

Suggestions about bills that local jurisdictions might support at the Legislature

Probable reintroductions from the 2019 Session

(Summaries of these bills and their legislative history are available at <http://www.waclimateleg.info>)

1. Allow local jurisdictions to adopt more ambitious energy codes than the State's. (Was dropped from SB5293/HB1257 this past session.)

Currently, State law allows local jurisdictions to adopt more ambitious energy codes than the State's for all non-residential buildings and for multi-family buildings over three stories. (The Washington Code Council already generates a "voluntary aspirational energy code" requiring further reductions in each three year cycle that provides a template for "stretch codes" like these, and provides developers with a preview of the likely additions to the code in the next cycle. Since legislation now requires these updates to produce a 70% reduction from 2006 levels in the annual net energy consumption of new residential and commercial buildings by 2031, this strengthening of the code is an ongoing process.)

However, local jurisdictions are currently prohibited from adding to the state's energy code for residential or smaller multi-family buildings (except for special conditions unique to a district). SB5293 directed the Code Council to create two more ambitious levels of the code that local jurisdictions might choose to adopt for these buildings - one producing energy savings of 8-10% beyond the State's minimum code, and another with savings of 16-20% beyond the minimum. However, these provisions were removed from the bill in the first substitute.)

(The NW Energy Coalition and Shift Zero did a flyer about the bill, which is available at <http://www.waclimateleg.info/docs/ShiftZeroFlyer.pdf>)

2. Allow commercial property assessed clean energy financing - (HB1796/SB5730)

Property assessed clean energy financing programs make the repayment of a loan for an energy efficiency upgrade a lien on the property, which is repaid through the property tax billing process, and which stays as an obligation of the new owners if the building changes hands. Thirty states have established these programs. These bills authorized municipalities to set up programs like this for energy efficiency, water conservation, renewable energy, and resiliency projects in multifamily properties with five or more units, and in agricultural, commercial, and industrial properties .

However, it isn't clear that they're legal in Washington, because our Constitution prohibits any gift of public funds to private parties. ShiftZero, a coalition of green building organizations, has obtained a serious legal opinion which says that they would be permissible if they were structured the way they are in Texas, because that relies entirely on private financing, rather than lending any state funds. (However, it isn't clear whether the State using its property tax mechanism to implement a private loan and other details in this bill are constitutional here. Presumably, a court will settle those questions if the bill passes.) ShiftZero has a flyer about the bill, which is available at <http://www.waclimateleg.info/docs/C-PACERFlyer.pdf>.

Authorize the creation of local clean energy special purpose districts by voters (HB1964 - introduced by Representative Doglio in 2017, but was apparently not considered again in 2018)

These districts would be established through special elections for the voters within a proposed district, and they would be able to levy special assessments on property that would benefit from the district's activity, issue bonds, and finance and construct a variety of projects, including investing in conservation and efficiency, building renewable energy resources, and supporting the use of clean energy in transportation.

Expand on-bill repayment programs for renewable energy and conservation projects (HB1642 - Representative Doglio was the prime sponsor)

In these programs, a utility facilitates a customer's repayment of a loan from a third party for a renewable energy or energy conservation project by adding the payments to the utility bills. HB 1642 would require utilities with over 25,000 customers to offer these loans to their customers, unless their energy conservation plan included an on-bill or off-bill repayment program for energy conservation loans that they administered and they or a third party capital provider made. (The bill would let these utilities count the energy savings from projects financed through the programs toward their requirements for conservation under the Energy Independence Act (I-937), as long as the projects met the Act's standard for cost-effectiveness.

The bill defined the capital providers for these loans as "non-profit lenders, community banks, or credit unions." It also allowed smaller utilities and retail electric co-ops to choose to offer on-bill repayment programs. (An amended version made the programs a voluntary option for all utilities, and reached the Rules Committee, but didn't pass the House before the cutoff.)

Several different bills proposed programs to fund rural carbon sequestration - (HB2047, HB2082, and HB2095/SB5947)

HB2047 would expand DNR's current research on sequestering carbon in forests, create a State work group on carbon sequestration, and require DNR to help interested owners of forest land connect with existing carbon markets and other incentive-based carbon emission reduction and sequestration programs.

HB2082 would create a pilot program for funding tree planting along streams on fallow and underutilized agricultural land to cool water for salmon and sequester carbon, paying participating landowners ten dollars for each verified ton of carbon sequestered.

SB5947 would require the Department of Agriculture to develop a sustainable farms and fields program to make grants supporting agroforestry; increasing the carbon content of soils; and reducing agricultural uses of water, energy, and fertilizers and pesticides produced from fossil fuels. It's to estimate these reductions by counting the storage of a ton of carbon dioxide equivalents in soil or standing trees for 100 years as the equivalent of avoiding putting a ton of CO₂ into the atmosphere, and by treating storage for lesser periods of time proportionally. (Grants could be used for down payments on equipment.)

Though none of these passed last session, there was considerable interest in them among Republican legislators from rural areas, since they expanded potential State investments to slow climate change to include carbon sequestration through agriculture and forestry. (One of the striking things about the

recent book by Project Drawdown prioritizing the 100 most effective ways to reduce global levels of CO2 in the atmosphere is how many of the most important methods involve land use. (See <http://www.drawdown.org>.)

Adopt California Zero Emission Vehicle standards - (HB1999/SB5811)

These standards require manufacturers who want to sell cars in California and the nine other states that have adopted them to have a percentage of those sales be "zero-emission vehicles", or to buy credits to meet that requirement from other manufacturers who do sell them and have extra credits. (How many credits selling each model is worth gets somewhat complicated; there's a brief overview of the system at <http://www.ucsusa.org/clean-vehicles/california-and-western-states/what-is-zev>.) In practice, it means that about 2.5% of sales need to be zero emission vehicles now, and that the requirement will gradually increase to about 8% by 2025.

Since the credits for selling an electric car are now worth about \$4,000 on the market, manufacturers have a strong incentive to only sell electric cars in states where they can get the credits, and that means people who want many of these models now may have to go to Oregon to buy one, since it does have a ZEV standard, and they're sold there, but not in Washington.

Adopt low carbon fuel standard - (HB1110/SB5412)

Requires the Department of Ecology to create rules to reduce the greenhouse gas emissions from transportation fuels used in Washington to 10% below 2017 levels by 2028 and to 20% below 2017 levels by 2035. (Fuels for aviation, shipping, and locomotives are exempted; reductions might come from electric vehicles, a wide variety of biofuels, or renewable hydrogen.) This bill was complicated, hotly contested, and much amended; it passed the House, and reached the Rules Committee in the Senate but did not get a floor vote there. The page about it at <http://waclimateleg.org/hb1110> discusses the details and has links to other resources about the issues.

Increase State targets for emissions reductions to match Paris Accords' - (HB1113)

The bill increases the State's targets from a 25% reduction in greenhouse gas emissions by 2035 to a 40% reduction, and from a 50% reduction by 2050 to an 80% reduction. These new targets would roughly match the reductions that the nations signing the Paris Accords agreed were necessary to keep emissions "at a level that would prevent dangerous anthropogenic (human induced) interference with the climate system."