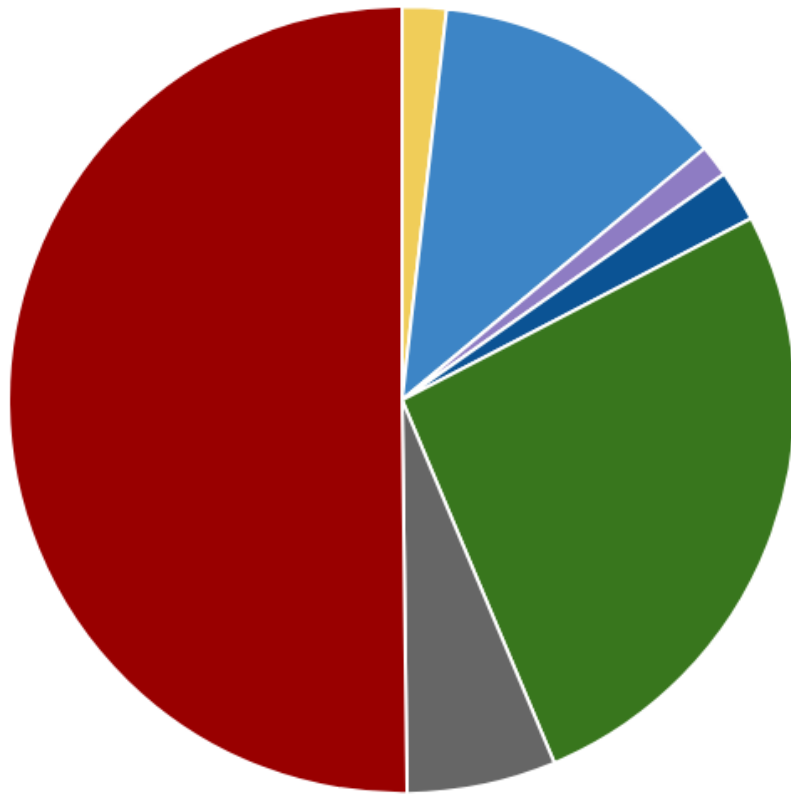
- By 2020: Reach 1990 levels
- By 2030: 45% below 1990 levels
- By 2040: 70% below 1990 levels
- By 2050: 95% below 1990 levels, achieve net zero emissions



These targets require multi-sector emissions reductions: electricity, transportation, buildings, industry, appliances



Washington's policy framework assumes strong 2030 targets with accountability



- Clean fuel standard (2021) - 1.8 MMT
- CETA (2019) and other electricity policies - 12.1 MMT
- HFC phaseout (2019 and 2021) - 1.3 MMT
- Other carbon reduction policies - 2.1 MMT
- Climate Commitment Act (2021) - 26.2 MMT
- Remaining reductions needed - 6.1 MMT
- 2030 emissions limit - 50 MMT

Projected percentages & levels of emission reduction attributable to specific policies by 2030



“Grand Bargain” that links climate, transportation and environmental justice

- **Climate Commitment Act** — SB 5126 (Carlyle) creates a cap and invest program with enforceable limits on emissions. Generates \$8.4B in funding for investments in climate, equity, and transportation projects through 2040.
- **Clean Fuels Program** — HB 1091 (Fitzgibbon) requires transportation fuel producers to reduce the carbon intensity of fuels by 20% below 2017 levels by 2038.
- **HEAL Act** — SB 5141 (Saldaña) embeds environmental justice principles in the full range of state agency work.
- **Move Ahead Washington** — SB 5975 (Lias) invests \$17B in transit, fish culverts, multimodal, clean transportation, EV infrastructure.



Broad-based, diverse support for CCA



WASHINGTON IS INVESTING IN CLEAN AIR AND LOCAL JOBS.

Thanks to the leadership of Governor Insley, Senator Carls, and Representative Fitzgerald, Washington can breathe a little easier in the face of rising greenhouse gas emissions in our state, elected officials recognized this session by passing two historic bills that benefit both our environment and the economy.

By passing the Climate Commitment Act and the Clean Fuel Standard, these leaders put Washington on a path to meeting its low-carbon goals, greener infrastructure, cleaner air, and more sustainable jobs. And the progress won't stop there – those of us who supported the Act will keep encouraging our legislators to do what's right for Washington, our planet, and the next generation.

Quinalt Indian Nation	Pegahla Services
Snoqualmie Indian Tribe	Scoville Public Solutions
AKMPL Power	SEU 775
Appropriate Technology Group	SEU 825
Audubon Washington	SEU Healthcare 139NW
Biotechnology Innovation Organization	Sheet Metal Workers Local 48
BP	Shell
Cascadia Climate Action	Sphere Solar Energy
Cascadia Policy Solutions	SRETrade
Cedar Grove	Strategic Harmony Partners
Certified Electrical Workers of Washington (CEW)	Sustainable Business Consulting
ChargePoint	Tabor 550
Clean & Prosperous Washington	Tacoma Pierce County Black Collective
Clean Fuel Washington	Taylor Shellfish Farms
Climate Solutions	The Breakfast Group
Coalition for Renewable Natural Gas	The Cougan Group LLC
Cyan Strategies	The Climate Quality Project - Washington State Coalition
Environmental Defense Fund	The Ite Group, LLC
Empire Green Carbon	The Future Group
Esige	The Future Conservancy in Washington
Fieldwork Communications	UMC, Inc.
FLO	WA Build Back Black Alliance
Forterra	WA Federation of State Employees (AFSWE)
Fuse Washington	Washington Conservation Voters
Gen Tech Global	Washington Environmental Council
Global Ocean Health/WCC	Water Street Public Affairs
Indivisible Bainbridge Island	Working Group on Seafood and Energy
MacDonald-Miller Facility Solutions	
Madrona Institute	
McKinstry Environmental	
McKinstry	
Mithun	
Nesta	
Northwest Energy Efficiency Council	
Pacific Mobility Group	
Pearl Jam	
Puget Sound Energy	
Puget Sound Solar	
REI Co-op	
Renewable Energy Group	
Renewable Hydrogen Alliance	

Fawn Sharp, President, National Congress of American Indians, Leonard Foreman, President, Affiliated Tribes of Northwest Indians, Howard Baker, Co-founder, Washington Business Alliance, Jake Blumenthal, Co-founder, Washington Progress Alliance, David Gulland, Founder, Clean & Prosperous Washington, Denis Hayes, CEO, Bullitt Foundation, Sally Jewell, 2013-17 US Secretary of the Interior, Chris Stedje, Stolle Family Foundation, Hanna van Wijk, Founder & CEO Emerita, Worldwatch, Organizational credit to identification/presentation only.



Climate Commitment Act

- A comprehensive, economy-wide carbon pricing program to reduce greenhouse gas emissions across all sectors.
- Central value is a firm, declining cap on aggregate emissions. Modest, well-crafted off-sets are INCLUDED under the cap.
- State sets a schedule for emission reductions (2023-2050) and emitters purchase market-based permits to reduce emissions in the most economically and environmentally efficient way.
- Designed for Washington to join the Western Climate Initiative (California & Quebec cap & trade program).
- Generates \$7.4 – 7.7B over the program's first 16 years for priority climate investments.



CLIMATE ACTION IN WASHINGTON STATE



CCA annual public revenue distribution

- Total revenues for the first 16 years are estimated at \$7.4-7.7 billion, with 72% of revenue deposited to the Carbon Emissions Reduction Account (CER) and 28% to the Climate Investment (CI) and Air Quality and Health Disparities Improvement Accounts (AQHDI).
- Environmental justice & equity criteria is required for spending.
- From 2038 on, *annual auction revenues* are deposited evenly to both accounts.

	Carbon Emissions Reduction Account (transportation budget)	Climate Investment Account / Air Quality and Health Disparities Improvement Account (operating budget)
2023	\$127 million	\$101 million
2024	\$357 million	\$103 million
2025	\$367 million	\$95 million
2026-2037	\$359 million	\$101 million increasing to \$289 million



Clean transportation: *Move Ahead Washington*

- Move Ahead WA transportation package (Liias) invests \$17B over 16 years.
 - \$5.4B in revenue from the Climate Commitment Act funds non-highway related investments
- **Over \$4.3 billion in transit, bike, and pedestrian investments.**
- Includes free fare for youth 18 and younger for all public transit statewide
 - \$290M Safe Routes to School
 - \$216M School Based Bike Program – a statewide school-based bicycle education grant program
 - \$278M Bike/Ped Grant Program
 - \$313M Bike/Ped Project List
 - \$146M Complete Streets
 - \$50M Connecting Communities Grants



Builds a new political, policy & relationship nexus between *transportation and climate action*

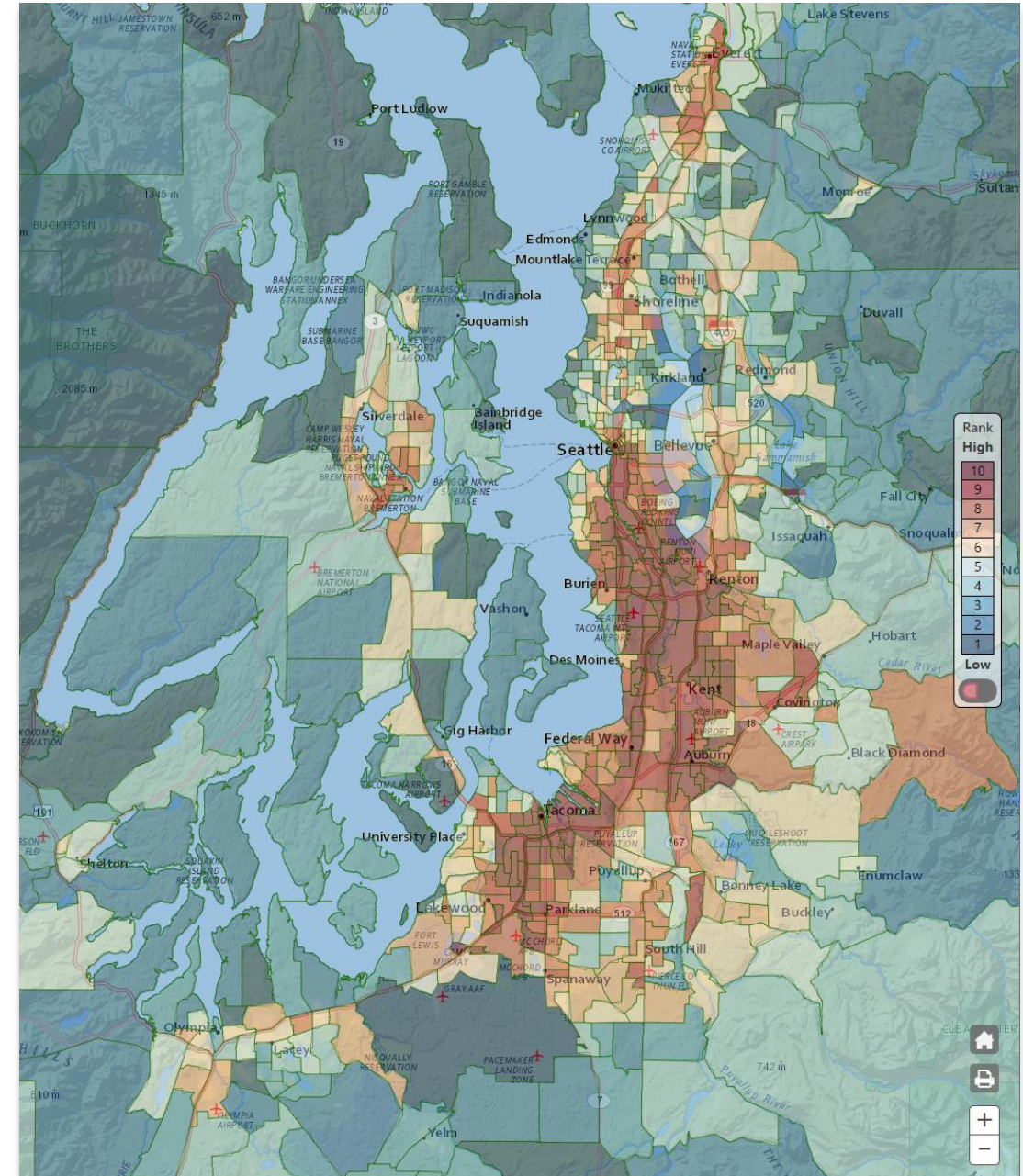
- Alternative Fuel & Electrification
 - \$392M State & Local De-Carbonization Projects
 - \$125M Carbon Emissions Reduction Local Grants
 - \$71M for EV Council/Grants
 - \$35M Aviation Grants (including \$10M for Sustainable Aviation)
- Ferries
 - \$1,346B (\$210M CCA Portion) 4 new hybrid-electric vessels
 - \$193M Electrification (vessel refits & terminals, including 2 jumbo vessel conversions)
 - \$350M Ferries Operating Account Support & \$160M Ferries Preservation Support
- \$2.4B Fish Culverts (salmon restoration)
- \$150M Ultra High-Speed Rail
 - Funded by the Climate Commitment Act



HEAL Act

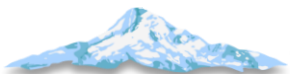
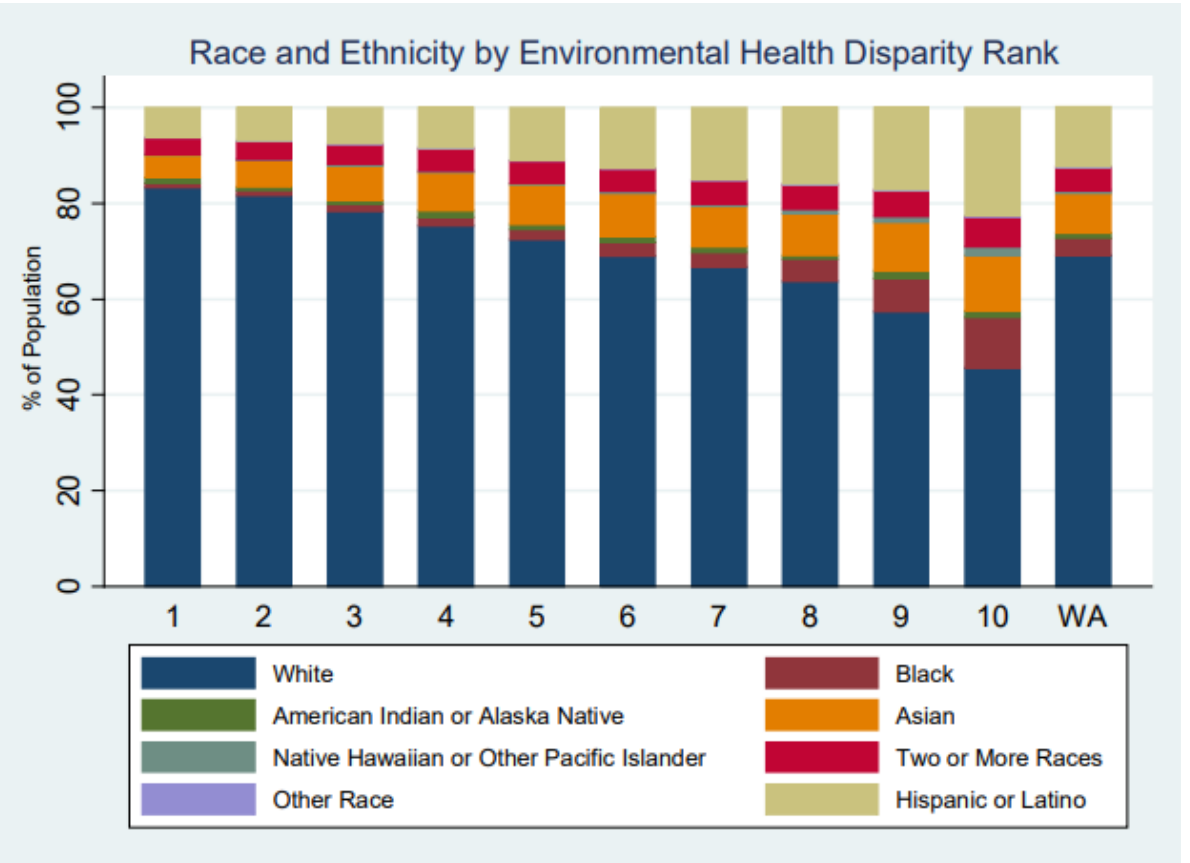
Healthy Environment for All (Saldaña)

- Formal definition of Environmental Justice
- Environmental Justice Council established
- Tribal Consultation—gov't to gov't
- Environmental Health Disparity Map
- Covered agencies must:
 - Incorporate EJ into Strategic Plans & Budget
 - Develop Community Engagement Plans
 - Conduct EJ Assessments
 - Overlay EJ into the foundation of agency work



Environmental Justice is embedded across budgetary, policy & strategic decisions

- **Environmental Justice Council:** Provides community-driven recommendations for investments and implementation of climate measures.
- **Safety valve** to ensure protection against any increase in facility-based emissions from the use of offsets.
- **Government-to-government consultation** with tribes.
- The state **monitors air pollution** from all sources, not only facilities covered under cap.
- Provides state authority to issue **enforceable orders** to reduce air pollution.
- **Requires the state to act** to reduce emissions in areas where pollution exceeds other nearby, overburdened communities.



State-level climate policy action is vital

Washington Legislature approves caps on carbon pollution and greenhouse gas emissions, giving big win to Inslee, environmentalists

April 24, 2021 at 6:27 pm | Updated April 25, 2021 at 9:09 am



By Joseph O'Sullivan
Seattle Times staff reporter

Washington state now has the nation's most ambitious climate policy

And, yes, it includes carbon pricing.



David Roberts
May 5, 2021

19 6

Washington politicians promote state climate laws at Glasgow UN summit

Nov. 11, 2021 at 6:00 am | Updated Nov. 11, 2021 at 3:00 pm

By Hal Bernton

Seattle Times staff reporter



The new gold standard for climate action

“...the Climate Commitment Act could be a tipping point to catalyze action across the United States – both in slashing climate emissions but doing it in a way that addresses localized pollution as well. This could be the new gold standard for other states to follow.”

– **Environmental Defense Fund**

Without much national attention, the last few years have seen Washington quietly put into place the most comprehensive and ambitious slate of climate and energy policies of any US state. Yes, I’m talking to you, California.”

- **David Roberts, Climate Policy Journalist**



“We are the first state in the nation and one of the few governments in the world with binding, enforceable commitments to science-based, net zero 2050 targets—and a meaningful action plan and policy roadmap to get there.

We have entered a new era of deep decarbonization, reduced consumption, smarter growth, equity and social justice and global sustainability. We are building a modern, 21st Century approach to climate action that lifts up our quality of life while walking more gently upon the earth.”



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