

STATEMENT TO

SENATE COMMITTEE SUBSTITUTE FOR

SENATE, Nos. 611 and 874

with Senate Floor Amendments
(Proposed by Senator B.SMITH)

ADOPTED: FEBRUARY 26, 2018

These floor amendments would:

(1) remove section 1 of the bill, which would have established a process whereby the Governor could withdraw from the Regional Greenhouse Gas Initiative (RGGI) with the approval of the Legislature in the form of a concurrent resolution;

(2) add a new section amending existing law to require the Department of Environmental Protection (DEP), when establishing guidelines and a priority ranking system for allocating funds from the “Global Warming Solutions Fund,” to include factors to ensure that funds are allocated to projects or programs that will serve communities that are disproportionately impacted by the effects of environmental degradation and climate change;

(3) clarify that the greenhouse gas emissions allowance trading program established by the DEP must be consistent with the RGGI Model Rule and associated guidance documents, as opposed to the Memorandum of Understanding (MOU) signed by the governors of other states (the Model Rule replaced the MOU as the guiding document for RGGI participating states);

(4) remove the requirement that the auction to convey allowances include the sale of allowances for future compliance periods (RGGI participating states have not offered the sale of future allowances since 2011);

(5) remove the requirement that the auction to convey allowances include provisions to address and minimize the potential for allowance market price volatility during the initial control period of a greenhouse gas emissions allowance trading program (this requirement no longer applies because RGGI has already completed three control periods); and

(6) make other clarifying and technical changes.

As amended, this bill is identical to Assembly Bill No. 1212 (1R), as also amended by the Senate.