



Distribution of Funds from Climate Commitment Act Accounts

Background

In 2021, the Washington State Legislature passed the Climate Commitment Act (CCA), which establishes a comprehensive program to reduce carbon pollution and achieve greenhouse gas limits set in state law. The CCA, codified in Chapter 70A.65 RCW, requires entities covered by the law to obtain emissions allowances equal to the greenhouse gases they generate. The revenue from the purchases of emissions allowances will then be re-invested into projects and grants that help to achieve climate change mitigation and resilience goals.

The Department of Ecology (Ecology) has prepared a report to the legislature as required by RCW 70A.65.300. The law states:

- (1) The department shall prepare, post on the department website, and submit to the appropriate committees of the legislature an annual report that identifies all distributions of moneys from the accounts created in RCW 70A.65.240 through 70A.65.280.*
- (2) The report must identify, at a minimum, the recipient of the funding, the amount of the funding, the purpose of the funding, the actual end result or use of the funding, whether the project that received the funding produced any verifiable reduction in greenhouse gas emissions or other long-term impact to emissions, and if so, the quantity of reduced greenhouse gas emissions, the cost per carbon dioxide equivalent metric ton of reduced greenhouse gas emissions, and a comparison to other greenhouse gas emissions reduction projects in order to facilitate the development of cost-benefit ratios for greenhouse gas emissions reduction projects.*
- (3) The department shall require by rule that recipients of funds from the accounts created in RCW 70A.65.240 through 70A.65.280 report to the department, in a form and manner prescribed by the department, the information required for the department to carry out the department's duties established in this section.*
- (4) The department shall update its website with the information described in subsection (2) of this section as appropriate but no less frequently than once per calendar year.*
- (5) The department shall submit its report to the appropriate committees of the legislature with the information described in subsection (2) of this section no later than September 30 of each year.*

There are five accounts created under the CCA that are subject to reporting under RCW 70A.65.300:

- The Carbon Emissions Reduction Account (RCW 70A.65.240).

- The Climate Investment Account (RCW 70A.65.250).
- The Climate Commitment Account (RCW 70A.65.260).
- The Natural Climate Solutions Account (RCW 70A.65.270).
- The Air Quality and Health Disparities Improvement Account (RCW 70A.65.280).

Funds from these accounts are subject to appropriation by the Legislature.

Implementation Plan

Ecology is currently developing an implementation plan. We will work with agencies to meet reporting needs for future years, and will undertake the required rulemaking.

Distributions of Funding

During Fiscal Year 2022 (July 1, 2021 through June 30, 2022), no moneys were distributed from the accounts identified in the statute. All funds dispersed for CCA implementation and CCA-related projects were appropriated by the Legislature from General Fund – State during Fiscal Year 2022.

Conclusion

During Fiscal Year 2022 (July 1, 2021 through June 30, 2022), no moneys were distributed from the accounts identified in the statute.

Publication information

This report is available on the Department of Ecology’s website at <https://apps.ecology.wa.gov/ecy/publications/SummaryPages/2202050.html>

Related Information

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