

**HB 2856 - DIGEST**

Declares that, although regulatory regimes will likely be necessary to create a framework for greenhouse gas reductions, market mechanisms will play an integral role in any plan to reduce greenhouse gas emissions in the next century. Emission credit trading systems provide greenhouse gas emitting industries with an efficient market mechanism to comply with greenhouse gas regulations. Activities that store or trap carbon, such as growing forests, should be recognized in emission credit trading systems.

Requires the findings of the study panel, along with draft legislation developed by the study panel, to be reported to the appropriate standing committees of the legislature by January 2, 2007.