

FIRST REGULAR SESSION

# HOUSE BILL NO. 802

## 91ST GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVES RANSALL, OSTMANN, SMITH, RELFORD, GREEN (15),  
MARBLE, LINTON, GRIESHEIMER (Co-sponsors), VILLA, WIGGINS, FARNEN, HOLT,  
CAMPBELL AND LEVIN.

Read 1<sup>st</sup> time February 15, 2001, and 1000 copies ordered printed.

TED WEDEL, Chief Clerk

1701L.011

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### AN ACT

To amend chapter 643, RSMo, by adding thereto one new section relating to emissions banking and trading.

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*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Chapter 643, RSMo, is amended by adding thereto one new section, to be  
2 known as section 643.220, to read as follows:

**643.220. 1. The commission shall promulgate rules establishing a "Missouri Air  
2 Emissions Banking and Trading Program" to achieve and maintain the National Ambient  
3 Air Quality Standards established by the United States Environmental Protection Agency  
4 pursuant to the federal Clean Air Act, 42 U.S.C. 7401, et seq., as amended. In  
5 promulgating such rules, the commission shall consider, but not be limited to, inclusion of  
6 provisions concerning the definition and transfer of air emissions reduction credits or  
7 allowances between mobile sources, area sources and stationary sources, the role of offsets  
8 in emissions trading, interstate and regional emissions trading and the mechanisms  
9 necessary to facilitate emissions trading and banking.**

10 **2. The program shall:**

11 **(1) Not include any provisions prohibited by federal law;**

12 **(2) Be applicable to criteria pollutants and their precursors, but shall not include  
13 hazardous air pollutants, as defined by the federal Clean Air Act, as amended;**

14 **(3) Authorize the direct trading of air emission reduction credits or allowances  
15 between nongovernmental parties, subject to the approval of the department; and**

16 **(4) Allow net air emission reductions from federally-approved permit conditions  
17 to be transferred to other sources for use as offsets required by the federal Clean Air Act  
18 in nonattainment areas to allow construction of new emission sources.**

19           **3. The department shall register, certify or otherwise approve the amount of an air**  
20 **emissions reduction credit before such credit is banked. Banked credits may be used,**  
21 **traded, sold or otherwise expended within the same nonattainment area, maintenance area**  
22 **or air quality modeling domain in which the air emissions reduction occurred, provided**  
23 **that there will be no resulting adverse impact of air quality.**

24           **4. To be creditable for deposit in the Missouri air emissions bank, a reduction in**  
25 **air emissions shall be permanent, quantifiable and federally approved.**

26           **5. To be tradeable between air emission sources, air emission reduction credits shall**  
27 **be based on air emission reductions that occur after the effective date of this section.**

28           **6. In nonattainment areas, the bank of criteria pollutants and their precursors shall**  
29 **be reduced by three percent annually for as long as the area is classified as a**  
30 **nonattainment area.**