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STATE OF NEW JERSEY 218th LEGISLATURE

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Sponsored by: Assemblywoman VALERIE VAINIERI HUTTLE District 37 (Bergen) Assemblywoman NANCY J. PINKIN District 18 (Middlesex) Assemblyman JAMES J. KENNEDY District 22 (Middlesex, Somerset and Union)

Co-Sponsored by: Assemblymen Benson, Johnson, Zwicker, Calabrese, Conaway, Assemblywomen Jasey and Downey

SYNOPSIS

Establishes new timeframes for implementation of, and revises, certain requirements in "Global Warming Response Act."

CURRENT VERSION OF TEXT

As reported by the Assembly Appropriations Committee on May 20, 2019,

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(Sponsorship Updated As Of: 5/24/2019)

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AN ACT concerning the reduction of greenhouse gases and amending
 ¹[and supplementing]¹ P.L.2007, c.112.

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BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

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7 1. Section 2 of P.L.2007, c.112 (C.26:2C-38) is amended to read8 as follows:

2. The Legislature finds and declares that, internationally, the 9 issue of global warming has caused alarm, awareness, and action 10 11 concerning climate changes occurring around the globe attributed to the high level of certain gases called "greenhouse gases" - gases that 12 13 increase temperatures in the atmosphere and the risk of catastrophic 14 changes to the Earth's ecosystems and environment; that, while this 15 global warming may be a theory to some, the effects of increasing levels of greenhouse gases in the atmosphere are accepted by [many] 16 all respected scientists and [members] the vast majority of the 17 18 international community as seriously detrimental to the ecosystems 19 and environment of the world; that, ultimately, if steps are not taken to 20 reverse these trends, the effects on human, animal and plant life on 21 Earth may be catastrophic; that solutions exist to halt the increasing of 22 greenhouse gases in the atmosphere and reduce these emissions; that, 23 as a global issue, each country and region within a country must do its 24 part to reduce these greenhouse gases that threaten the globe; and that, 25 as a State, there are specific actions that can be taken to attack the 26 problem of global warming, through reductions of greenhouse gas 27 emissions in the State and participation in regional and interstate 28 initiatives to reduce these emissions regionally, nationally, and 29 internationally.

30 The Legislature further finds and declares that, while carbon dioxide is the ¹primary and ¹ most abundant greenhouse gas, other 31 greenhouse gases known as short-lived climate pollutants, including 32 33 black carbon, fluorinated gases, and methane, create a warming 34 influence on the climate that is many times more potent ¹over a shorter period of time¹ than that of carbon dioxide, and have a dramatic and 35 detrimental effect on air quality, public health, and climate change; 36 37 and that reducing emissions of these pollutants can have an immediate 38 beneficial impact on climate change and public health.

The Legislature therefore finds and declares that it is in the public interest to establish a greenhouse gas emissions reduction program ¹that includes a comprehensive strategy to reduce short-lived climate pollutants and¹ to limit the level of Statewide greenhouse gas emissions, and greenhouse gas emissions from electricity generated outside the State but consumed in the State, to the 1990 level or below, of those emissions by the year 2020, and to reduce those emissions to

Matter underlined <u>thus</u> is new matter.

Matter enclosed in superscript numerals has been adopted as follows: ¹Assembly AAP committee amendments adopted May 20, 2019.

EXPLANATION – Matter enclosed in **bold-faced** brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

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80 [%] percent below the 2006 level by the year 2050 ¹[, and to 1 2 develop a comprehensive strategy to reduce emissions of short-lived climate pollutants in the State]¹. 3 4 (cf: P.L.2007, c.112, s.2) 5 6 2. Section 3 of P.L.2007, c.112 (C.26:2C-39) is amended to read 7 as follows: 8 3. For the purposes of [this act] P.L.2007, c.112 (C.26:2C-37 et 9 al.): 10 "Department" means the Department of Environmental Protection. 11 "Greenhouse gas" means carbon dioxide, ¹[black carbon,]¹ 12 methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, and any other gas or substance determined by the 13 Department of Environmental Protection to be a significant contributor 14 to the problem of global warming. 15 16 "Statewide greenhouse gas emissions" means the sum of calendar 17 year emissions of greenhouse gases from all sources within the State, 18 and from electricity generated outside the State but consumed in the 19 State, as determined by the department pursuant to subsection c. of section 5 of [this act] P.L.2007, c.112 ¹[(C.26:2C-37 et al.)] 20 21 $C.26:2C-41)^{1}$. 22 "2020 limit" means the level of greenhouse gas emissions equal to 23 the 1990 level of Statewide greenhouse gas emissions. 24 "2050 limit" means the level of greenhouse gas emissions equal to 25 80 percent less than the 2006 level of Statewide greenhouse gas 26 emissions. 27 (cf: P.L.2007, c.112, s.3) 28 29 3. Section 5 of P.L.2007, c.112 (C.26:2C-41) is amended to read 30 as follows: 31 5. a. No later than [January 1, 2009] 18 months after the 32 effective date of P.L., c. (C.) (pending before the Legislature 33 as this bill), the department shall adopt, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), 34 rules and regulations establishing a greenhouse gas emissions 35 36 monitoring and reporting program to monitor and report Statewide 37 greenhouse gas emissions. 38 b. The rules and regulations adopted pursuant to subsection a. of 39 this section shall identify all significant sources of Statewide greenhouse gas emissions ¹including short-lived climate pollutants,¹ 40 and shall provide for, but need not be limited to, the following: 41 42 (1) monitoring and reporting of existing emissions and changes in 43 emissions over time from the sources identified by the department; 44 (2) reporting the levels of those emissions and changes in those 45 emissions levels annually, commencing [on January 1, 2009] 18 46 months after the effective date of P.L., c. (C.) (pending 47 before the Legislature as this bill); and

1 (3) monitoring progress toward the 2020 limit and the 2050 limit 2 ¹and any interim limits¹. 3 c. Pursuant to the rules and regulations adopted pursuant to 4 subsection a. of this section, the department shall require reporting of 5 the greenhouse gas emissions: (1) associated with fossil fuels used in the State, as reported by 6 7 entities that are manufacturers and distributors of fossil fuels, which 8 may include, but need not be limited to, oil refineries, oil storage 9 facilities, natural gas pipelines, and fuel wholesale and retail 10 distributors; 11 (2) from any entity generating electricity in the State and from any 12 entity that generates electricity outside the State that is delivered for 13 end use in the State. With respect to electricity generated outside the 14 State and imported into the State, the department shall determine the 15 emissions from that generation by subtracting the kilowatt-hours of 16 electricity generated in the State from the kilowatt-hours of electricity 17 consumed in the State, and multiplying the difference by a default 18 emissions rate determined by the department; 19 (3) from any gas public utility as defined in section 3 of P.L.1999, 20 c.23 (C.48:3-51); and 21 (4) from any additional entities that are significant emitters of 22 greenhouse gases, as determined by the department, and as appropriate 23 to enable the department to monitor compliance with progress toward 24 the 2020 limit and the 2050 limit. 25 ¹d. No later than 18 months after the department prepares and 26 transmits the report as required pursuant to subsection c. of section 6 of P.L.2007, c.112 (C.26:2C-42), the department shall adopt, pursuant 27 to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et 28 29 seq.), rules and regulations establishing interim benchmarks necessary 30 to achieve the 2050 limit, and measures necessary to achieve the 2050 limit and the established interim benchmarks.¹ 31 32 (cf: P.L.2007, c.112, s.5) 33 34 4. Section 6 of P.L.2007, c.112 (C.26:2C-42) is amended to read 35 as follows: 6. a. The department, in consultation with the Board of Public 36 37 Utilities, the Department of Agriculture, the Department of 38 Transportation, and the Department of Community Affairs, shall 39 evaluate policies and measures that will enable the State to achieve the 40 2020 limit, shall make specific recommendations on how to achieve 41 the emission reduction targets, including measures that reduce 42 emissions in all sectors of the economy including transportation, 43 housing, and consumer products, and shall evaluate the economic 44 benefits and costs of implementing these recommendations. The 45 department shall coordinate its evaluation of greenhouse gas emission 46 reduction policies and measures with the work of the Energy Master 47 Plan Committee established pursuant to section 12 of P.L.1977, c.146 48 (C.52:27F-14).

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1 b. No later than June 30, 2008, the department, and any other 2 State agencies, as appropriate, shall prepare a report recommending 3 the measures necessary to reduce greenhouse gas emissions to achieve 4 the 2020 limit. The report shall include specific recommendations for 5 legislative and regulatory action that will be necessary to achieve the 6 2020 limit. The report shall be transmitted to the Governor, to the 7 State Treasurer, to the Legislature pursuant to section 2 of P.L.1991, 8 c.164 (C.52:14-19.1) and to the members of the Senate Environment 9 Committee and the Assembly Environment and Solid Waste 10 Committee.

c. No later than [June 30, 2010] <u>one year after the effective date</u> 11 12 of P.L., c. (C.) (pending before the Legislature as this bill), the department, ¹<u>in consultation with the Board of Public Utilities</u>¹ and 13 14 any other State agencies, as appropriate, shall prepare a report 15 recommending the measures necessary to reduce greenhouse gas 16 emissions ¹, including short-lived climate pollutants,¹ to achieve the 17 2050 limit. The report shall include specific recommendations for 18 legislative and regulatory action that will be necessary to achieve the 2050 limit ¹and any established interim benchmarks¹. The report 19 shall also include recommendations for additional policies and 20 measures that will be required if the State is otherwise expected to 21 22 exceed the 2020 limit and any additional measures that will be 23 required to meet the 2050 limit. The report shall be transmitted to the 24 Governor, to the State Treasurer, to the Legislature pursuant to section 25 2 of P.L.1991, c.164 (C.52:14-19.1) and to the members of the Senate 26 Environment Committee and the Assembly Environment and Solid 27 Waste Committee.

d. The Energy Master Plan Committee shall include in its
adoption of the first update of the energy master plan completed after
the date of enactment of [this act] P.L.2007, c.112 (C.26:2C-37 et al.),
a list of recommended policies and measures to reduce the emission of
greenhouse gases from the production, processing, distribution,
transmission, storage, or use of energy that will contribute to achieving
the 2020 limit.

e. Nothing in [this act] P.L.2007, c.112 (C.26:2C-37 et al.) shall
impose any limit on the existing authority of the department, the Board
of Public Utilities, or any other State department or agency to limit or
regulate greenhouse gas emissions pursuant to law.

39 (cf: P.L.2007, c.112, s.6)

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41 5. Section 7 of P.L.2007, c.112 (C.26:2C-43) is amended to 42 read as follows:

7. a. No later than [January 1, 2009] <u>18 months after the</u>
effective date of P.L. , c. (C.) (pending before the
Legislature as this bill), and biennially thereafter, the department
shall prepare and transmit, in writing, a report to the Governor, to
the State Treasurer, to the Legislature pursuant to section 2 of
P.L.1991, c.164 (C.52:14-19.1) and to the members of the Senate

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1 Environment Committee and the Assembly Environment and Solid 2 Waste Committee, on the status of the greenhouse gas emissions monitoring and reporting program established pursuant to [this act] 3 4 P.L.2007, c.112 (C.26:2C-37 et al.), the current level of greenhouse 5 gas emissions in the State and the progress made toward compliance 6 with the 2020 limit and the 2050 limit established pursuant to [this 7 act] P.L.2007, c.112 (C.26:2C-37 et al.). The report shall also 8 include updated and comparative inventories of Statewide 9 greenhouse gas emissions. 10 [No later than January 1, 2015,] As part of the reports b. 11 required pursuant to subsection a. of this section, the department shall evaluate the ecological, economic, and environmental factors 12 13 and the technological capability affecting the attainment or maintenance of the 2020 limit and the 2050 limit established 14 pursuant to this act. 15 16 (cf: P.L.2007, c.112, s.7) 17 (New section) a. No later than 18 months after the 18 ¹[6. 19 effective date of P.L. , c. (C.) (pending before the 20 Legislature as this bill), the department shall develop a comprehensive strategy to reduce emissions of short-lived climate 21 22 pollutants in the State. In developing the strategy, the department 23 shall: 24 (1) complete an inventory of sources and emissions of short-25 lived climate pollutants in the State based on available data; 26 (2) identify research needs to address any gaps in the data; 27 (3) identify existing and potential new control measures to 28 reduce emissions; 29 (4) prioritize the development of new measures to reduce short-30 lived climate pollutants that offer co-benefits by improving water quality or reducing other air pollutants that impact community 31 32 health and benefit disadvantaged communities, as identified by the 33 department; and 34 (5) coordinate with other State agencies and local government 35 units to develop measures identified as part of the strategy. 36 b. The department shall hold at least one public hearing during 37 the development of the strategy required pursuant to subsection a. 38 of this section to receive input from members of the academic 39 community, industry experts, and members of the public. 40 c. Nothing in this section shall be construed to limit the 41 existing authority of the department, the Board of Public Utilities, 42 or any other State department or agency to limit or regulate short-43 lived climate pollutants pursuant to law. 44 d. As used in this section, "short-lived climate pollutant" 45 means a pollutant that has a relatively short lifespan in the 46 atmosphere, from a few days to a few decades, and has a warming 47 influence on the climate that is greater than that of carbon dioxide

- and includes, but is not limited to, black carbon, fluorinated gases, 1
- and methane.]¹ 2
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- ¹[7.] <u>6.</u>¹ This act shall take effect immediately. 4