



POLICY BRIEF

Five Years of Environmental Policy *Are we making a difference?*

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April 2010

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Introduction

During the past five years, the legislature has enacted more than two dozen environmental policies ranging from climate change, to clean water and banning flame-retardant compounds. While these policies receive significant attention as they are being considered by the legislature, few of them are audited afterward to determine if they are having the intended results.

For Earth Day 2010, we have examined the environmental policies passed by the legislature and governor during the past five years to determine when they have succeeded and when they have failed. The results are mixed, but in too many cases the programs are off track and policies have either already failed or are likely to fall short. Considered together, these environmental policies are likely to do more damage to the environment than good.

We have used a ten-point scale to score each policy, ranging from -5 to +5. Effective policies are rated positively while policies that actually harm the environment rate a negative score.

In judging them, we examined two elements of each policy:

- **Objective results.** The policies have sometimes produced measurable results. In those cases we have compared the actual results to what lawmakers promised. Since these results are less subject to debate, we stressed these metrics whenever possible.
- **Projected results.** In many cases, the policies are early in their implementation or do not have calculated measurable results. In these instances we tried to gauge the general direction of success, and we have applied lessons from similar programs to judge the likely merit of the policy.

In every case we kept in mind that costs do not occur in a vacuum. Money spent on one particular policy means those resources cannot be spent on an alternative. Thus, ineffective policies actually have a negative impact because even if they do not harm the environment directly, they take funding from projects that could have helped.

Finally, we realize it is easy to criticize policies after the fact. In each case we have offered alternative approaches that could either replace the policy or help ensure it lives up to what lawmakers promised.

The results of the analysis and the scores offer an important warning: policymakers should not confuse politically popular policies with those that may actually have a positive impact on the environment. Politicians are best at judging the potential popularity of various policies. Judging the potential environmental impact of those policies for legislators, few of whom are scientists or economists, is more difficult. The results offered here demonstrate that many of the policies

lawmakers enacted were chosen primarily because they are trendy or popular. If we truly care about promoting environmental sustainability and a healthy environment, we need to encourage policymakers to take a closer look at the science and economics of the environmental policies they support.

2005-2009 Legislative Environmental Scorecard Ranking from -5 to +5

Policy	Score
"Green" Schools	-4
Banning Flame-Retardant Compounds	0
Requiring Schools to Buy Locally	-2
Washington State Climate Policy	-2
Building Weatherization	1
Climate Change & GMA	-1
Fixing Septic Tanks to Reduce Pollution	3
Puget Sound Partnership	2
Promoting Biofuels	-3
Climate Change Executive Order	-4
Average Score	-1

“Green” Schools

Score: -4

Green buildings standards: Requires state buildings to be designed and constructed to meet high-performance “green” buildings standards. Certain exemptions apply. (Sen. Poulsen, SB 5509; companion bill Rep. Dunshee, HB 1272)

Senate Majority “Environmental Priorities”

High Performance Green Buildings

Washington Conservation Voters, 2005 Priority

In 2005, the state legislature adopted new “green” building standards for construction and renovation of schools and state buildings. The standards, based on the Leadership in Energy and Environmental Design (LEED) system, were expected to add very little cost and yield significant energy savings. Making it one of their four priorities for 2005, leaders of the Washington Conservation Voters (WCV) claimed that the buildings would “reduce ongoing utility costs by 30%.” So dramatic were the savings, they claimed, that green buildings:

...have been shown to save nearly \$50 per square foot over a 20 year period, even considering any minimal increase in construction costs. That’s a net savings of over \$1.2 million for a 25,000 square foot building...

The WCV went on to claim that while the buildings cost slightly more, “this investment typically pays for itself in lower operating costs within two years.”

Since that time, a number of schools have been built to meet the new law and the results have been consistent: “green” schools cost more and use more energy per square foot than recently built schools without the required elements. In the seven districts listed on the following page, five of the “green” schools are less efficient, using from 15 percent to 52 percent more energy per square foot than recently built, non-green schools. In two districts, the green schools are more efficient, using about 13 percent less energy per square foot.

The costs have proven to be higher than expected as well. Lake Washington Schools facilities director Forrest Miller estimates it costs an additional six percent to meet the standards. For Rosa Parks Elementary, opened in 2006 in that district, that would amount to \$816,000. Assuming it is 15 percent more efficient than it would be without the improvements, it saves about \$8,000 per year in energy costs. Thus, the school will take 102 years, not the “two years” claimed by the WCV, to pay for the costs.

The state’s policy on “green” schools has cost more than expected and actually increased energy use, and environmental impact, in a majority of cases. There are many reasons the standards create these results, including the use of larger windows. The only saving grace is that smart facilities directors in the districts are working around those problems, but they can only do so much to minimize the costs of this legislation. For that reason, this policy is an environmental failure, scoring **-4**.

Alternative Approach: Data show that districts consistently improve energy efficiency in schools without mandates from Olympia. Leaving local facilities directors in charge allows them to continue that trend while avoiding some of the costly and ineffective elements of the “green” school requirements.

School Energy Use: Green vs. Non-green

Spokane 07-08

School	Energy Cost	Year Opened
Lincoln Heights	\$0.99/sq foot	2007
Browne	\$0.76/sq foot	2001

Tacoma 08-09

School	Energy Cost	Year Opened
Giaudrone MS	\$0.99/sq foot	2003
Mason MS	\$0.71/sq foot	2003

Everett 08-09

School	Energy Cost	Year Opened
Forest View	\$0.56/sq foot	2006
Penny Creek	\$0.44/sq foot	1998

Northshore 08-09

School	Energy Cost	Year Opened
Cottage Lake	\$0.76/sq foot	2007
East Ridge	\$0.64/sq foot	1991

Bellevue 08-09

School	Energy Cost	Year Opened
Sherwood Forest	\$1.38/sq foot	2008
Somerset	\$0.91/sq foot	2004

Lake Washington

School	Energy Cost	Year Opened
Rosa Parks	\$1.00/sq foot	2006
Juanita	\$1.15/sq foot	2005

Bethel 08-09

School	Energy Cost	Year Opened
Thompson	\$0.50/sq foot	2007
Clover Creek	\$0.57/sq foot	1983

Banning Flame-Retardant Compounds

Score: 0

Ban on polybrominated diphenyl ethers (PBDE) chemicals: Phases out the sale and distribution of PBDE chemicals in electronic and upholstered furniture products. (Rep. Hunter, HB 1024; companion bill Sen. Regala, SB 5034)

Senate Majority "Environmental Priorities"

Eliminating PBDEs (a.k.a. Eliminating Toxic Flame Retardants)

Washington Conservation Voters, 2005-7 Priority

After three attempts, in 2007 the legislature voted to ban polybrominated diphenyl ethers (PBDEs), compounds used to make a range of products flame-retardant. The environmental community claims that PBDEs are health risks, citing rising levels in humans as a concern.

The health concerns, however, were largely speculative, especially for the only PBDE currently in use, known as "deca-BDE." Even the Department of Ecology (DOE), who campaigned for the ban, admitted that "Deca-BDE is not a [Persistent Bioaccumulative Toxin] PBT in terms of meeting the 'P', 'B', and 'T' criteria as specified in Section 320 (2) of the recently adopted PBT Rule (Chapter 173-333 WAC), and as such, based on Deca-BDE's chemical properties, is not a persistent bioaccumulative toxin (PBT)." Despite that, they argued "the foundation of public health is prevention," so they advocated a ban.

The challenge for policymakers is accurately assessing the various scientific claims. The environmental community and even DOE resorted to overtly emotional appeals. They claimed the compounds might harm babies through breast milk, even publishing a photo of a mother and baby with the caption, "she has her father's eyes and her mother's PBDEs." In the face of heavy emotionalism, sorting out the truth is difficult and has more to do with risk tolerance than science.

Assuming PBDEs carry some level of risk, which they certainly do, will its replacement be any better? DOE officials claim the answer is a very qualified "yes." They argue resorcinol bis diphenyl phosphate (RDP) is a suitable replacement. According to the agency, a "green screen" of PBDEs categorized them as "Avoid – Chemical of High Concern," but RDP was one level better, rating a "Use, but search for safer substitutes." Given the agency's position on PBDEs, it is not surprising they determined PBDEs should be avoided. They admit, however, that the ban offers a marginal improvement at best and assumes the data about the lesser-studied RDP is accurate.

Finally, the law does not require manufacturers to substitute RDP. Manufacturers may turn to other alternatives like triphenyl phosphate (TPP), which DOE rejected as a potential alternative "due to concerns related to its aquatic toxicity." Thus, it is difficult to say whether this legislation will actually achieve the goal supporters claim they sought: reducing persistent, bioaccumulative toxins in the environment. The bill sponsor, Rep. Ross Hunter, noted that alternatives will likely undermine the ban, writing on the Sightline blog that "I'm concerned that the replacement will turn out to be just as bad."

None of this addresses the cost of such regulations on jobs, the impact of the change on the flame-retardant properties of the alternative or the risks associated with the change.

The true test of the impact is years in the future when we can test to see if there is a decline in the projected health impacts associated with PBDEs. The fact that there is no guarantee that the alternative will not be worse or only marginally better, while imposing costs on the economy and safety risks, makes this policy indeterminate, scoring a **0**.

Alternative Approach: The legislature could have banned the older versions of PBDEs, leaving deca-BDE until alternatives were more fully researched. Unfortunately lawmakers found it politically easier to ban all forms of PBDE than to follow the science.

Requiring Schools to Buy Locally

Score: -2

Local Farms-Healthy Kids

Washington Conservation Voters, 2008 Priority

One of the strongest trends among environmental activists is the push to “buy local,” assuming that local food reduces energy use by reducing transportation. The legislature passed SHB 2798 in 2008 to set up a pilot project, promoting locally grown food. That project, however, has had little success and is based on flawed assumptions.

The program’s budget was cut almost as soon as it was passed and, as a result, there is little accounting of what impact the program has actually achieved. Initial indications and the program’s general philosophy, however, indicate it may actually be counterproductive.

At the outset, there is an element of this campaign that is simply tribal nostalgia for all things local. The Farm-to-School Report released in 2010 even features a photo of kids singing about local food. Washington relies on agricultural exports and we should hope that communities who buy our apples, lentils, wheat and other products do not have kids sing about only buying locally. We are proud to share our bounty with the rest of the world, and we benefit from and enjoy the bounty they offer. We would not require farmers to only *sell* locally, for obvious reasons.

Supporters claim there is more to it than that, arguing that local food is more nutritious. A school district food service director we spoke with rejected this argument, saying there is no evidence for this claim. The bill, in fact, does not require that food be more nutritious, only local. If we want to provide more nutritious foods to children, an admirable goal, we should set higher nutrition standards instead of hoping “local” acts as a surrogate for healthy foods.

Another justification for the program is a reduction in “food miles.” This phrase has become shorthand for energy use. The problem is, the term does not accurately represent energy use. For instance, King County considered promoting local milk production as a way to reduce food miles. Officials soon realized that more energy was used shipping hay to King County cows than shipping milk from counties where hay is already grown. Promoting “local” milk would have increased energy use.

This is a common error. Writing for the Mercatus Center Global Prosperity Initiative, Pierre Desrochers and Hiroko Shimizu note in their analysis of food miles that,

The evidence presented suggests that food miles are, at best, a marketing fad that frequently and severely distorts the environmental impacts of agricultural production. At worst, food miles constitute a dangerous distraction from the very real and serious issues that affect energy consumption and the environmental impact of modern food production and the affordability of food.¹

It is hard to say what impact the Food-to-Schools program is having on energy consumption because program managers are not tracking the results. The result could be more harm than good.

¹ Desrochers, Pierre and Hiroko Shimzu. “Yes We Have No Bananas: A Critique of the Food Miles Perspective.” Mercatus Policy Series Policy Primer, No. 8. Arlington, VA: Mercatus Center at George Mason University, October 2008.

Finally, there is broad agreement that this program increases costs to schools. One of the program's goals is to help farmers market locally and overcome the many legal obstacles and other barriers to selling to schools that currently make much of their produce more expensive for schools. The hope, however, is that increased costs are offset by other psychological or actual benefits.

The added costs, the failure to quantify nutritional benefits and the fact that this program may actually increase energy costs earn this program a score of **-2**.

Alternative Approach: If the legislature feels the need to increase nutrition standards, lawmakers should do so rather than using "local" food as a surrogate. If energy use is a concern, placing a price on carbon would more effectively calculate energy costs at every step of the production process, adding the price of carbon to the overall price assessment rather than using "food miles" as a flawed estimate that can be counterproductive. Finally, the state should send a clear message that agricultural trade is a good thing, allowing Washington farmers to prosper while offering students a range of nutritional foods that would not otherwise be available.

Washington State Climate Policy

Score: -2

Limiting greenhouse gas (GHG) emissions: In an effort to reduce GHG emissions, the state Department of Ecology will develop and recommend a multi-sector market-based system for legislative authorization. As part of this strategy the state Department of Transportation will provide recommendations for reducing vehicle miles traveled. A green jobs initiative was also established to train and transition workers to clean economy jobs. (Rep. Dunshee, HB 2815; companion bill Sen. Pridemore, SB 6516)

Senate Majority "Environmental Priorities"

Climate Action and Green Jobs

Washington Conservation Voters, 2008 Priority

HB 2815, which passed in 2008, codified statewide goals to reduce GHG emissions. In addition to adopting the emission goals HB 2815 require the state to pursue three policies initiatives to assist in meeting the adopted goals. They were: pursue a market-based (cap-and-trade) system, reduce vehicle miles traveled (VMT) by 18 percent by 2020 and create and measure the green economy in Washington.

Cap-and-Trade

The passage of HB 2815 required that the state continue its pursuit of a cap-and-trade system as part of the Western Climate Initiative (WCI). The WCI continues to work on a framework for a regional cap-and-trade system.

Vehicle Miles Traveled

The state's plan to reduce VMT recommends a variety of strategies focusing on three areas: improving public transit, requiring compact development and increased tolling to reduce driving. These recommendations represent a fundamental shift in transportation policy and a significant expansion of the role of state government.

Our research on the state's VMT reduction targets shows that reducing driver mobility will exacerbate budget problems and endanger transportation projects funded through state fuel taxes.²

If state officials achieve the first phase of VMT reductions by 2020 as planned, state fuel tax revenue would fall by about 10 percent or \$1.486 billion. Other key findings from our research include:

- Washington motorists now drive an estimated average of about 31 miles per day. State officials want to reduce how much people drive to 22 miles per day by 2035.
- Washington relies heavily on fuel tax revenue to pay for transportation improvements. A 10.2 percent reduction in revenue could jeopardize funding for the Nickel and Transportation Partnership Account (TPA) projects and the \$2.4 billion set aside for the Seattle Viaduct project.

² "State's Mandate to Reduce Driver Mobility Threatens Revenue for Transportation Projects," by Michael Ennis, Washington Policy Center, January 2009.

A policy of reducing VMT for drivers, while simultaneously adopting a revenue stream that relies on driving, guarantees the state will fail at one or the other. Based on this dilemma, state officials cannot reduce VMT and maintain current revenue projections.³

Green Economy

Another goal of HB 2815 was the establishment of a green economy in Washington.

The legislation required the Washington State Employment Security Department (ESD) to “conduct labor market research to analyze the current labor market and projected job growth in the green economy.”⁴ In early 2009, ESD released the *2008 Washington State Green Economy Jobs* report, which randomly surveyed 15,000 employers, asking how they were engaged in the green-economy. The report found more than 47,000 green jobs across the state.

In 2009, lawmakers in Olympia required ESD to complete a follow-up to the 2008 report. The new green jobs report estimates that Washington has more than 99,000 green jobs.⁵ However, significant modifications were made in the 2009 report.

A close examination of both the 2008 and 2009 green jobs reports shows that state policies are not the cause of the so called growth. Instead, the state is simply re-labeling traditional jobs to make them appear green.

According to ESD, “the overall increase in green jobs can be due to many factors, and the survey findings cannot confirm the causes of these increases” and that, “it seems *unlikely that a large proportion of the increases in green jobs is due to new hiring.*” (emphasis ours)

The promotion of “green” jobs often comes at the cost of current businesses. For example, nuclear, hydro and other perceived “non-green” energy sources produce more power per worker than so-called “renewable” alternatives. Moving from efficient to inefficient energy means more people are needed to do the same amount of work. It is akin to banning tractors in order to increase farm jobs. The number of jobs increases, but they pay poorly and society as a whole suffers.

Two years later there is little to show from this effort at climate policy. The WCI still has no plan. Efforts to reduce VMT have a longer-term focus and a judgment at this time is inappropriate, although our research shows that it is the wrong emphasis and the implementation is likely to create problems. Finally, the state itself admits that it cannot provide any evidence that any “green” jobs have been created. This policy receives negative scores for the failure of the WCI and the costly and ineffective emphasis on “green” jobs. This policy rates a -2.

Alternative Approach: Washington Policy Center recommends cutting taxes on innovation and reducing personal taxes while modestly increasing the price of carbon. This revenue-neutral approach would encourage individual innovation to cut carbon emissions while encouraging job-creating, business growth that would create good jobs, “green” and otherwise.

³ Ibid.

⁴ “2008 Washington State Green Economy Jobs,” by Karen T. Lee, Greg Weeks Ph.D., and Mary Ayala Ph.D., Washington State Employment Security Department, January 2009.

⁵ “2009 Washington State Green Economy Jobs,” by Karen T. Lee, et al., Employment Security Department, March 2010.

Building Weatherization Score: I

Weatherization and green jobs: An accelerated weatherization effort will target the reduction of energy consumption by retrofitting 20,000 homes and buildings across the state. (Sen. Rockefeller, SB 5649)

Senate Majority "Environmental Priorities"

In 2009 the Legislature passed SB 5649, to reduce home and business energy bills through increased energy efficiencies and to create family-wage jobs. This legislation expands financial and technical assistance programs by providing additional funding resources and establishes a state policy goal to assist in the weatherization of 20,000 homes and businesses in each of the next five years.

A key component allows Washington State University's (WSU) Energy Program to initiate a pilot program, providing grants to programs targeting energy efficiency in middle-income housing and businesses.

The pilot program requires WSU to ensure that energy audits are used to measure the outcomes of the programs. Included as part of the energy audits, grant recipients must collect and report data on several key metrics, such as;

- Monetary and energy savings achieved
- Savings-to-investment ratio achieved for customers
- Wage levels of jobs created
- Utilization of pre-apprentice and apprenticeship programs
- Efficiency and speed of delivery of service.

To date, WSU has awarded eight grants to different weatherization programs around the state. Many of the grant recipients are still in the planning or training phase of their proposals and none of the programs have initiated work on actual weatherization projects. The local project descriptions provided by the recipients, however, provide some detail about the expected outcomes.

Approximately \$14 million in grants, which come from the American Recovery and Reinvestment Act, will pay for a little more than 17,000 energy weatherization projects covering homes and business. In addition, funding will pay for volunteer training and marketing and consumer awareness campaigns. Recipients reported that they would create 235 jobs, but many of the grant narratives did not provide specific details on additional jobs or the expected wages.

While this program is still in its infancy, it appears that some of the right steps are being taken to ensure that funding is used efficiently. Caution, however, is still warranted.

The State Department of Commerce operates a large weatherization program, receiving millions of dollars in taxpayer funding. Like WSU's program, Commerce has high benchmarks that it must reach to show success, but early signs show that meeting such targets may be tougher than it appears.

At a meeting in November 2009, Commerce officials noted that weatherization projects were significantly behind schedule, and had only upgraded 107 units of the 935 units planned for the first quarter.

The requirement to use the key metrics in the pilot program is important to understanding whether these types of projects are worth the cost. Serious questions exist as to whether these projects can provide sustainable family-wage jobs, especially in comparison to jobs lost economywide as a result of the additional taxes required to fund the program. Efforts to audit the energy savings and focus on effectiveness, despite the bureaucratic hurdles that have hampered the program, earn this accomplishment a score of 1.

Alternative Approach: If the goal of policymakers is to reduce carbon emissions from energy, then a more general incentive to reduce energy, like a carbon price, would yield superior results rather than choosing a particular approach and providing an arbitrary level of funding. If the goal is to cut energy costs and create jobs, a longer-term audit would be helpful and information about the impact of the taxes economy-wide would indicate if funding was creating jobs or if it was harming business growth and job creation.

Climate Change & The Growth Management Act

Score: -1

GMA changes to fight climate change (ESSB 6580)

Washington Conservation Voters, 2008 Priority

In December 2008 the State Department of Commerce (Commerce) released a report entitled *Planning for Climate Change – Addressing Climate Change through Comprehensive Planning under the Growth Management Act*. The report is mandated by SB 6580, which required Commerce officials to make recommendations for amending the Growth Management Act (GMA), as well as provide local governments with a variety of tools to reduce local development greenhouse gas emission (GHG).

The recommendations coming from the report focus primarily on amending the goals of the GMA to include GHG reductions. Other recommendations include changes to county-wide planning policies to require inclusion of climate change, updates of the State Environmental Policy Act and transportation concurrency plans. Commerce fulfilled another key component from SB 6580, by providing local governments with a range of tools to analyze how land use policies will assist efforts to reduce GHG emissions.

Top recommendations, however, have not been adopted. During the 2009 legislative session lawmakers considered several pieces of legislation that would have implemented many of the key recommendations, but none of the bills passed.

For example, HB 1490, which would have amended the GMA to include greenhouse gas emission reductions as part the GMA's environmental goal, failed to advance. HB 1490 also provided new language that would require people to live in more crowded urban areas and to become more dependent on public transit.

One reason proponents of these policies say that the recommendations failed was due to the uncertainty and lack of resources for such initiatives. Commerce acknowledges it does not know what the associated costs of its recommendations will be. The report reads:

While the impacts of climate change on affordable housing, employment, transportation costs, and economic development must be considered, there is little information or scientific data available related to the impacts of climate change policy.⁶

SB 6580 also failed to provide any provisions requiring any follow-up to measure the effectiveness and implementation of the climate change assessment tools recommended by Commerce.

While SB 6580 may have been on the Washington Conservation Voters' priority list, the introduction of legislation where costs are unknown and there are no mechanisms in place to assess outcomes, was unwise. Since the legislation never produced any additional steps despite spending time and money (which is actually positive), this policy failure earns a -1.

Alternative Approach: It has been more than twenty years since the adoption of the Growth Management Act, but no comprehensive, independent review has ever been completed to measure the effectiveness of the policy goals. We recommend

⁶ "Planning for Climate Change – Addressing Climate Change through Comprehensive Planning under the Growth Management Act," by Washington Community Trade and Economic Development, December 2008.

that such a review be conducted by taking the following steps:

- An uninterested, independent party, such as the State Auditor, should facilitate the review.
- Stakeholders should be allowed to participate.
- Goals of GMA should be reviewed to see if they are being achieved.
- The final product should be presented in the form of a cost/benefit analysis addressing the three questions that are asked at the introduction of this report.

Fixing Septic Tanks to Reduce Pollution

Score: 3

Addressing on-site sewage disposal in marine waters: Local health officers in 12 Puget Sound counties are directed to develop management plans to clean up marine recovery areas where failing on-site systems pollute marine waters. (Rep. Hunt, HB 1458)

Senate Majority “Environmental Priorities”

Clean Up Puget Sound

Washington Conservation Voters, 2006 Priority

Passed in 2006, HB 1458 required 12 Puget Sound counties to develop local on-site sewage disposal management plans that would guide the development and management of septic systems in marine recovery areas within local health jurisdictions. Each county is required to prepare a management plan and adopt marine recovery boundaries where septic systems were found to be a contributing to:

- Shellfish-growing areas that have been threatened or downgraded,
- State waters listed under the federal Clean Water Act, or
- Marine waters where nitrogen has been identified as a contaminant of concern.

In 2008 the Department of Health (DOH) submitted a report to the Legislature stating that all 12 counties had submitted and received DOH approval. The DOH report noted:

The counties are in the beginning stages of implementing the plans by upgrading county codes, improving databases, transferring records, developing public education programs and staffing the OSS management programs. The counties’ efforts depend on state funding to continue.⁷

In addition, the report to the Legislature noted that all of the counties had identified and designated marine recovery areas that displayed one of the contributing factors identified in the legislation.

The results to date have been mixed. The following two examples illustrate the positive and negative approaches county officials have used to develop management plans.

Earlier this year a Thurston County inlet was re-opened for shellfish harvesting. This marks the first time in more than 20 years that Henderson Inlet was opened without any restrictions to the shellfish harvest. Local officials attribute the re-opening to the collective effort by homeowners and the government. The Henderson Watershed Protection Area, which includes Henderson Inlet, benefited from tools identified in Thurston County’s management plan, such as teaching homeowners how to provide routine maintenance and inspections of their septic systems.

North of Henderson Inlet the story is a little different. Quartermaster

⁷ “2008 Progress Report fulfilling 3SHB 1458 Requirements – Section 11, *Puget Sound Local On-site Sewage Management Plans – A Report to the Legislature*,” by Washington State Department of Health, May 2009.

Harbor, on Vashon Island, was identified in the King County plan as a marine recovery area. As the *Maury/Vashon Island Beachcomber* noted in September 2009, however, the cleanup is far behind schedule. The newspaper reported that the County cannot get any of the homeowners to cooperate in assessing the impact that failing septic tanks are having on the Harbor, saying:

Despite several meetings, no homeowner has stepped forward to allow the county to take a look at his or her system, and none has agreed to work publicly with county officials to find a solution to a system that may be failing or inadequate.

In the meantime, local and state political leaders have spent time on less important, but politically attractive, issues like the move by Public Lands Commissioner Goldmark to stop dock construction on Maury Island.

Unlike Thurston County, homeowners and government officials in King County have not been able to work collaboratively. The mixed bag of results makes this a hard accomplishment to judge, but it also shows that more politically favorable ideas get more attention while more important environmental issues are pushed to the side. Failing septic tanks can have a serious impact on water quality. The policy earns a 3, but the implementation, especially in King County, earns a low grade.

Alternative Approach: The success in Thurston County establishes a good benchmark for others to follow. Since the adoption of the management plan, County workers have worked with more than 1,500 citizens in the marine recovery area, teaching the skills needed to improve the environment. This approach, while less politically rewarding, led to the re-opening in hundreds of acres of shellfish beds. Others should follow their lead.

Puget Sound Partnership

Score: 2

Creation of the Puget Sound Partnership: This new state agency directs a comprehensive effort to restore Puget Sound through an action agenda to achieve the goal of a healthy Sound by 2020.

(Sen. Rockefeller, SB 5372)

Senate Majority “Environmental Priorities”

Save Our Sound

Washington Conservation Voters, 2007 Priority

Since the mid-1990s, the state has played a role in promoting the health of Puget Sound. This work, previously performed by the Puget Sound Action Team, was moved to the Puget Sound Partnership (PSP) in 2007 when the legislature adopted SB 5372.

In addition to establishing the administrative functions and structure of the Partnership, SB 5372 required the newly formed state agency to develop an Action Agenda that would serve as the state’s roadmap to healthier Puget Sound. The Agenda was intended to coordinate the efforts and funding from federal and state agencies and local governments by prioritizing protection and clean-up work. The stated goal of the Partnership is to restore the Puget Sound to a healthy state by 2020.

After months of stakeholder meetings in the Puget Sound communities, the Partnership unveiled its much-anticipated Action Agenda in 2008. The Agenda is organized based on five priority strategies, each of which contains near-term and long-term action items. So, how is the state doing at implementing the Action Agenda?

Certainly the Partnership has done some good things that show early success on a few of the identified priorities, such as the restoration of the Nisqually Delta by removing several dikes, allowing miles of habitat to be returned to its natural condition.

Prioritizing the environmental efforts to protect and restore Puget Sound is a necessary tool, and this approach can maximize the benefit we receive from the various funds spent on the Sound. The Puget Sound Partnership deserves credit for the effort in prioritizing. The strategic science plan is still being developed and will produce useful benchmarks for prioritizing projects.

However, there have been several setbacks as well and indications that politics is always nearby. For instance, a critical review by an independent research firm found significant errors in the science supporting the Partnership’s Agenda. The Partnership used a report claiming stormwater delivered 52 million pounds of pollutants to Puget Sound. This report, however, was later corrected, with recalculated numbers showing that the real number is much lower than the original claim. If the PSP is using the data to justify expenditures, we would expect them to scale back their efforts in line with this reduction in the estimate of the current environmental impact. In fact, however, the number is really just a political sales tool to justify the project. The real measure of PSP’s impact and justification for funding will be found when the scientific benchmarks are created. The original number was more about politics than science.

In addition, it appears that lawmakers are not adhering to the Agenda’s

priority strategies for funding purposes. According to the Partnership, “There are still significant gaps in funding....On the other hand, some threats received amounts larger than identified in the Action Agenda....”⁸ In fact, some priorities were set prior to science being completed, indicating that non-scientific justifications were used to allocate funding.

There is a dramatic, and disappointing, example of this. Announcing \$92 million in funding for stormwater and toxic cleanups in the current budget, PSP also praised the allocation of \$15 million toward the purchase of the Maury Island gravel mine. This is despite the fact that the project is not listed as a priority concern on any scientific list of clean water needs for in the Sound. The emphasis from the PSP on this highly political project is disturbing evidence of the way politics threatens to corrupt a promising, scientific and priority-based process.

The policy has a strong foundation, but in some instances the implementation has fallen short of the promise. For this reason the Partnership and the Action Agenda scores a **2**.

Alternative Approach: Finish the strategic science plan and review the near-term and long-term goals to make sure they are consistent with science findings. The Puget Sound Partnership should also use the Priorities of Government budgeting model to assess funding priorities and ensure that the public is receiving the maximum benefit for each tax dollar spent.

⁸ “2009 State of the Sound,” by Puget Sound Partnership, January 2010.

Promoting Biofuels with Regulation and Subsidies

Score: -3

Renewable fuel 2 percent standard established: Total gasoline sold by distributors in the state must comprise at least 2 percent ethanol sales, and 2 percent of the diesel fuel sold must be biodiesel. By 2009, state agencies will be required to ensure that 20 percent of their diesel purchases are biodiesel. (Sen. Rasmussen, SB 6508; companion bill Rep. Holmquist, HB 2738)

Senate Majority “Environmental Priorities”

Creation of the Energy Freedom Program: This program will assist growing a viable bioenergy industry in the state, by promoting public research and development in bioenergy sources and markets, and by supporting a viable industry to grow and refine bioenergy crops. (The late Rep. Grant, HB 2939)

Senate Majority “Environmental Priorities”

Promotion of clean fuels and clean energy: This comprehensive legislation expands clean diesel programs for school buses, encourages state vehicles to use fuels that are alternatives to fossil fuels and directs climate change assessments and vehicle electrification studies. (Rep. Dickerson, HB 1303; companion bill Sen. Murray, SB 5586)

Senate Majority “Environmental Priorities”

Tax exemption on renewable energy: We repealed the sales exemption on hybrid vehicles and instead funded an extension of the sales tax exemption on equipment used to create renewable energy. We passed additional renewable energy incentives. (Sen. Hobbs, SB 6170)

Senate Majority “Environmental Priorities”

Clean Air-Clean Fuels

Washington Conservation Voters, 2007 Priority

Promote Energy Independence through Renewable Fuels

Washington Conservation Voters, 2006 Priority

Perhaps no other environmental policy has received more attention during the past five years than the promotion of biofuels. And few have more consistently fallen short of their promises.

A series of regulations and taxpayer subsidies has sought to make biofuels a centerpiece of the state’s strategy for reducing carbon emissions. By creating fuels from plants that absorb atmospheric carbon, there is no, or little, net carbon emission. Supporters have also claimed that these policies will create a robust new biofuel industry.

The promise of these fuels, however, has not been fulfilled. As the state Department of General Administration (GA) noted last year, “budgetary pressures, product availability and weather conditions” have all worked against increasing purchases of biofuels.

First, the program has not succeeded in developing an in-state source of biofuels. GA reported last year that biofuel purchasers buy out-of-state because “the comparatively low volume does not justify the risk associated in utilizing an untested supplier.” The largest in-state supplier, Imperium, has struggled to find buyers and the plant has had to lay off employees due to low demand. This is despite Imperium’s purchase of feedstock out-of-state, relying in part on palm oils to produce its product.

Second, the environmental benefit of biofuels has been seriously called into question. Last year, the City of Seattle stopped using soy-based biodiesel, as the *Seattle P-I* reported, “because of concerns that the soy-based mix it was using was more harmful to the environment than regular diesel.” Other studies have shown that corn-based ethanol not only increases air pollution, it may not even reduce carbon emissions.

Third, there are technical limits to biofuels that limit their effectiveness. For instance, the Department of Transportation significantly cut back its use because “difficulties with fuel gelling and equipment operation during cold weather” forced them to reduce the biofuel blend they were using.

Finally, the higher cost of biofuels has limited their use. Metro transit, which announced a plan in 2007 to buy biofuels, took “an indefinite pause” in buying biofuels because of the rapid price increase. Even as gas prices rose, the cost of biofuels rose more quickly, hurting its market share and undermining the biofuel industry. As the federal government debates whether to continue the significant subsidy of biofuels, the price threatens to go even higher, further reducing the commercial viability of the product. Even with the subsidy, taxpayers are spending millions on a technology that has not lived up to its promises of job creation and environmental benefit.

Legislators of both parties have supported these efforts, hoping to provide taxpayer funding to support farmers and other biofuel-related industries. The results, however, have been poor despite consistent efforts. Biofuels may yet play a role in providing an alternative to fossil fuels, but the technology is still developing, and given the poor record of current biofuel technology, the policy has been a significant failure, receiving a score of -3.

Alternative Approach: There are a range of alternatives, including creating a general carbon price that incentivizes the creation of carbon-free fuels, like biofuels, favoring those that are most effective. Inefficient fuels, like corn-based ethanol, would be relatively more expensive, discouraging their production. Additionally, if the goal is to reduce carbon emissions and promote biofuel use, the current trade barriers on more efficient biofuels from Brazil and elsewhere should be dropped. Those barriers have increased costs and environmental impact, preventing the technology from being adopted. Had such barriers existed against the Toyota Prius, it is unlikely we would have seen hybrids develop as quickly or become as popular as they are today.

Climate Change Executive Order

Score: -4

Whereas, Washington is particularly vulnerable to the impacts of climate change, and without additional action to reduce carbon emissions, the severity of the impacts will negatively affect nearly every part of Washington's economy and environment; and
Whereas, Washington is already experiencing the effects of a changing climate and needs to address current and future projected impacts;...
Governor's Climate Change Executive Order

Cap and Invest (did not pass)

Washington Conservation Voters, 2009 Priority

In 2009, Governor Gregoire and environmental activists promoted legislation to begin implementation of a cap-and-trade system through the Western Climate Initiative (WCI) and to spend taxpayer dollars on a range of projects intended to reduce carbon emissions. The legislation, however, failed in the state Senate due in part to its high cost.

Despite that rejection, the Governor signed an executive order which she referred to as the bill "plus." The executive order had several key elements, including:

- Continued negotiations to create a regional cap-and-trade system as part of the Western Climate Initiative.
- Develop standards for emissions monitoring and benchmarks.
- Efforts to reduce vehicle miles traveled (VMT) and create low-carbon technologies.
- Funding infrastructure for zero- or low-carbon vehicles.

These efforts are not only likely to be ineffective but actually take Washington away from more productive options to reduce carbon emissions. Further, the cost of the program has reduced funding for proven environmental programs that have a clear and immediate benefit.

After years of discussing options about how to reduce carbon emissions, the emphasis on a cap-and-trade system has pushed the timeline for actual emission reductions into the future. The Western Climate Initiative continues to negotiate the rules for the regional system, but most of the central issues (including how to allocate credits and where to allocate emissions) are still unresolved. The growing political unpopularity of the cap-and-trade system is also undermining WCI. Arizona has already pulled out of the cap-and-trade portion of WCI and leaders in other states are discussing leaving the system. There is now significant agreement that WCI may never take effect.

A significant portion of the executive order is dedicated to preparing the groundwork for WCI's system. The money being spent to develop standards for monitoring and setting benchmarks assumes that a cap-and-trade system will be developed. Alternative approaches, like putting a direct price on carbon, are more effective and do not require these bureaucratic, and political, calculations.

Continuing to hope that WCI will produce results only delays action in directions that are likely to be more effective.

Additionally, the executive order is based on the flawed idea that politicians can accurately choose the best energy technologies for the future. This belief has been consistently wrong, with the government attempting to promote biofuels, hydrogen cars, solar panels and other technologies that seemed promising at the time but ultimately failed. Subsidizing these technologies undermines alternatives, making subsidized, but failed, technologies seem inexpensive compared to more promising, but unsubsidized, alternatives.

Finally, few strategies have a longer record of failure than efforts to reduce vehicle miles traveled. Despite consistent efforts over the past three decades to get people out of their cars and onto public transit, the number of miles traveled by individuals continues to rise. The only brief decline occurred when gasoline prices rose dramatically in 2008. Despite the continuing recession, the number of vehicle miles traveled has increased as prices have moderated.

Despite this flawed approach, the DOE shifted \$1.6 million from current programs to implement the executive order. In conjunction with the Office of Financial Management, DOE officials outlined the costs of shifting this funding:

- “Communities would continue to be exposed to air pollution, new or expanded businesses face stricter pollution control requirements and the state might suffer federal sanctions...”
- “Slower response to businesses and industries that need air quality permits to start or expand operations...”
- “Won’t be able to identify, assess and respond to toxic hotspots; won’t be able to develop response to and reduce risks from toxics like benzene, chromium and formaldehyde;...”

By the agency’s own estimates, air quality and toxic cleanups will be harmed by shifting these funds, as required by the Governor’s order. Further, companies looking for air quality permits to expand operations and create jobs will have to wait longer to begin those projects.

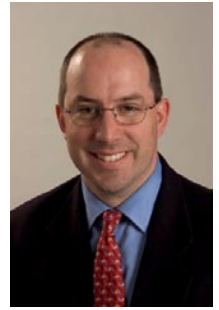
The end result is the state is no closer to taking effective action on reducing carbon emissions than it was five years ago. There is a cost to this delay. If Washington sticks to its commitment of reducing carbon emissions by 20 percent by 2020, the dramatic reductions now needed to meet that goal will drive up the costs of those efforts. Additionally, funding for other environmental priorities, like clean air and toxic cleanups, has been cut to fund the Governor’s order.

The cost of the Governor’s climate executive order and its failure to produce meaningful and effective strategies for reducing carbon emissions, at the expense of alternatives, earns this policy a -4.

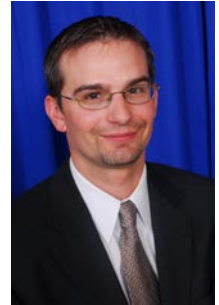
Alternative Approach: A policy that promotes energy efficient technology and aligns personal incentives with carbon emissions reductions would immediately begin to reduce carbon emissions. A revenue-neutral approach of cutting taxes and raising the price of carbon would put us on the right path immediately and give families the choice and ability to promote energy efficiency. Funding for clean air, toxic cleanups and other environmental expenditures should be prioritized using an objective, cost-benefit analysis rather than moving money without an accurate assessment of tradeoffs.

About the Authors

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