How the Climate Commitment Act invests in a pollution-free Washington

The Climate Commitment Act (CCA) is one of the most critical policies approved by the Washington State Legislature, and will play a key role in reducing greenhouse gas emissions by 45% by 2030 and by 95% by 2050.

The CCA creates a cap on climate pollution that goes down over time. The state's largest polluters have the option to update their operations so they pollute less, or purchase pollution allowances through quarterly auctions. Legislators then reinvest auction funds to help families, businesses and communities that want affordable fossil fuel-free options for transportation, energy, heating and more.

Importantly, the CCA <u>directs at least 42% of investments to communities and Tribes</u> that experience the most harm from climate change.

Helping Washingtonians switch to fossil fuel-free options

The first CCA auction was held in February 2023. The Legislature appropriated **\$3.2 billion** in CCA revenues for the 2023-25 biennium. The majority of funding goes towards transportation and buildings – the two largest sources of pollution in Washington state. Here's a look at how CCA funds will be used:

Clean transportation (\$1.5 billion)

- \$429 million for public transit grants and projects, including free transit for youth under 18
- \$223 million for active transportation projects, such as bike trails and safer sidewalks and crosswalks

- \$130 million for incentives and infrastructure to support zero-emission commercial vehicles, including school buses and drayage trucks
- \$105 million for community electric vehicle charging infrastructure
- \$109 million for rail electrification and shore power at ports
- \$64 million for converting three of the state's Jumbo Mark II ferries to hybrid-electric
- \$24 million for new electric Anacortes-Guemes Island Ferry
- \$45 million for electric vehicle infrastructure grants on state highways
- \$12 million for electric vehicle infrastructure at state facilities
- \$10 million for matching federal funding for hydrogen fueling stations for medium and heavy duty vehicles
- \$4 million for supporting the design of the Kitsap Transit fast ferry hydrofoil and shorepower infrastructure

Clean buildings (\$528 million)

- \$115 million for assisting low-income households and small businesses with energy bill reductions, heat pump installations, electrification, and replacing old gas furnaces with efficient electric alternatives
- \$136 million will help transition state higher education campuses away from fossil fuels and improve energy efficiency across the state's 2and 4-year colleges and universities

- \$58.2 million for retrofitting and improving the energy performance of state facilities
- \$55 million for grants and loans to affordable multifamily projects to decarbonize and transition off fossil fuels
- \$105 million for energy retrofit and solar power grants for public buildings
- \$25 million for clean building performance grants for commercial buildings
- \$30 million for grants to school districts to replace deteriorating heating, ventilation, and air conditioning (HVAC) systems, and undertake energy efficiency upgrades, air filtration enhancements, and general air quality improvements
- \$20.5 million for energy audits for public buildings
- \$10 million for updating the HVAC system at Chief Leschi School
- \$31.7 million for local emission reduction projects
- \$6.8 million for small district and Tribal compact schools modernization through Energy Assessment grants

Clean energy development, siting, and transmission (\$363 million)

- \$50 million for the Clean Energy Fund
- \$49.8 million for grants to help reduce greenhouse gas emissions with a priority on projects leveraging local, federal and private investments
- \$39 million for large-scale solar innovation projects
- \$38 million for community solar and battery storage projects
- \$25 million for Green Jobs and Infrastructure grants
- \$20 million to develop a new hydrogen hub in Washington state
- \$21.5 million for Tribal participation grants

- \$17.7 million for improving clean energy siting/permitting
- \$10.6 million for dual use solar projects
- \$7.5 million for Washington Clean Energy Testbeds at University of Washington
- \$7.2 million for NW Energy Futures research center at WSU Tri-Cities
- \$5 million for supporting non-state entities in applying for federal funding and clean energy tax credits
- \$3.9 million for energy transmission studies

Environmental justice (\$345 million)

- \$150 million for energy vouchers for low and moderate income residential electrical consumers
- \$50 million for projects that reduce greenhouse gas emissions in vulnerable, overburdened and tribal communities
- \$5.9 million for mproving urban tree canopy
- \$6 million for air quality mitigation equipment to residential, recreational and education facilities to improve air quality in south King County
- \$6 million for community solar projects in lowincome communities
- \$38.6 million for Participatory Budget grant program
- \$10.2 million for state agencies to implement the Healthy Environment for All Act (HEAL Act)
- \$26.3 million for grants to tribes and overburdened communities related to implementing the HEAL Act and updating the Department of Health's environmental health disparities map
- \$25 million to improve air quality in overburdened communities
- \$10 million for workplace health and safety programs related to climate impacts, including for outdoor workers exposed to extreme heat or wildfire smoke
- \$5 million for tribes to purchase or convert to electric powered fishing vessels

\$2 million for statewide network of community assembly pilots

Addressing climate change impacts (\$366 million)

- \$50 million for Tribal climate adaptation grants
- \$60 million for riparian protection grants
- \$50.9 million for supporting local government planning related to climate change
- \$52.3 million for fish passage projects
- \$25 million for the Quinault Tribe Legacy Forest Acquisition
- \$23 million silvicultural treatments on state trust lands
- \$44 million for salmon habitat and climate resilience projects
- \$17.6 million for reduction of flooding and improving salmon habitat with Floodplain by Design grants
- \$11.0 million for the Conservation Reserve Enhancement program
- \$10.1 million for Puget Sound acquisition and restoration
- \$10.0 million for Firewise grants to local governments
- \$10.0 million for wildfire restoration on state, private and tribal lands

- \$18.8 million to revitalize the Trust Land Transfer program
- \$7.0 million for Deschutes Estuary restoration
- \$5.5 million for Climate Plus grants for schools
- \$4.5 million for a new Climate Corps workforce training program for young adults and veterans

Agriculture, sequestration and methane reduction (\$180 million)

- \$98 million for carbon sequestration efforts on state trust lands
- \$30 million for payments to farm fuel users and transporters that are exempt from the requirements of the Climate Commitment Act.
- \$30 million for on-farm GHG reduction/Anaerobic Digester grants
- \$15 million for landfill methane capture grants
- \$15 million for Firewise, forest health, and community wildfire grants
- \$10 million for implementing DNR's Habitat Conservation Plan to improve state forest health
- \$5 million for agricultural carbon storage and sequestration grants to small farms and underserved producers