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HOUSE BILL 2051

State of Washington

68th Legislature

2024 Regular Session

By Representative Walen Prefiled 12/28/23.

AN ACT Relating to reducing emissions from small off-road engines; amending RCW 70A.65.260; adding a new section to chapter 70A.30 RCW; adding a new section to chapter 43.21A RCW; adding a new section to chapter 82.08 RCW; adding a new section to chapter 82.12 RCW; creating a new section; and providing expiration dates.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

- 7 NEW SECTION. Sec. 1. (1) The legislature finds that gasolinepowered and diesel-powered landscaping and other outdoor power 8 equipment emit a host of air pollutants, including nitrogen oxides, 9 10 particulate matter, carbon dioxide, and other pollutants, 11 contributing to climate change and negatively impacting public 12 health. The air quality, climate change, and other environmental impacts of outdoor power equipment are significant no matter how you 13 14 measure them, including:
 - (a) According to one calculation by the United States environmental protection agency, gas-powered mowers contribute five percent of United States air pollution and estimates indicate more than 17,000,000 gallons of fuel, mostly gasoline, is spilled each year while refueling lawn equipment;
- 20 (b) Nationally, the department of transportation data shows that 21 in 2018, Americans used nearly 3,000,000,000 gallons of gasoline

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running lawn and garden equipment, equivalent to the annual energy use of more than 3,000,000 homes;

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- (c) One hour of running a gas lawnmower can contribute as much smog-forming pollution as driving a passenger car 300 miles; and
- (d) One hour of running a gas leaf blower can contribute as much smog-forming pollution as driving a passenger car 1,100 miles.
- (2) The legislature further finds that the small gas engines used in lawn and garden equipment are not only bad for the environment and contributing to climate change, but they can also cause asthma, hearing loss, and other health issues, especially for workers who regularly use them. Going electric can generate health benefits and protect those who have to hear, handle, and inhale gas engines for hours on end. Additionally, the noise from gas-powered equipment can be a nuisance, with many communities enacting restrictions on the use of commercial lawn equipment. Residents value the quiet of electric equipment, especially with the increasing numbers of people working from home.
- (3) The legislature further finds that the technology and consumer markets are ready for the transition to cleaner, allelectric lawn and garden equipment. In some instances, electric and battery-operated equipment are just as powerful as gas, and more efficient. The market share of battery-powered lawn equipment is growing at a rate three times faster than gas, and already, many homeowners, businesses, cities, and universities have converted to all-electric landscaping equipment. It is estimated that the volume of electric-powered lawn equipment that North American manufacturers shipped jumped from about 9,000,000 units in 2015 to over 16,000,000 in 2020, an increase of more than 75 percent in only five years, and during that time, electric equipment went from roughly 32 percent to 44 percent of the overall lawn equipment market. Some manufacturers already have plans to cease the production of gas-powered equipment, and numerous other governments, including the state of California, has already found technological progress on electric and batterypowered equipment has made it feasible to restrict gas-powered outdoor power equipment.
- (4) Therefore, the legislature intends to establish temporary sales and use tax relief and a temporary grant program for zero emissions landscaping equipment to accelerate the phase out of superpolluting fossil fuel-powered equipment in transitioning to cleaner

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- alternatives, and to restrict the introduction of new polluting small off-road engine equipment.
- 3 <u>NEW SECTION.</u> **Sec. 2.** A new section is added to chapter 70A.30 4 RCW to read as follows:
- 5 (1) Pursuant to the federal clean air act, the legislature adopts the California small off-road engine and equipment standards in Title 6 13 of the California Code of Regulations, as they existed as of the 7 effective date of this section and upon approval by the United States 8 9 environmental protection agency of California's standards, except as 10 provided in subsection (2) of this section. The department of ecology 11 may adopt rules to implement the small off-road engine and equipment standards of the state of California, and may amend the rules from 12 time to time, to maintain consistency with the California standards. 13 The rules may only apply to small off-road engines and equipment 14 15 produced on or after January 1, 2027, or as soon as the department 16 determines that it is feasible and allowed under the federal clean air act, whichever is later. Nothing in this section restricts the 17 use of small off-road engines or equipment produced prior to January 18 19 1, 2027.
- 20 (2)(a) The rules adopted by the department under subsection (1) 21 of this section may not restrict:
 - (i) Chainsaws; and
 - (ii) Generators.

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- (b) In addition to the exemptions specified in (a) of this subsection, the department may temporarily delay the effective start date of the restrictions under this section for specific categories of or use cases of small off-road engines and equipment upon determining that suitable zero emissions small off-road engine or equipment technology does not exist to satisfy the needs of the specific use case or category of engine or equipment.
- 31 (3) The definitions in this subsection apply throughout this 32 section unless the context clearly requires otherwise.
- 33 (a) "Small off-road engine" means any engine that produces a 34 gross horsepower less than 25 horsepower (at or below 19 kilowatts 35 for 2005 and later model year), or is designed (e.g., through fuel 36 feed, valve timing, etc.) to produce less than 25 horsepower (at or 37 below 19 kilowatts for 2005 and later model year), that is not used 38 to propel a licensed on-road motor vehicle, an off-road motorcycle, 39 an all-terrain vehicle, a marine vessel, a snowmobile, a model

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1 airplane, a model car, or a model boat. If an engine family has models below 25 horsepower (at or below 19 kilowatts) and models at 2 or above 25 horsepower (above 19 kilowatts), only the models under 25 3 horsepower (at or below 19 kilowatts) would be considered small off-4 road engines. Uses for small off-road engines include, but are not 5 6 limited to, applications such as lawn mowers, weed trimmers, 7 chainsaws, golf carts, specialty vehicles, generators, and pumps. All engines and equipment that fall within the scope of the preemption of 8 section 209(e)(1)(A) of the federal clean air act, as amended, and as 9 10 defined by regulation of the United States environmental protection 11 agency, are specifically not included within this category. Any 12 compression-ignition engine, as defined in Title 13, Section 2421, California Code of Regulations, produced during the 2000 and later 13 14 model years may not be defined as a small off-road engine.

- 15 (b) "Small off-road equipment" means any off-road equipment 16 powered by a small off-road engine or comparable electric motor, or 17 other power source.
- NEW SECTION. Sec. 3. A new section is added to chapter 43.21A RCW to read as follows:

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- (1) The department must administer an outdoor power equipment grant program for local governments that use outdoor power equipment. Grants issued under this section may only be used to replace existing, working-condition outdoor power equipment powered by liquid or gaseous or fossil fuels with zero emissions outdoor power equipment.
- (2) Among grants that are issued under this section, the department must prioritize grants that will result in the greatest benefits to vulnerable populations or that will reduce the most hazardous or frequent occupational exposures caused by outdoor power equipment.
- 31 (3) It is the intent of the legislature to dedicate \$5,000,000 32 per year to the outdoor power equipment grant program, beginning in 33 calendar year 2025 and ending in calendar year 2029.
 - (4) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.
 - (a) "Outdoor power equipment" means equipment designed or marketed for use in an outdoor setting in the management of vegetation, landscaped outdoor spaces, or built spaces that is powered by an engine that produces a gross horsepower of less than 25

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- or is designed to produce less than 25 horsepower. "Outdoor power equipment" includes vegetation cutting equipment, leaf blowers, leaf vacuums, mulchers, edgers, pressure washers, and snowblowers.
 - (b) "Vegetation cutting equipment" includes lawn mowers, riding lawn mowers, hedge trimmers, string trimmers, brush cutters, pole trimmers, pole saws, and log splitters.
- 7 (c) "Vulnerable populations" has the same meaning as defined in 8 RCW 70A.02.010.
 - (d)(i) "Zero emissions outdoor power equipment" means outdoor power equipment that is powered by a source that does not produce exhaust gas other than water and that is powered by an engine that produces a gross horsepower of less than 25 horsepower at or below 28 kilowatts or is designed to produce less than 25 horsepower.
- (ii) "Zero emissions outdoor power equipment" includes, but is not limited to, equipment powered by batteries, battery packs, fuel cells, or electricity through an electric power cord and also includes lawn mowers powered solely by human effort.
 - (5) This section expires January 1, 2030.

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- NEW SECTION. Sec. 4. A new section is added to chapter 82.08 RCW to read as follows:
- 21 (1) Beginning January 1, 2023, the tax imposed by 22 RCW 82.08.020 does not apply to the sale of zero emissions outdoor 23 power equipment.
 - (2) Each seller of outdoor power equipment is encouraged to notify potential customers of the effective zero percent sales tax rate established in this section for zero emissions outdoor power equipment.
 - (a) A seller of outdoor power equipment in a physical location, including a store or booth, is encouraged to satisfy this subsection by affixing a notice, label, or sign to the outdoor power equipment or in a prominent manner adjacent to the product, in arial font and at least 14-point type.
 - (b) A seller of outdoor power equipment that uses an electronic place, including an internet website or dedicated sales software application, is encouraged to satisfy this subsection through a prominent notice that appears both in any electronic spaces advertising or displaying the product, and at the time of payment.
- 38 (3) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

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- 1 (a) "Outdoor power equipment" has the same meaning as defined in 2 section 3 of this act.
- 3 (b) "Zero emissions outdoor power equipment" has the same meaning 4 as defined in section 3 of this act.
- 5 (4) The provisions of RCW 82.32.805 and 82.32.808 do not apply to subsection (1) of this section.
- 7 (5) This section expires January 1, 2030.
- 8 <u>NEW SECTION.</u> **Sec. 5.** A new section is added to chapter 82.12 9 RCW to read as follows:
- 10 (1) Beginning January 1, 2025, the tax imposed by 11 RCW 82.12.020 does not apply to the use of zero emissions outdoor 12 power equipment.
- 13 (2) The definitions in section 4 of this act apply to this 14 section.
- 15 (3) The provisions of RCW 82.32.805 and 82.32.808 do not apply to subsection (1) of this section.
- 17 (4) This section expires January 1, 2030.

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- 18 **Sec. 6.** RCW 70A.65.260 and 2023 c 475 s 939 are each amended to 19 read as follows:
 - (1) The climate commitment account is created in the state treasury. The account must receive moneys distributed to the account from the climate investment account created in RCW 70A.65.250. Moneys in the account may be spent only after appropriation. Projects, activities, and programs eligible for funding from the account must be physically located in Washington state and include, but are not limited to, the following:
- 27 (a) Implementing the working families' tax credit in RCW 82.08.0206;
- 29 Supplementing the growth management planning (b) and environmental review fund established in RCW 36.70A.490 for the 30 31 purpose of making grants or loans to local governments for the purposes set forth in RCW 43.21C.240, 43.21C.031, 36.70A.500, and 32 36.70A.600, for costs associated with RCW 36.70A.610, and to cover 33 34 costs associated with the adoption of optional elements of comprehensive plans consistent with RCW 43.21C.420; 35
- 36 (c) (i) Programs, activities, or projects that reduce and mitigate 37 impacts from greenhouse gases and copollutants in overburdened 38 communities, including strengthening the air quality monitoring

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- network to measure, track, and better understand air pollution levels and trends and to inform the analysis, monitoring, and pollution reduction measures required in RCW 70A.65.020;
- (ii) Programs, activities, or projects that reduce and mitigate
 impacts from greenhouse gases and pollutants on vulnerable
 populations, including the outdoor power equipment grant program
 established in section 3 of this act, or transfers to the general
 fund to offset revenue losses from the tax preferences established in
 sections 4 and 5 of this act;
 - (d) Programs, activities, or projects that deploy renewable energy resources, such as solar and wind power, and projects to deploy distributed generation, energy storage, demand-side technologies and strategies, and other grid modernization projects;
 - (e) Programs, activities, or projects that increase the energy efficiency or reduce greenhouse gas emissions of industrial facilities including, but not limited to, proposals to implement combined heat and power, district energy, or on-site renewables, such as solar and wind power, to upgrade the energy efficiency of existing equipment, to reduce process emissions, and to switch to less emissions intensive fuel sources;
- 21 (f) Programs, activities, or projects that achieve energy 22 efficiency or emissions reductions in the agricultural sector 23 including:
 - (i) Fertilizer management;
 - (ii) Soil management;
 - (iii) Bioenergy;
- 27 (iv) Biofuels;

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- (v) Grants, rebates, and other financial incentives for agricultural harvesting equipment, heavy duty trucks, agricultural pump engines, tractors, and other equipment used in agricultural operations;
- (vi) Grants, loans, or any financial incentives to food processors to implement projects that reduce greenhouse gas emissions;
- 35 (vii) Renewable energy projects;
- 36 (viii) Farmworker housing weatherization programs;
- 37 (ix) Dairy digester research and development;
- 38 (x) Alternative manure management; and
- 39 (xi) Eligible fund uses under RCW 89.08.615;

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(g) Programs, activities, or projects that increase energy efficiency in new and existing buildings, or that promote low carbon architecture, including use of newly emerging alternative building materials that result in a lower carbon footprint in the built environment over the life cycle of the building and component building materials;

- (h) Programs, activities, or projects that promote the electrification and decarbonization of new and existing buildings, including residential, commercial, and industrial buildings;
- (i) Programs, activities, or projects that improve energy efficiency, including district energy, and investments in market transformation of high efficiency electric appliances and equipment for space and water heating;
- (j) Clean energy transition and assistance programs, activities, or projects that assist affected workers or people with lower incomes during the transition to a clean energy economy, or grow and expand clean manufacturing capacity in communities across Washington state including, but not limited to:
- (i) Programs, activities, or projects that directly improve energy affordability and reduce the energy burden of people with lower incomes, as well as the higher transportation fuel burden of rural residents, such as bill assistance, energy efficiency, and weatherization programs;
- (ii) Community renewable energy projects that allow qualifying participants to own or receive the benefits of those projects at reduced or no cost;
- (iii) Programs, activities, or other worker-support projects for bargaining unit and nonsupervisory fossil fuel workers who are affected by the transition away from fossil fuels to a clean energy economy. Worker support may include, but is not limited to: (A) Full wage replacement, health benefits, and pension contributions for every worker within five years of retirement; (B) full wage replacement, health benefits, and pension contributions for every worker with at least one year of service for each year of service up to five years of service; (C) wage insurance for up to five years for workers reemployed who have more than five years of service; (D) up to two years of retraining costs, including tuition and related costs, based on in-state community and technical college costs; (E) peer counseling services during transition; (F) employment placement

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services, prioritizing employment in the clean energy sector; and (G) relocation expenses;

- (iv) Direct investment in workforce development, via technical education, community college, institutions of higher education, apprenticeships, and other programs including, but not limited to:
- (A) Initiatives to develop a forest health workforce established under RCW 76.04.521; and
 - (B) Initiatives to develop new education programs, emerging fields, or jobs pertaining to the clean energy economy;
 - (v) Transportation, municipal service delivery, and technology investments that increase a community's capacity for clean manufacturing, with an emphasis on communities in greatest need of job creation and economic development and potential for commute reduction;
 - (k) Programs, activities, or projects that reduce emissions from landfills and waste-to-energy facilities through diversion of organic materials, methane capture or conversion strategies, installation of gas collection devices and gas control systems, monitoring and reporting of methane emissions, or other means, prioritizing funding needed for any activities by local governments to comply with chapter 70A.540 RCW;
- 22 (1) Carbon dioxide removal projects, programs, and activities; 23 and
 - (m) Activities to support efforts to mitigate and adapt to the effects of climate change affecting Indian tribes, including capital investments in support of the relocation of Indian tribes located in areas at heightened risk due to anticipated sea level rise, flooding, or other disturbances caused by climate change. The legislature intends to dedicate at least \$50,000,000 per biennium from the account for purposes of this subsection.
 - (2) Moneys in the account may not be used for projects or activities that would violate tribal treaty rights or result in significant long-term damage to critical habitat or ecological functions. Investments from this account must result in long-term environmental benefits and increased resilience to the impacts of climate change.
 - (3) During the 2023-2025 fiscal biennium, the legislature may appropriate moneys from the climate commitment account for activities related to environmental justice, including implementation of chapter 314, Laws of 2021.

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NEW SECTION. Sec. 7. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected. 4

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