

climate action of southwest WA (Don Steinke)

Develop a Cap-and-trade program for the sale of cars that pollute:

Washington already has two Cap-and-Trade programs, one for emissions and one called the clean fuels program.

I asked Chat GPT how Washington's cap-and-trade programs got around the Commerce Clause of the Constitution.

Chat GPT said:

Great question — the Commerce Clause of the U.S. Constitution (and its "Dormant Commerce Clause" doctrine) is one of the biggest hurdles for state climate laws. Washington's Cap-and-Invest program (part of the 2021 Climate Commitment Act) was written very carefully with those challenges in mind.

Here's how it avoids running afoul of the Commerce Clause:

1. No explicit discrimination against interstate commerce

- The program covers all fossil fuels sold or consumed in Washington, regardless of where they originate.
- It doesn't say "in-state producers must do X" while exempting out-of-state competitors. Both in-state refineries and imported fuels have to obtain allowances.
- This neutral treatment makes it harder to argue the program "discriminates" against out-of-state commerce.
- [I believe that every mass market automaker either has an EV in production or development, or its parent company does. E.g. Buick has no EV but GM-Chevrolet-Silverado has several.]

2. Regulating in-state emissions, not out-of-state activity

- Courts strike down laws that regulate conduct outside the state's borders.
- Washington structured its program so that the obligation arises only when fuels are sold for consumption in Washington or when emissions occur within Washington's borders.
- That's similar to how California designed its cap-and-trade program, which has survived multiple Commerce Clause challenges.

3. Allowance auctions open to everyone

- Any qualified participant (even out-of-state entities) can buy allowances at auction.
- There isn't a protectionist scheme where in-state firms get cheaper or easier access.
- This undercuts arguments that Washington is favoring its own businesses.

4. Legal precedent: California's program survived

- California's cap-and-trade system was challenged under the Dormant Commerce Clause, particularly for including cross-border electricity imports.
- In *Rocky Mountain Farmers Union v. Corey* (9th Cir. 2013) and later cases, courts upheld California's approach because it regulated fuels consumed in-state, not activity beyond its borders.
- Washington modeled its program heavily on California's framework to insulate itself from the same arguments.
- [In Washington, we ban the sale of electricity produced from coal]

5. State authority over environmental protection

- States are allowed to regulate pollution and fuels within their borders, as long as they don't directly conflict with federal law or discriminate against interstate commerce.
- Washington argues its cap-and-invest system is just an environmental regulation with incidental economic impacts — not an attempt to wall off its economy.

In short: Washington's Cap-and-Invest program gets around Commerce Clause problems by applying evenhandedly to in-state emissions and fuel consumption, avoiding protectionist rules, and following the California legal playbook that's already been upheld in federal courts.