

Weekly Legislative Update: Climate Change & Energy

Issue Team Chair: Martin Gibbins Contact: mgibbins@lwvwa.org, (425) 361-5007

February 20, 2022

The legislature worked hard to pass bills by the cutoff deadlines, some debates on the chamber floors extending all night. Most bills still progressing are now in the second chamber policy committees where they must pass by February 24, then through the spending committees (Appropriations, Finance, Ways & Means) by February 28. The legislature always invokes exceptions to the cut-off date, such as bills necessary to implement the budget (NTIB). We expect bill amending to continue as the bill sponsors work to collect the necessary support from legislators and stakeholders.

Priority Bills Needing Action This Week

The following bill has a hearing on Feb 22 at 8:00 AM that you can sign in to support. See the description farther down for more background.

▲ <u>SB 5910</u> - Accelerating the availability and use of renewable hydrogen in Washington state. <u>Please sign in Pro</u> by 7:00 AM on Feb 22.

The following bills have committee votes on Feb 22 and could use your help. If your Representative is on the <u>House Environment & Energy Committee</u>, please ask them to vote for these bills by the end of the day on Feb 21. Select the bill number link to open the bill information page, then select the box <u>Comment on this bill</u>. Fill in your information and craft a comment; you can use the rationale below, and optionally add your own perspective.

▲ SB 5842 – State laws that address climate change. Rationale: We have no time to lose in doing our part to limit climate change. Economic reactions will change, and technologies will emerge, so we should expect annual revisions of the Climate Commitment Act and other climate programs to guide implementation toward the performance required. Please support this bill.

▲ SB 5722 - Reducing greenhouse gas emissions in buildings. Rationale: Greenhouse gas release from buildings, primarily in heating systems, is second only to transportation in Washington. This bill will encourage more new buildings, including multifamily housing, to incorporate more carbon-free energy sources. We must improve our building codes now to avoid stranding assets in the future. Please support this bill.

This bill has a committee vote on Feb 23. If your Senator is on the Senate Committee on Environment, Energy & Technology, please ask them to vote for these bills by the end of the day on Feb 22. Select the bill number link to open the bill information page, then select the box Comment on this bill. Fill in your information and craft a comment; you can use the rationale below, and optionally add your own perspective.

▲ ESHB 1770 - Strengthening energy codes. Rationale: This bill will create a set of building codes that reach farther than the base state building codes to reduce greenhouse gas production, but are optional for a county or city to implement for their region. We must ensure that what we build now serves us well in the future and does cost us more in the long run. Find details in a <u>summary sheet</u> from one of our coalition partners.

Bills We Support

Updates and new information in green text.

HB 1280 Greenhouse gas emissions reductions in the design of public facilities. According to the 2021 State Energy strategy, buildings now account for over 20% of greenhouse gas releases in our state. Taking positive and deliberate steps to transition toward clean energy sources is important to reach our legislated limits for greenhouse gas emissions. This bill makes two important updates: 1) including greenhouse gas emissions in new building life-cycle analysis, and 2) assuring renewable energy systems in building design options. On Feb 1 it had a public hearing in the Senate Committee on Environment, Energy & Technology, but it needs a vote.

<u>HB 1619</u> - Appliance efficiency standards. Energy saved through increasing efficiency is equivalent to green energy generated, and saves money so we must continue to invest in improved appliances. We cannot depend on federal policy to take action, so the states must act and work to align regulations with other states. A substitute bill adjusted some of the exemptions, and that passed the House Committee on Environment & Energy 9 to 4, then passed the floor vote 56 to 39. It had a hearing in the Senate Committee on Environment, Energy & Technology on Feb 16.

<u>HB 1623</u> – **Risk assessment of power supply inadequacy events.** A substitute bill adjusted reporting requirements and has bipartisan support. It requires the Department of Commerce and the Utilities and Transportation Commission to conduct additional meetings to assess energy resource adequacy plus an additional stakeholder meeting in 2022. It had no opposition testimony in hearings, although some testimony asked for additional emphasis on transmission adequacy, not just supply adequacy. It passed the House Committee on Environment & Energy

unanimously. It is still on the House Floor Calendar in consideration for a vote. This bill passed out of the House 93 to 0 on Feb 10 and had a hearing in the Senate Committee on Environment, Energy & Technology. It is now scheduled for a vote in that committee on Feb 22 at 10:30 AM.

HB 1663 - Reducing methane emissions from landfills. Methane releases are an increasing concern due to their 25 times greater GHG effect than CO2. The most significant source is leakage from drilling and transport, including right up to the building of use, so the most effective way to reduce releases is to phase out using methane. A smaller source is from bio material decay in landfills. This bill requires monitoring landfill leakage and to encourage elimination through capture and redirection or even flame-off because the carbon dioxide created is less harmful than the methane. A substitute bill passed the House Committee on Environment & Energy, and had a hearing in Appropriations on Feb 3. An amended bill (substitute) specified several exemptions and refined the required efficiency for diversion of the methane. This bill passed out of the House 57 to 40, and had a hearing in the Senate Committee on Environment, Energy & Technology on Feb 16.

<u>ESHB 1770</u> - Strengthening energy codes. This bill will create a set of building codes that reach farther than the base state building codes to reduce greenhouse gas production, but are optional for a county or city to implement for their region. Find details in a <u>summary sheet</u> from one of our coalition partners. This bill passed the House 51 to 47, and had a hearing in the Senate Committee on Environment, Energy & Technology on Feb 17, and is scheduled for a vote in that committee on Feb 23.

<u>HB 1792</u> – **Green Hydrogen production.** Hydrogen gas may have a significant role to play in energy storage for and alternative fuels for bridging generation service gaps and for uses difficult to electrify with current technology such as aviation and long-haul trucking. Challenges remain so success will depend on technology development. The hydrogen must be produced without fossil fuels to make progress on reducing climate change. Unanimously passed the House Committee on Environment & Energy and passed the House Committee on Finance on Feb 17 on a 16 to 1 vote.

HB 1799 – Organic materials management to reduce methane. Requires waste management systems to direct more organic matter toward composting facilities, reduces legal liability in the donation of edible food, encourages development of more applications for compost products, improve standards for the labeling and color coding of compostable food-ware products, and applies additional requirements on non-compostable items. Public hearing on Jan 21 in the House Committee on Environment & Energy. An amended bill (substitute) passed the committee 8 to 5. The substitute specifies certain waivers, exemptions, and technical clarifications, mostly to accommodate the constraints of smaller jurisdictions. Definitions of organics further defined and made clear does not include biosolids. Removed requirement for non-plastic stickers on produce and made changes in color identification for serviceware. This

bill passed the House 56 to 42, and had a hearing in the Senate Committee on Environment, Energy & Technology on Feb 17.

<u>HB 1814</u> – Community solar projects. Enables residents, whose housing is not easily or efficiently retrofitted for solar panels, to join a community solar project installation and enjoy the benefits. It passed a vote on Feb 1 in the House Committee on Environment & Energy. It had a hearing in the House Committee on Finance on Feb 7, and is scheduled for a vote in that committee on Finance Feb 21.

<u>SB 5543</u> – A zero-emission landscaping equipment transition incentive program. Fuel-powered landscaping equipment is a source of GHG release, air pollutants, and community noise. This bill proposes rebates for new, electrical-powered equipment when the fuel-powered equipment is traded in and disposed. It passed the Senate Committee on Environment, Energy & Technology, and was referred to Ways & Means. This bill had a hearing in the Senate Committee on Ways & Means Feb 17. Although the legislation cutoff date has passed, the rebates in this bill have an impact on the budget, so it may be designated necessary to implement the budget (NTIB).

SB 5722 - Reducing greenhouse gas emissions in buildings. Greenhouse gas release from buildings, primarily in heating systems, is second only to transportation in Washington. This bill is a continuation of the clean buildings bill from 2019, and is a step toward adjusting building codes to design more new buildings, including multifamily housing, to incorporate more carbon-free energy sources. It initially requires a bench-marking period to determine opportunities and costs. This bill passed the Senate floor vote 27 to 22. It had a public hearing in the House Committee on Environment & Energy, and is scheduled for a vote in that committee on Feb 22.

SB 5744 / HB 1988 – Tax deferrals for investment projects in clean technology manufacturing, clean alternative fuels production, and renewable energy storage. Defers state and local sales and use taxes for an investment project in either qualified buildings or qualified machinery and equipment, or both, for new, renovated, or expanded manufacturing operations, including zero-emission vehicles and electricity from renewable resources; facilities that produce clean fuels; and facilities that store electricity from renewable resources. A substitute bill for SB 5744 was referred to Ways and Means, but did not proceed. HB 1988 passed the House Finance Committee 12 to 5.

<u>SB 5842</u> – **State laws that address climate change.** This bill contains clarifications, refinements and additional elements for the Cap and Invest program, the core of the Climate Commitment Act of 2021. One intent of the bill sponsor was to assign accountability for the Act higher in the Department of Ecology. It sets schedules for creating and assigning allowances to energy users.

Details are summarized in the <u>Senate Bill Report</u>. We have no time to lose in doing our part to limit climate change. Economic reactions will change, and technologies will emerge, so we should expect annual revisions of the Climate Commitment Act and other climate programs to guide implementation toward the performance required. A substitute bill with approved amendments passed out of the Senate on a 29 to 22 vote, and moved to the House. It had a hearing in the House Environment & Energy Committee, and is scheduled for a vote on Feb 22.

SB 5910 - Accelerating the availability and use of renewable hydrogen in Washington state. Creates a statewide Office of Renewable Fuels under the Department of Commerce to focus development of new fuels based on renewable green hydrogen production, and to enable the distribution and use of the fuels. The office will coordinate efforts of government, private entities, and institutions of higher education, and will report to the Legislature on opportunities and progress. Funding is planned primarily from the Federal Infrastructure Investment and Jobs Act. Washington is in a good position to secure this funding due to the commitment toward transitioning to all clean electricity. The bill passed the Senate 49 to 0, and is now scheduled for public hearing in the House Committee on Environment & Energy on Feb 22 at 8:00 AM, and a vote in that committee on Feb 24 at 10:00 AM.

Bills We Supported that did not pass

<u>HB 1682</u> – Emissions-intensive, trade-exposed (EITE) businesses. This is a refinement of the Climate Commitment Act, cap and trade and invest, which will require almost continuous adjustment to maximize effectiveness and prevent unintended consequences. This bill focuses on policies and administration of EITE enterprise allowances. Our long delay in reducing the driving forces of climate change leaves us with difficult choices. An amended bill (substitute) passed the House Committee on Environment & Energy, and was referred to the Appropriations Committee but no hearing occurred. As cutoff dates have passed, it appears this bill will not proceed.

HB 1767 – Targeted electrification through outreach and investment in system conversion. Authorizes the governing body of municipal electric utilities and public utility districts (PUDs) to adopt a targeted electrification plan, including incentives, once they establish that utility outreach and investment in the electrification of customers' end use equipment in residential and commercial buildings will provide net benefits to the utility. Investor-owned utilities already have this ability. Besides reducing GHG release, accumulating evidence shows that burning fossil fuel in a residence degrades the health of the occupants. The bill did not emerge from the House Rules Committee, so is doubtful to proceed.

<u>HB 1810</u> – Promoting the fair servicing and repair of digital electronic products in a safe, secure, reliable, and sustainable manner to increase access to appropriate and affordable

digital products, support small businesses and jobs, and enhance digital connectivity in Washington state. Will reduce the amount of e-waste in the state by promoting the repair of digital devices. Extending the life of computers, tablets and cell phones will decrease the need for more resources, energy and transportation to manufacture new products – therefore also decreasing greenhouse gas. In addition, the availability of more used devices will make such important tools for connectivity in today's world available to more individuals, a contribution to social justice. A substitute bill passed Appropriations on Feb 1 and was sent to Rules.

Amendments incorporated in the substitute adjusts repair personnel certification requirements and specifies funding requirements. It did not pass out of the Rules Committee, so appears it will not proceed.

HB 1896 – Providing for responsible environmental management of batteries: Batteries are considered Hazardous Waste --- and currently are included in residential Household Hazardous Waste programs where available. This bill would create an extended producer responsibility program to provide for the convenient and responsible recycling of portable and medium batteries in a statewide program. Ensuring the proper handling, recycling, and end-of-life management of used batteries prevents the release of toxic materials into the environment and removes materials from the waste stream that, if mishandled, may present safety concerns to workers, such as by igniting fires at solid waste handling facilities or in collection vehicles. The substitute bill removed certain battery types, delayed labeling requirements, included a study by the Dept. of Ecology on large format batteries. This bill did not emerge from the Rules Committee before the cutoff date.

SB 5526 – Studying the global availability of lithium and rare earth minerals for battery manufacturing. Concerns exist about the reliability and availability of sources for the elements and materials required for supplying the clean energy infrastructure. This bill requires the Department of Commerce to submit a report on the global availability of lithium and rare earth minerals used in battery manufacturing. Forecasting to ensure we can execute our plans for the clean energy transition is important, and the state should maintain a grasp of limitations as well as opportunities. Also, we should avoid creating environmental damage as we extract and process the ores containing the required materials. One answer to this challenge is battery recycling, addressed in HB 1896 described above. These are developing technologies and alternatives will appear as we invest in research. An amended bill passed the Senate Committee on Business, Financial Services & Trade on Feb 1, and was passed to Rules for consideration of a floor vote. The amendments specify requirements for a report on findings from Commerce and states the intent for Washington to become a global leader in the recycling of electric vehicle batteries. The Rules Committee declined to send the bill to the floor for a vote, so it will not proceed.

<u>SB 5732</u> – Green roofs on large commercial and multifamily buildings. Requires all new buildings 50,000 square feet or larger and designed after January 1, 2025, to cover 70 percent

of the roof space with green roofing and-or solar panels, and requires a study of biosolar, agrivoltaic, and blue/green roof systems on buildings with a floor area of 10,000 to 50,000 square feet. Expected benefits include reduced storm water runoff, reduced urban heat island effect, and improved air quality. Based on testimony in the initial hearing, green roof requirements are in place around the US, but amending could clarify implementation dates and requirements for accommodating the building's roof-top mechanical equipment. It appears that this bill will not move forward this session.

SB 5492 – Wind turbine blade recycling. The blades of a wind turbine contain fibers of carbon and glass for strength and stiffness and a plastic binder. Unless severely damaged, they should have useful lives of 30 or more years, but the materials are difficult to recycle. Some options for repurposing may be available. The bipartisan bill directs the Department of Ecology to develop guidance for a self-directed program for manufacturers to take-back and recycle or safely dispose of the wind turbine blades. In the past, our energy systems have created unanticipated and unacknowledged problems and pollution. We must do our best to prevent that for our clean energy systems. Public hearing was held on Jan 19 in the Senate Committee on Environment, Energy & Technology, but no further action is scheduled. It appears it will not move forward.

SB 5697 - Renewing Washington's recycling system and reducing waste - RENEW Act. Our waste stream affects climate and the accumulation of refuse. This bill covers product stewardship for packaging and printed paper, including recycling and reuse targets, accurate labeling provisions and requirements for post-consumer recycled content in plastic tubs, thermoform containers (e.g., clamshells), and single-use cups. It implements the top recommendations in the Department of Ecology's Plastics Study (October 2020) which was required by SB 5397 in 2019 to address our recycling crisis and the increasing amount of plastic pollution. A substitute bill passed the Environment, Energy & Technology on Feb 2, and was referred to Ways and Means, but has not been scheduled for a hearing. The Substitute Bill required some extensive negotiations with waste haulers, retailers, and producers who were opposed to several of the provisions. A number of product definitions were adjusted, adjustments made to requirements for the Producer Responsibility Organizations (PRO), further defines duties of Dept. of Ecology for reuse and recycling rates and statewide needs assessment, directs PRO plans to include how the PRO will encourage and incentivize redesign of covered products to be reusable, recyclable, or compostable, removes reuse and recycling performance requirements, delays time for the recycled content requirements, provides that nothing in the act requires a retailer to serve as a drop-off location or site of a collection event but that they may do so if desired; specifies that the truth in labeling provisions apply to producers; and removes provision authorizing UTC to review financial information of private recycling businesses that receive covered products. This bill was pulled by the sponsor.

How You Can Be Involved

- You may express support for bills with the *Comment on this bill* feature in each bill page (select the bill number links above) and in hearings with the <u>online process</u>. For the online process, select House or Senate then the committee and the date and time of the meeting, then follow the menus. Detailed instructions are in this week's *Legislative Newsletter*. Remember, only authorized members can speak for the League; the Issue Chairs will do that, so please leave the "Organization" box blank. A more powerful influence is many voices speaking for themselves rather than many voices speaking for the League.
 - Your committee hearing sign-ins are effective in showing interest and support for these issues. Sign-ins are accepted until 1 hour before the committee hearing begins.
- Local Leagues in Washington have Action Chairs who coordinate action teams. Some Local Leagues have Environment or Climate teams to take action locally. Contact your local league Action Chair to find out and join.
- You may also express your opinion on legislation with the LWVWA Issue Chairs. We will
 take your perspectives under consideration as we determine our support for legislation
 and prepare testimony. Martin Gibbins, Climate Issue Chair, mgibbins@lwvwa.org