SB0309/994239/1

BY: Education, Health, and Environmental Affairs Committee

<u>AMENDMENTS TO SENATE BILL 309</u> (First Reading File Bill)

AMENDMENT NO. 1

On page 1, in the sponsor line, strike "and Stone" and substitute "Stone, and Harrington"; strike beginning with "stating" in line 6 down through "Assembly;" in line 7; in line 7, after "to" insert "develop plans,"; in line 8, after "regulations" insert ", and implement certain programs"; in the same line, strike "require certain reductions in" and substitute "reduce"; in the same line, after "emissions" insert "to a certain level"; in the same line, after "by" insert "a"; in line 9, strike "years" and substitute "year"; in line 10, strike "adopt regulations in order to implement" and substitute "report to the Governor and the General Assembly on the status of implementing"; in line 11, after "measures" insert "on or before certain dates; requiring the Department to develop and publish a certain plan in accordance with certain requirements on or before a certain date"; strike beginning with "requiring" in line 16 down through "requirements;" in line 18; in line 21, strike "requiring" and substitute "authorizing"; in line 27, after "requiring" insert "certain sources to include greenhouse gas emissions in certain statements submitted to the Department;"; and strike beginning with "the" in line 27 down through "compliance" in line 29 and substitute "requiring the Department to adopt certain regulations related to greenhouse gas emissions".

On page 2, strike beginning with "creating" in line 6 down through "Act;" in line 7; in line 8, strike the first "authorizing" and substitute "<u>requiring</u>"; in line 9, after "circumstances;" insert "<u>requiring the Department to include certain stakeholders in advisory workgroups; requiring the Department to conduct a certain study; requiring certain fees to be deposited in a certain fund under certain circumstances; requiring the Department of the Environment, prior to the implementation of certain provisions of this Act, to make and forward a certain determination; making certain provisions of the Environment; providing for the termination of certain provisions of this Act if a certain</u>

<u>determination is not received by a certain date;</u>"; in line 20, strike "2-1210" and substitute "<u>2-1209</u>"; and in line 34, strike "**2-1208**" and substitute "<u>2-1207</u>".

On page 3, in line 13, strike "THE" and substitute "<u>AN</u>".

AMENDMENT NO. 2

On page 4, in line 10, strike "**TECHNOLOGY AND**"; in line 13, after "**AND**" insert "**BY PREPARING A PLAN INCLUDING REGULATORY AND OTHER PROGRAMS SUFFICIENT TO MEET A TARGET OF**"; in line 14, strike "**MANDATED**"; in line 16, strike "**REDUCTIONS**" and substitute "**REDUCTION**"; and after line 33, insert:

"(B) "ALLOWANCE" MEANS 1 TON OF CARBON DIOXIDE EQUIVALENT THAT MAY BE EMITTED DURING 1 CALENDAR YEAR.".

AMENDMENT NO. 3

On page 5, in line 1, strike "(**B**)" and substitute "<u>(**C**)</u>"; in line 2, strike "**EMISSIONS**"; strike in their entirety lines 5 and 6; in line 16, strike "**EMISSIONS**"; after line 20, insert:

"(H) "GREENHOUSE GAS SOURCE" MEANS A SOURCE OR CATEGORY OF SOURCES OF GREENHOUSE GAS EMISSIONS THAT HAVE EMISSIONS OF GREENHOUSE GASES THAT ARE SUBJECT TO THE PROVISIONS OF THIS SUBTITLE, AS DETERMINED BY THE DEPARTMENT.";

and in lines 21 and 24, strike "(H)" and "(I)", respectively, and substitute "(I)" and "(J)", respectively.

On page 6, strike in their entirety lines 2 through 5, inclusive.

AMENDMENT NO. 4

On page 6, in line 14, after "SHALL" insert "<u>DEVELOP PLANS</u>,"; in the same line, after "REGULATIONS" insert "<u>, AND IMPLEMENT PROGRAMS</u>"; in line 15, strike the colon; in line 16, strike "(1)"; strike beginning with the semicolon in line 16 down through "2050" in line 17; in lines 22 and 29, strike "ADOPT REGULATIONS TO IMPLEMENT" and substitute "<u>REPORT TO THE GOVERNOR AND GENERAL</u> <u>ASSEMBLY, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT</u> <u>ARTICLE, ON THE STATUS OF IMPLEMENTING</u>"; in line 19, after "SHALL" insert "<u>PREPARE AND</u>"; and in the same line, strike "AND MAKE AVAILABLE TO THE PUBLIC".

On page 7, in line 1, after "(I)" insert "<u>AN INVENTORY OF STATEWIDE</u> <u>GREENHOUSE GAS EMISSIONS;</u>

<u>(II)</u>";

in line 3, strike "(II)" and substitute "(III)"; in line 6, strike "**2011**" and substitute "**2012**"; after line 9, insert:

"(E) (1) BY JUNE 1, 2012, THE DEPARTMENT SHALL DEVELOP AND PUBLISH A PLAN TO REDUCE GREENHOUSE GAS EMISSIONS BY 90% FROM 2006 LEVELS BY 2050, THAT SHALL INCLUDE:

(I) **REGULATORY AND OTHER PROGRAMS;**

(II) <u>Research, development, and technological</u> <u>Advancement initiatives; and</u>

(III) A SCHEDULE FOR ADOPTING AND IMPLEMENTING THE ELEMENTS OF THE PLAN.

(Over)

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(2) <u>THE PLAN REQUIRED UNDER PARAGRAPH (1) OF THIS</u> SUBSECTION SHALL:

(I) <u>BE PUBLISHED AND UPDATED BY NOVEMBER 1 OF</u> EVERY FOURTH YEAR;

(II) INCLUDE A SUMMARY OF THE STATE OF THE SCIENCE REGARDING GLOBAL WARMING; AND

(III) <u>BE SUBMITTED TO THE GENERAL ASSEMBLY IN</u> <u>ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE.</u>";

in line 10, strike "(E) WITH RESPECT TO" and substitute "(F) IN DEVELOPING PLANS, IMPLEMENTING PROGRAMS, AND"; after line 14, insert:

"(2) ENSURE THAT THE PLANS, REGULATIONS, AND PROGRAMS IMPLEMENTED IN ACCORDANCE WITH THIS SECTION ARE CONSISTENT WITH, AND DO NOT DUPLICATE, OTHER GREENHOUSE GAS EMISSION REDUCTION PROGRAMS REQUIRED BY LAW, INCLUDING THE HEALTHY AIR ACT, THE CLEAN CARS ACT, OR OTHER REQUIREMENTS OF FEDERAL LAW RELATED TO GREENHOUSE GAS EMISSION REDUCTIONS;";

in lines 15, 19, 22, 23, 27, 29, and 31, strike "(2)", "(3)", "(4)", "(5)", "(6)", "(7)", and "(8)", respectively, and substitute "(3)", "(4)", "(5)", "(6)", "(7)", "(8)", and "(9)", respectively; in line 15, after "A" insert "<u>GREENHOUSE GAS</u>"; in line 22, after "OF" insert "<u>THE ACTIONS UNDERTAKEN TO COMPLY WITH</u>"; and in line 30, after "EACH" insert "<u>GREENHOUSE GAS</u>".

On page 8, in line 1, after "THAT" insert "<u>GREENHOUSE GAS</u>"; in the same line, after "REDUCTIONS" insert "<u>REQUIRED UNDER THIS SECTION</u>"; in lines 1, 3, 6, and

10, strike "(9)", "(10)", "(11)", and "(12)", respectively, and substitute "(10)", "(11)", "(12)", and "(13)", respectively; in line 11, after the first "AND" insert ", TO THE **EXTENT PRACTICABLE**,"; in lines 16 and 25, strike "(F)" and "(G)", respectively, and substitute "(G)" and "(H)", respectively; in line 20, after "FOR" insert "GREENHOUSE GAS"; and in line 31, strike "ELECTRICAL" and substitute "ELECTRICITY".

On page 9, in line 1, strike "ELECTRICAL" and substitute "<u>ELECTRICITY</u>"; in line 4, strike "(H)" and substitute "<u>(I)</u>"; in line 16, after "EACH" insert "<u>GREENHOUSE</u> <u>GAS</u>"; in line 19, strike "**RECOMMEND**" and substitute "<u>ESTABLISH</u>"; and in line 25, strike "(I)" and substitute "<u>(J)</u>".

AMENDMENT NO. 5

On page 10, in line 1, strike "SHALL" and substitute "<u>MAY</u>"; in line 2, after "FOR" insert "<u>GREENHOUSE GAS</u>"; in line 3, strike "THAT EMIT GREENHOUSE GAS EMISSIONS"; strike beginning with "BE" in line 6 down through "(II)" in line 7; in line 8, after "FROM" insert "<u>GREENHOUSE GAS</u>"; in line 11, strike "(III)" and substitute "(<u>II</u>)"; in the same line, after "ALLOWANCES" insert "<u>OR A PORTION OF</u> <u>ALLOWANCES</u>"; in the same line, strike "AND"; in line 12, strike "(IV)" and substitute "(<u>III</u>)"; in the same line, strike "BE COMPLEMENTARY WITH" and substitute "<u>NOT</u> <u>DUPLICATE</u>"; in line 13, after "(**RGGI**)" insert "<u>; AND</u>

(IV) USE A MINIMUM OF A 5-YEAR AVERAGE ON ANNUAL EMISSIONS DATA TO ESTABLISH CAPS FOR ANY STATIONARY GREENHOUSE GAS SOURCE COVERED BY THE CAP AND TRADE PROGRAM";

in line 23, after "SYSTEM" insert ", BEYOND PARTICIPATION IN THE REGIONAL GREENHOUSE GAS INITIATIVE"; in line 32, after "APPROPRIATE" insert "; AND

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(4) (1) MAKE EVERY REASONABLE EFFORT TO MINIMIZE LEAKAGE THROUGH A CONSUMPTION BASED CAP AND TRADE OR OTHER PROGRAM; AND

(II) CONDUCT A STUDY OF OTHER STATE EFFORTS, INCLUDING CALIFORNIA, TO DETERMINE WHETHER EFFECTIVE PROGRAMS TO CONTROL LEAKAGE EXIST, AND IF SO, DETERMINE THEIR APPLICABILITY IN MARYLAND";

and in line 30, strike "AND".

AMENDMENT NO. 6

On page 11, strike beginning with the colon in line 12 down through "**BE**" in line 14 and substitute "**BE**"; in line 15, after "**FROM**" insert "**GREENHOUSE GAS**"; and in lines 20 and 22, in each instance, after "**A**" insert "**GREENHOUSE GAS**".

On page 12, strike beginning with "ON" in line 1 down through "SUBTITLE" in line 4 and substitute "BEGINNING IN CALENDAR YEAR 2008, A SOURCE, AS DEFINED UNDER § 2-101 OF THIS TITLE, THAT IS REQUIRED TO SUBMIT CERTIFIED ANNUAL EMISSION STATEMENTS TO THE DEPARTMENT UNDER COMAR 26.11.01.05-1 OR COMAR 26.11.02.19D., SHALL INCLUDE GREENHOUSE GAS EMISSIONS IN THE ANNUAL CERTIFED EMISSION STATEMENT"; in line 6, after "FOR" insert "GREENHOUSE GAS"; strike beginning with "THE" in line 8 down through "SHALL" in line 9 and substitute "ON OR BEFORE JUNE 1, 2009, THE DEPARTMENT SHALL ADOPT REGULATIONS THAT"; in line 10, strike "REAL-TIME" and substitute ":

(I) **<u>REAL-TIME</u>**";

in line 11, after "MONITORING" insert "<u>TO THE EXTENT THIS TECHNOLOGY IS</u> <u>AVAILABLE, AS DETERMINED BY THE DEPARTMENT;</u>"; in the same line, strike "ANNUAL" and substitute "<u>(II)</u> <u>ANNUAL</u>"; in line 12, after "FROM" insert "<u>GREENHOUSE GAS</u>"; and in line 23, strike "EMISSIONS".

On page 13, in line 3, after "**PROCEEDS**" insert "<u>**RECEIVED BY THE**</u> <u>**DEPARTMENT**</u>"; in line 4, after "**INITIATIVE**" insert "<u>**OR FROM ANY OTHER SALE OF**</u> <u>**GREENHOUSE GAS ALLOWANCES BY THE DEPARTMENT**</u>"; in line 11, after "**A**" insert "<u>**GREENHOUSE GAS**</u>"; and strike beginning with "**OF**" in line 11 down through "**EMISSIONS**" in line 12.

AMENDMENT NO. 7

On page 13, strike in their entirety lines 21 through 30.

On page 14, strike in their entirety lines 1 through 31, inclusive; and in line 32, strike "**2-1209.**" and substitute "<u>**2-1208.**</u>".

AMENDMENT NO. 8

On page 15, in line 1, strike "MAY" and substitute "<u>SHALL</u>"; in line 5, strike "**IF**" and substitute "<u>WHEN</u>"; in line 10, after "**DEPARTMENT**" insert a comma; after line 13, insert "<u>(III)</u> <u>LABOR UNIONS FROM AFFECTED INDUSTRIES</u>;"; in lines 14 and 15, strike "(III)" and "(IV)", respectively, and substitute "<u>(IV)</u>" and "<u>(V)</u>", respectively; and in line 17, strike "**2-1210.**" and substitute "<u>2-1209.</u>".

On page 16, after line 6, insert:

"<u>SECTION 3. AND BE IT FURTHER ENACTED</u>, That the Department of the Environment, before adopting new regulations to implement new programs to reduce greenhouse gas emissions, shall include labor unions, business groups, and environmental advocacy stakeholders in advisory workgroups to the extent these stakeholders are willing to participate.

(Over)

SECTION 4. AND BE IT FURTHER ENACTED, That the Department of the Environment shall conduct a study of the resources needed to fully implement the requirements of this Act through 2050. The study shall be submitted to the Governor and General Assembly, in accordance with § 2-1246 of the State Government Article, before December 31, 2009. The study shall include an evaluation of the need for an Office of Climate Change within State government to oversee and coordinate the broad and institutionally diverse efforts to address climate change and issues associated with the potential transition to a federal program.

SECTION 5. AND BE IT FURTHER ENACTED, That if Senate Bill 268 or House Bill 368 of the Acts of the General Assembly of 2008 is enacted, the revenues generated as a result of an auction conducted in accordance with § 2-1204 of the Environment Article, as enacted by Section 1 of this Act, and any fees generated in accordance with § 2-1207 of the Environment Article, as enacted by Section 1 of this Act, shall be deposited into the Maryland Strategic Energy Investment Fund, instead of the Maryland Clean Air Fund.

<u>SECTION 6. AND BE IT FURTHER ENACTED</u>, That, prior to implementation of Sections 1 through 5 of this Act, the Department of the Environment shall:

(a) determine whether it has received adequate revenues to pay for the costs of implementing the requirements of this Act from auction proceeds generated as a result of the State's participation in the Regional Greenhouse Gas Initiative or another source; and

(b) forward the determination required under subsection (a) of this section to the Department of Legislative Services, 90 State Circle, Annapolis, Maryland 21401.

SECTION 7. AND BE IT FURTHER ENACTED, That Sections 1 through 5 of this Act shall take effect contingent on, and as of the first day of the month after, the receipt by the Department of Legislative Services of a determination by the

Department of the Environment that it has received adequate revenues, as provided under Section 6 of this Act. If the determination of the Department of the Environment that it has received adequate revenues is not received by the Department of Legislative Services on or before December 31, 2008, Sections 1 through 5 of this Act, with no further action required by the General Assembly, shall be null and void and of no further force and effect.";

in line 7, strike "3." and substitute "<u>8.</u>"; and in the same line, after "That" insert "<u>, subject to Section 7 of this Act,</u>".