State climate policy is a big deal. State governments began cutting emissions at a time when the federal government was essentially doing nothing about climate change. Since then, more states have become involved, and state policies have become more aggressive.

it's not for nothing that 2023 has been called a banner year for state climate action. The state developments in just the second half of the year make up an impressive list. I've organized a list of those developments by state just to give you a sense of how much is going on and in how many different places.

California.

The biggest news since July was the passage of two major corporate disclosure laws. Senate Bill 253 requires major public businesses operating in California to report all emissions relating to their businesses, including those of suppliers and customers. A partner bill, the Climate-Related Financial Risk Act (SB 261), requires disclosure the financial threats businesses face as a result of climate change itself and the transition to a net-zero economy.

At the agency level, the Air Resources Board reached a deal with the major truck-makers over the state's phase-out of diesel trucks. The industry agreed not to challenge the standards. In return, the Board agreed to revise upcoming smog requirements for trucks to align with new federal standards.

Also, the Building Standards Commission approved amendments to the state's green building code in August. The changes target emissions from the production and transport of building materials like concrete, steel, insulation and wood. The 2024 initial phase will apply only to new commercial buildings over 100,000 square feet. In 2026, the threshold will drop to 50,000 square feet.

In addition, the Energy Commission adopted a new "virtual power plant" rule, allowing consumer-owned batteries to be aggregated and treated as power plants when they deliver power to the wholesale electricity market.

Finally, Governor Newsom entered into five agreements in a series of meetings with Chinese officials, . They create partnerships on the deployment of offshore wind and other renewables, climate change adaptation and mitigation, industrial decarbonization and the creation of a future "green shipping corridor" between Los Angeles and Shanghai.

Colorado

The state's Air Quality Control Commission approved guidelines for the measurement and verification of oil and gas methane emissions, becoming the latest state to set stricter standards for tracking the potent greenhouse gas. The Commission also issued new rules governing the state's 18 most polluting facilities, including the world's largest maker of mozzarella cheese. (Who knew cheese was such a pollution problem?) The state's Chamber of Commerce said regulators are "asking industry to jump out of a plane with a needle, thread and cloth, with the hopes that a parachute can be stitched."

Delaware

On August 3rd, the governor signed seven pieces of climate legislation that strengthen the state's climate targets, increase electric vehicle and renewable energy requirements, and update building codes. The Climate Change Solutions Act (HB 99) establishes new climate targets, requiring the state to reduce emissions by 50 percent by 2030 and achieve net-zero emissions by 2050. State agencies must develop and implement a climate action plan to meet these targets every five years, the first of which is due by November 15, 2025. The Climate Solutions Act also requires state agencies to consider climate change in their decision-making, rulemaking, and procurement. The package also includes six other laws. The most notable of those set targets for purchasing electric school buses and create a state EV rebate program.

Illinois

HB 2487 created a Justice40 Oversight Committee responsible for making recommendations on how the state can advance environmental justice and meet the federal Justice40 Initiative's requirements. The governor also signed SB 2368, which requires climate resilient building codes.

Kansas

The state's Democratic governor launched a $200 million Build Kansas Fund to provide matching funds for entities applying to Infrastructure Investment and Jobs Act (IIJA) programs that require non-federal matches. The fund aims to accelerate IIJA-funded projects in Kansas, including water, transportation, energy, cybersecurity, and broadband projects through fiscal year 2027.

Maine

Maine adopted legislation calling for the state to procure 3 GW of offshore wind power *by 2040*. The governor signed a revised version after vetoing an earlier bill version over concerns about labor provisions.

Massachusetts.

The governor signed a $56 billion state budget on August 9th. Funding towards climate and energy programs includes: (a) a 27% increase in funding for the office overseeing the state's environmental and energy agencies; (b) $30 million to support wind technology, clean-energy homes, and green workforce training programs; and (c) $200 million for public transportation improvements, accessibility, and planning.

Michigan.

This has been a busy time for climate action in Michigan. In July, the governor signed six bills to expand clean energy and energy efficiency programs and environmental protections in Michigan. The most noteworthy of these laws repealed a ban on state regulations being stricter than federal rules, allowing the state to move more aggressively on climate and environment.

The state's fiscal year 2024 budget included funding for clean energy, conservation, and environmental justice, such as $70 million to expand clean transportation options like transit and high-speed rail, $14 million to implement the MI Healthy Climate Plan, and $350 million for the Make it in Michigan Competitiveness Fund to leverage federal funding for new or expanded manufacturing in the clean energy sector.

In November, the state passed several clean energy bills aimed at making the state carbon neutral by 2050. The bills require utilities to get 100% from clean energy sources by 2040 (and 50% by 2030) and boost energy efficiency . The new laws also shift authority to the state over large-scale wind and solar projects.

New Jersey

The Board of Public Utilities approved a framework for utilities to submit building electrification plans to implement the state's energy efficiency programs. Utilities must offer financial incentives to accelerate heat pump adoption and help meet the

goal of electrifying at least 400,000 homes and 20,000 commercial properties by 2030.

New York

The governor announced the adoption of “Buy Clean Concrete” rules for the concrete used in state-funded building and transportation projects. The guidelines set emissions limits on carbon emissions from concrete production and transport used by the state. in concrete. State projects must use concrete mixes that have an environmental impact below the limits set by the state.

The governor also announced a $20 million State Energy Financing Fund to provide direct capital support and credit enhancements for decarbonization projects in disadvantaged communities.

Oregon

The governor signed a $90 million package that focuses on community resiliency, climate adaptation, and reducing emissions in the buildings sector. The two bills, HB 3630 and HB 3409, combine 20 individual policies and seek to leverage billions of dollars of federal funding. The package includes: (a) a goal of 500,000 electric heat pumps by 2030, with new programs to support heat pump deployment, energy efficiency, and weatherization; (b) a building performance standard for large commercial buildings; (c) a directive to cut annual building energy consumption by 60% by 2030 compared to earlier building codes; and (d) a directive to the Department of Energy to develop a comprehensive state energy strategy.

Rhode Island.

The governor of Rhode Island signed legislation to accelerate the state’s shift to renewable energy. Prior law required annual 1.5% increases in the amount of electricity required to be generated from renewable sources through 2035. The legislation signed by the Governor accelerates those increases to achieve a 100% renewable energy in 2033.

Virginia

Although abortion was the central issue in the November elections in Virginia, climate change was also involved, with an ad campaign opposing Virginia’s use of California’s clean car standards. Democratic control of the legislature will impede

the Republican governor’s efforts to roll back environmental standards and withdraw the state from a regional carbon trading system. One area where the Democrats now hold complete control is the State Corporation Commission,, the regulatory body that oversees utilities. There are two vacancies on the Commission, and appointments are made by the legislature rather than the Governor.

Washington State.

Washington State’s new cap-and-trade system has produced strikingly high prices for carbon in initial carbon allowance auctions. Washington state announced that it wants to link its new carbon market to one run jointly by California and Quebec, kick-starting regulatory reviews with potentially wide-ranging repercussions. When California started its emissions system, it had hoped to link with other Western states, but politics got in the way. The process may now finally be restarting.

Also, the state’s Commerce Department issued guidance on a new law that requires local governments to consider climate change in their 20-year comprehensive plans beginning in 2025. The guidance focuses on two new sections that must be included in long-range plans: lowering greenhouse gas emissions and raising defenses against climate-related threats.

Multistate

A bipartisan coalition of 25 governors organized as the U.S. Climate Alliance committed to increase heat pump installations across their states to 20 million by the end of the decade. The Alliance represents approximately 60 percent of the U.S. economy and 55 percent of the U.S. population,