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HOUSE BILL 78

49TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2010

INTRODUCED BY

James Roger Madalena

AN ACT

RELATING TO THE ENVIRONMENT; ENACTING A NEW SECTION OF THE AIR
QUALITY CONTROL ACT TO PROVIDE AUTHORITY TO THE ENVIRONMENTAL
IMPROVEMENT BOARD TO ADOPT RULES TO PREPARE NEW MEXICO
BUSINESSES FOR CLIMATE CHANGE POLICIES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. A new section of the Air Quality Control Act
is enacted to read:

"~~[NEW MATERIAL]~~ GREENHOUSE GAS EMISSIONS--ENVIRONMENTAL
IMPROVEMENT BOARD--GREENHOUSE GAS RULES.--

A. The board shall adopt rules to prepare industry
for climate change policies that reduce greenhouse gas
emissions in New Mexico, including:

(1) early reduction allowances and offset
allowances, including criteria to quantify, verify and grant

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1 such allowances; and

2 (2) mandatory reporting requirements for
3 persons importing electricity or residential, commercial
4 industrial or transportation fuels whose production or use may
5 cause the emission of ten thousand metric tons or more of
6 carbon dioxide equivalent.

7 B. In adopting rules pursuant to this section, the
8 board shall ensure that greenhouse gas emission reductions
9 leading to early reduction allowances and offset allowances are
10 accurately measured, real, verifiable, voluntary, additional
11 and permanent.

12 C. The department shall coordinate and participate
13 with other states, regional organizations and the federal
14 government for implementation of the rules provided pursuant to
15 this section.

16 D. The department shall report annually to the
17 appropriate interim legislative committees on the status of
18 implementation of the rules provided pursuant to this section.

19 E. As used in this section:

20 (1) "additional" means that greenhouse gas
21 emission reductions are below the quantity emitted in a
22 business-as-usual scenario;

23 (2) "board" means the environmental
24 improvement board;

25 (3) "carbon dioxide equivalent" means a metric

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1 measure used to compare emissions from various greenhouse gases
2 based upon their global warming potential;

3 (4) "early reduction allowance" means an
4 allowance issued to a source for greenhouse gas emission
5 reductions before the date required by law;

6 (5) "greenhouse gas" means any of the
7 following gases:

- 8 (a) carbon dioxide;
- 9 (b) methane;
- 10 (c) nitrous oxide;
- 11 (d) hydrofluorocarbons;
- 12 (e) perfluorocarbons; and
- 13 (f) sulfur hexafluoride;

14 (6) "offset allowance" means an allowance
15 issued to a project in New Mexico that is determined by the
16 department to reduce or avoid greenhouse gas emissions not
17 otherwise required by law;

18 (7) "permanent" means that a greenhouse gas
19 emission reduction, avoidance or sequestration is not
20 reversible;

21 (8) "real" means that a greenhouse gas
22 emission reduction, avoidance or sequestration actually
23 occurred and is quantifiable and measurable and is not an
24 artifact of incomplete or inaccurate accounting;

25 (9) "verifiable" means that a greenhouse gas

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1 emission reduction, avoidance or sequestration can be verified
2 on an ex-post basis; and

3 (10) "voluntary" means not required by law,
4 including any judgment or settlement of an enforcement action."

5 Section 2. EFFECTIVE DATE.--The effective date of the
6 provisions of this act is July 1, 2010.

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