S-0812.1

SENATE BILL 5359

State of Washington 60th Legislature 2007 Regular Session

By Senators Rockefeller, Poulsen, Oemig, Marr, Pridemore, Regala, Fraser, Kline and McAuliffe

Read first time 01/17/2007. Referred to Committee on Water, Energy & Telecommunications.

- AN ACT Relating to the creation of the greenhouse gas reporting study panel; and creating new sections.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 NEW SECTION. **Sec. 1.** The legislature finds that:
- 5 (1) There is growing interest in the tracking, registering, and reduction of greenhouse gas emissions at both the state and federal 6 7 of government. This growing interest is evidenced by 8 Washington's creation of the Washington center for climate and rural energy development at Washington State University in 2002, to serve as 9 10 a central, nonregulatory clearinghouse of credible and reliable information addressing various aspects of climate change and clean 11 12 energy activities, and the 2003 West Coast governor's global warming 13 initiative launched by the governors of Washington, Oregon, and California; 14
- 15 (2) Although regulatory regimes will likely be necessary to create 16 a framework for greenhouse gas reductions, market mechanisms will play 17 an integral role in any plan to reduce greenhouse gas emissions in the 18 next century;

p. 1 SB 5359

(3) The federal government, states, and numerous private sector businesses in the United States and abroad are discovering that it is a sound business decision, both financially and environmentally, to decrease their greenhouse gas emissions, through reduced emissions and/or carbon sequestration;

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- (4) As part of the regulatory and market framework for the reduction of greenhouse gas emissions, many states have enacted greenhouse gas reporting programs that include a variety of carbon registration and sequestration programs;
- 10 (5) It is important for Washington to analyze the various programs 11 in order to determine the best steps for the state to take in order to 12 protect its citizens and the environment as well as provide businesses 13 and owners of agriculture and forest lands the opportunity to 14 participate in the various carbon trading markets and programs while 15 reducing greenhouse gas emissions.
- NEW SECTION. Sec. 2. (1) The greenhouse gas reporting study panel is created consisting of the following members appointed by the governor:
 - (a) One representative of the governor's office;
- 20 (b) The director of the department of agriculture or the director's designee;
- (c) The director of the department of ecology or the director's designee;
 - (d) The director of the department of natural resources or the director's designee;
 - (e) The director of the department of fish and wildlife or the director's designee;
 - (f) Two members from the climate academic sector, one from Washington State University and one from the University of Washington;
 - (g) One member representing the department of community, trade, and economic development;
- 32 (h) Two members from industries or businesses that produce carbon 33 emissions within the state of Washington;
 - (i) Two members from conservation or environmental groups;
- (j) Two members representing owners of private forest lands, one representative of owners of small private forest lands, and one representative of owners of large or industrial private forest lands;

SB 5359 p. 2

1 (k) Two members representing producers of field crops, at least one 2 of whom actively employs a minimum tillage management system in his or 3 her farming operation;

- (1) Two members who are producers of livestock, at least one of whom is actively involved in range management;
- (m) One member with expertise in carbon dioxide emissions marketing or trading;
- 8 (n) One member representing conservation districts in this state; 9 and
- 10 (o) One member representing an entity that generates electrical energy.
 - (2) Members of the study panel shall serve without compensation but shall be reimbursed for their actual and necessary expenses as provided in RCW 43.03.050 and 43.03.060. The Washington climate and rural energy development center shall, subject to availability of appropriations, provide space for meetings of the study panel and shall provide other assistance and staffing needs of the study panel. Staffing support shall also be provided by the department of community, trade, and economic development, the department of natural resources, and the department of ecology.
 - (3) The study panel shall prepare a report describing other state registry programs and the opportunities to initiate a statewide voluntary greenhouse gas emissions registry in Washington, as well as the recommended structure of such a registry. The study panel and report shall also:
 - (a) Investigate the feasibility of a carbon emissions cap and trading program for the state as a strategy for further reducing region-wide greenhouse gas emissions and identifying the effort required to establish industry or sector-specific reporting and baselines, qualification of third-party organizations to certify reported baseline emissions, development of an emissions tracking protocol, instituting an emissions trading mechanism, and any other topics needed to better understand a registry and cap and trade program; and
 - (b) Investigate the existence or potential for development of sufficient regulatory basis for a carbon trading market that can be accessed by Washington agricultural and forest landowners, the benefits and drawbacks of existing models in other states as applied to

p. 3 SB 5359

Washington, whether the implementation of a consistent protocol in all western states for the accounting of carbon sequestration capacity value will enhance carbon trading for the land owners, identify and recommend areas of research needed to better understand and quantify the processes of carbon sequestration, and other topics decided by the study panel as necessary to explore in order to meet the charge of the study panel.

(4) The study panel shall report the results of this study, along with any recommendation for legislation, to the governor and the appropriate standing committees of the legislature by November 1, 2007.

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SB 5359 p. 4