Section 1. {Intent}

The legislature finds that in order to improve efficiency and the use of scarce resources, the state must receive the greatest return on the environmental investments it makes. Projects that do not return the expected environmental benefits waste not only the funds given to the project but also prevent funding from being available for projects that would have had a positive environmental impact.

The legislature additionally finds that reliable information and accountability are critical to ensuring that environmental projects are effective. By setting clear goals, the state can determine what projects best promote environmental sustainability and allow the state to hold contractors and agencies accountable if those goals are not met.

The legislature believes that by promoting climate accountability, the state can make the most of its resources in the effort to reduce greenhouse gas emissions and promote energy efficiency.

Section 2. {Definitions}

(A) “Climate Expenditure” – Any state expenditure designed to reduce greenhouse gas emissions.

(B) “CO2e” – Carbon dioxide equivalent calculated as greenhouse gases normalized to metric tons of carbon dioxide.

(C) “Certified Carbon Offsets” – Carbon credits certified to meet the UN’s Clean Development Mechanism (CDM).

Section 3. {Assessment of Climate Priorities}

(A) Any government climate expenditure intended to reduce greenhouse gas emissions must, prior to implementation, provide the following information:

1. Number of tons of CO2e reduced by the climate action

2. Total cost of climate action

3. Cost per ton of CO2e reduction
Any state contracts required to implement climate expenditure must include cost per ton of CO2e reduction in the performance portion of the contract.

Section 4. {Climate Accountability}

A The state shall regularly audit to ensure that climate expenditure contracts are meeting performance standards for cost per ton of CO2e. If contractors are not in compliance, they shall:

1. Provide certified carbon offsets equivalent to the difference between actual emissions reductions and contracted emissions reductions, or

2. Refund a portion of the contract funds until the cost per ton of CO2e reduction meets the benchmark included in the contract.

B Agencies managing climate expenditure contracts shall regularly provide reports to the legislature outlining the performance of those individual contracts, including:

1. Total tons of CO2e reduced

2. Total contract amount

3. Cost per ton of CO2e reduced

C Agencies that fail to complete audits and legislative reports shall have all funding for all climate expenditures suspended until they meet the requirements of this act.

Center for Media and Democracy’s quick summary

This “model” legislation attempts to create hurdles to state agencies attempting to regulate carbon gases by attempting to impose cost assessments on carbon regulation, without any parallel accounting required of businesses that are contributing to climate change.