

CLIMATE COMMITMENT ACT (SB 5126)

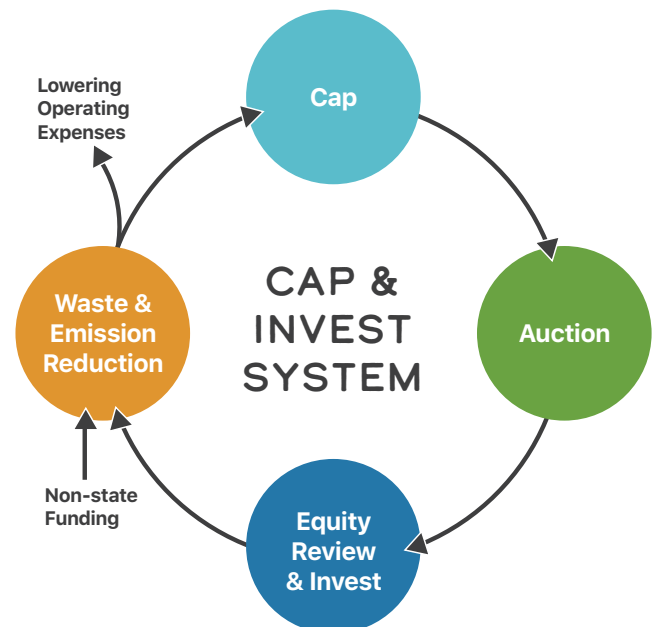
FINALLY. TRUE CLIMATE PROGRESS THAT WILL CREATE JOBS.

It's never been more urgent to cut carbon emissions. With more frequent and devastating wildfires on top of the health and economic crises from COVID-19, we need a comprehensive solution for our planet, our state, and our people — now.

One solution is proven to generate substantial investments for overburdened communities, stimulate positive economic returns, and ensure we meet our emissions targets — **Cap-and-Invest**. It's an approach ready to catalyze immediate change that's also durable for the long-haul, which the Climate Commitment Act will implement.

The **Climate Commitment Act**, SB 5126, gives Washington the right policy - solidly addressing climate change while growing our economy. It kicks off a cycle that can benefit everyone in our state, driven by the state goals which form the cap. Covered entities reduce their emissions, buy permits for what remains, and, if needed, exchange permits with others to meet the overall cap. Auction proceeds fund prioritized investments, reviewed by the Environmental Justice and Equity Advisory Panel, focused on the needs of overburdened communities.

Private sector participation boosts available investment funding. Investments result in lower emissions, lower operating costs, and other co-benefits like reduced congestion. Investments in clean energy, transportation and buildings create jobs and drive growth. The short- and long-term benefits of the program will outweigh a cents-not-dollars increase at the pump.



The Climate Commitment Act:

- Ensures Washington meets our emission reduction targets (45% reduction by 2030; net-zero by 2050).
- Stimulates local economies by investing more money in-state.
- Protects Washington jobs while we transition to a cleaner economy.
- Creates new jobs in construction, infrastructure, natural resources, and more.
- Generates unprecedented investment in clean transportation and natural lands.
- Incentivizes business action by making emissions more expensive over time.
- Forms an Environmental Justice Analysis & Advisory Panel, centering the needs of overburdened communities.
- Makes our air cleaner, critical to improving & protecting public health, especially in vulnerable communities.
- Creates investment funds that can return as much as \$2.4 million in health and climate benefits for every million dollars invested. See our [Build Back Better portfolio](#) of 14 such projects.

There's been talk about what to do for years. Now it's time to take action with a comprehensive climate program that will help the environment and our state's economy too. The Climate Commitment Act is the right bill at the right moment.



The Climate Commitment Act in Action

PROVEN MODEL

Cap-and-Invest is working for other states already, and their experience helps us implement. It's the most efficient way to cut emissions and support the economy at the same time.

REDUCING EMISSIONS

An emissions cap is set on large emitters. The cap decreases over time to meet state emission goals. If transitioning companies can't meet the cap, they can buy additional permits from a pool that decreases over time.

CREDIT AUCTIONS

The credit auctions have both a floor and ceiling price. The floor ensures predictable cash for investments. It signals the market to stimulate investments & innovation. The ceiling insulates from price shocks – protecting businesses & jobs.

INVESTMENTS

Auction revenue is invested in climate priorities, like clean air, electrified transportation, & forest health — all with an emphasis on local jobs.

EQUITY

An Environmental Justice & Equity Advisory Panel provides investment assessments, centering the needs of overburdened communities.

DESIGNED TO SUCCEED

By engaging the broad economy, we also broaden the opportunity for innovation. Even exempt sectors can join in the emission reduction cycle.

EFFICIENCIES

Our streamlined, low waste economy will make our companies more competitive nationally & globally.