FISCAL IMPACT REPORT

SPONSOR	Lundstrom/Small/ Martinez/Garcia, H.	**ORIGINAL DATE** **LAST UPDATED**	1/26/22	**HB**	4/ec
SHORT TITLE	Hydrogen Hub Development Act			**SB**	
				ANALYST	Wan/Torres, I./Graeser/ Torres, J.

REVENUE (dollars in thousands)

Estimated Revenue					Recurring or Nonrecurring	Fund Affected
FY22	FY23	FY24	FY25	FY26		
0.0	($55.0)	($110.0)	($2,700)	($5,200)	Recurring	General Fund Credit on Hydrogen Production (PIT/CIT)
0.0	0.0	0.0	($10,400.0)	0.0	Recurring	General Fund Deduction for Construction Costs (GRT)
0.0	($31.0)	($62.0)	($1,900.0)	($3,700)	Recurring	General Fund Deduction for Sale of Hydrogen (GRT)
0.0	0.0	0.0	indeterminate < (1,000.0)	indeterminate < (1,000.0)	Recurring	General Fund Hydrogen Refueling Station Equipment (GRT and Comp)
0.0	0.0	0.0	indeterminate < (1,000.0)	indeterminate < (1,000.0)	Recurring	General Fund Hydrogen Distribution Facilities Equipment (GRT & Comp)
0.0	0.0	0.0	indeterminate < (1,000.0)	indeterminate < (1,000.0)	Recurring	Hydrogen fueled vehicles (GRT)**
0.0	**($86.0)**	**($172.0)**	**Less than ($18,000)**	**Less than ($11,900.0)**	**Recurring**	**TOTAL General Fund**
0.0	0.0	0.0	($3,200)	0.0	Recurring	County Deduction for Construction Costs (GRT)
0.0	($8.0)	($16.0)	($1,100.0)	($1,200.0)	Recurring	County Deduction for Sale of Hydrogen (GRT)

(Parenthesis ( ) Indicate Revenue Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY22	FY23	FY24	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	NFI	$190.0	$700.0	$890.0	Recurring	General Fund or Air Quality Permit Fund or Hydrogen Hub Project Fund
Total	NFI	$200.0	$600.0	$800.0	Recurring	Hydrogen Hub Project Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to Appropriation in the General Appropriation Act

SOURCES OF INFORMATION
LFC Files

Responses Received From
Office of the Attorney General (NMAG)
New Mexico Finance Authority (NMFA)
Economic Development Department (EDD)
Energy, Minerals and Natural Resources Department (EMNRD)
Indian Affairs Department (IAD)
Environment Department (NMED)

No Response Received
Taxation and Revenue Department (TRD)

SUMMARY

Synopsis of Bill

House Bill 4 facilitates the development of hydrogen production in New Mexico by authorizing the state and its political subdivisions ("public partners") to enter into public-private partnership agreements, establishing grant and loan programs to help finance hydrogen hub projects under such agreements, and creating tax deductions and credits to incentivize the development of hydrogen facilities. The legislation also creates a process for designating a "hydrogen hub," defined in the bill as a distinct geographic area within which proposed projects that create or modify infrastructure for the generation of power and the production, storage, transport, and consumption of hydrogen may receive state-funded grants or loans.

Section 3 establishes criteria for the designation of a specific geographic area as a hydrogen hub; Section 4 lists requirements and restrictions for public-private partnerships; and Section 5 creates a hydrogen hub development board. Board members will include the secretaries of Economic Development Department, Department of Finance and Administration, Energy, Minerals and Natural Resources Department, Environment Department, and Taxation and Revenue Department; the chief executive officer of the New Mexico Finance Authority (NMFA); and five public members appointed by the Legislative Council. The board will review and approve or disapprove proposed hydrogen hub areas and proposed public-private partnerships as well as grant and loan applications.

Section 7 of the bill establishes criteria the hydrogen hub development board must use in deciding whether to approve a proposed public-private partnership agreement for a hydrogen hub project. To be approved, a project must (1) be a clean hydrogen electric generation facility, as defined in the bill, or use only clean hydrogen; (2) provide for permanent sequestration of carbon dioxide created in the production of hydrogen; and (3) certify that methane gas produced or purchased for the generation of hydrogen is responsibly sourced gas, as defined in Section 2. Criteria further include, but are not limited to, technological feasibility, financial feasibility, impact on local employment base and an economically distressed community, net environmental impact, and impact on taxable revenue for state and local governments.

Section 8 creates new duties for NMFA, including providing staff support to the hydrogen hub development board for financial analysis of proposed projects, administering grants and loans for approved projects, and issuing bonds for projects. Section 9 creates the hydrogen hub project fund, which will be administered by NMFA to provide grants and loans to eligible applicants and support administrative costs of the board and NMFA. The bill allows NMFA to make grants of up to $250 thousand to public partners for cost-benefit analyses regarding public-private partnerships on proposed hydrogen projects. The fund may also be used to provide loans for financing hydrogen hub projects through public-private partnerships. Section 9 also lays out additional requirements that must be met to receive a grant or loan from the fund, including that grants or loans may only be made to public partners and Indian nations, tribes, and pueblos.

Sections 10 and 11 give NMFA authority to issue revenue bonds and refunding bonds, respectively, for the purposes authorized in the bill, and Section 12 specifies that the bonds shall not create an obligation, debt, or liability of the state or its political subdivisions. The pledged revenues for revenue bonds issued by NMFA shall be fees, charges, lease payments, installment sale payments, or other revenue sources of a hydrogen hub project for any of the purposes authorized by the bill.

HB4 creates a series of gross receipts tax (GRT) and compensating tax deductions and Personal Income Tax (PIT) and Corporate Income Tax (CIT) credits to spur development of a hydrogen production industry in the state. Both the GRT deductions and the PIT/CIT credits are tiered in value based on CO_2 emissions levels that result from the production of hydrogen or the use of hydrogen in producing electrical power. The PIT/CIT credits are applicable for tax years beginning on or after January 1, 2022, and have a sunset date of January 1, 2032. The GRT and compensating tax provisions are effective July 1, 2022, and sunset on January 1, 2032.

Section 15 creates the hydrogen production and energy generation income tax credit, available to eligible taxpayers who hold an interest in a carbon-negative hydrogen production facility, a clean hydrogen production facility, a qualified hydrogen production facility, or a hydrogen electric generating facility. These four types of facilities are defined in the bill and are each assigned a maximum tax credit amount per kilogram of the first 17 million kilograms of hydrogen fuel produced in a given taxable year. Thus, HB4 creates a tiered system that provides a larger tax credit to facilities that produce hydrogen at a lower carbon intensity, as shown in the table below.

Type of Hydrogen	Carbon Intensity (CI)	Facility Construction Date	Hydrogen Hub Incentives	Statewide Hydrogen Incentives
Qualifying Hydrogen	1. Prior to July 1, 2028: CI equal to or less than 4kg CO2e/kg hydrogen 2. After July 1, 2028: CI equal to or less than 3kg CO2e/kg hydrogen	January 1, 2031	Personal/corporate income tax credit: $0.10/kg of hydrogen produced[1] Gross receipts tax deduction: 33%	Personal/corporate income tax credit: $0.05/kg of hydrogen produced[1] Gross receipts tax deduction: 33%
Clean Hydrogen	CI equal to or less than 2kg CO2e/kg hydrogen; or as defined by the Federal Government	January 1, 2033	Personal/corporate income tax credit: $0.20/kg of hydrogen produced[1] Gross receipts tax deduction: 66%	Personal/corporate income tax credit: $0.10/kg of hydrogen produced[1] Gross receipts tax deduction: 66%
Carbon-Negative Hydrogen	CI equal to or less than 0 kg CO2e	January 1, 2035	Personal/corporate income tax credit: $0.30/kg of hydrogen produced[1] Gross receipts tax deduction: 100%	Personal/corporate income tax credit: $0.15/kg of hydrogen produced[1] Gross receipts tax deduction: 100%

HB4 (18) amends Section 9-7A-16 NMSA 1978 to require NMED to evaluate the use of hydrogen as a means of reducing greenhouse gas (GHG) emissions and combating climate change, including by conducting a life cycle assessment of GHG emissions and an analysis of alternative technologies for industries that may seek to use hydrogen fuel. A life cycle assessment would include the evaluation of GHG emissions that result from the production and use of hydrogen in the state. NMED must also evaluate the sectors of the economy in which hydrogen may be used, comparing the use of hydrogen to the use of other technologies on a cost and emissions basis.

NMED must complete these tasks and submit a report of findings to the governor, Economic Development Department, and Legislature by October 1, 2023. NMED will also be responsible for:

- Approving an independent organization to certify responsibly sourced gas in the absence of a federal standard, and
- Petitioning the Environmental Improvement Board (EIB) to promulgate rules that consider and address the implications for GHG emissions produced from the generation of hydrogen by July 1, 2024.

Section 19 adds an exemption to the procurement code for agreements and contracts entered into pursuant to the legislation.

This bill contains an emergency clause and would become effective immediately upon signature by the governor.

FISCAL IMPLICATIONS

HB4 creates a tax expenditure with a cost that is difficult to determine but likely significant based on announced hydrogen electric generation plant projects. Estimating the cost of tax expenditures is difficult due to uncertainty created by confidentiality requirements surrounding certain taxpayer information, and analysts must frequently interpret third-party data sources. The PIT/CIT and GRT/compensating tax deductions and credits must be separately reported.

This bill may be counter to the LFC tax policy principle of adequacy, efficiency, and equity. Due to the increasing cost of tax expenditures, revenues may be insufficient to cover growing recurring appropriations.

The most active proposed investment in hydrogen involves renovation, reconstruction, and reuse of the now closed, coal-fired Escalante Power Plant in Prewitt, New Mexico, in McKinley County. There are also other smaller projects, such as those by Bayotech, that would be aided by the tax deductions and credits contained in this bill.

To provide the Legislature with at least an order-of-magnitude estimate of the revenue impact of the provisions of this bill, LFC staff have built a fiscal model (pro-forma) based on announced capacity of the Escalante H_2Power (“Escalante”) project and Bayotech facilities. The Escalante production facility is proposed to use a steam methane reformer process with an air-separation unit devoted to the 215 megawatt electricity generator, with the remaining hydrogen sold in the market for production of ammonia fertilizer, for powering long-haul trucking using fuel-cells, and possibly for use in aviation.

Important assumptions include:

- Electric power would be sold wholesale or exported and receipts would be deductible pursuant to Section 7-9-48 NMSA 1978 and Section 7-9-55 NMSA 1978.
- Hydrogen fueled vehicles would be exempt from Motor Vehicle Excise Tax and would then be subject to GRT except for this explicit deduction in the bill.
- A claim for the PIT/CIT credit from Escalante would be delayed until the plant was operating and, along with Bayotech, is assumed at the lowest applicable tier.
- The tier level applicable to construction costs for a hydrogen fueled electricity generating facility would be based on the construction permit, not actual production.

A recommendation currently being considered by the House Appropriations and Finance Committee appropriates $125 million (nonrecurring) to the hydrogen hub project fund for grants, loans, and administrative expenses of NMED and NMFA, contingent on enactment of this legislation. The recommended language includes that each agency may spend up to $500 thousand of the appropriation for their costs associated with carrying out their responsibilities under HB4.

NMFA projects additional annual operating expenses of $600 thousand for FTE and other administrative costs associated with its new duties established by HB4. As this estimate exceeds the current recommended amount allocated for NMFA's administrative expenses and Section 9(F) requires legislative approval for appropriations from the hydrogen hub project fund, reimbursement for these costs would depend on future legislative appropriations from the fund to NMFA (see "Amendments").

NMED estimates the annual cost of FTE for rulemaking and supporting the hydrogen hub development board will be $390 thousand. The agency also anticipates providing administrative services will require expenditures of approximately $50 thousand for fulfilling public notice requirements, court reporting, interpretation services, and other costs associated with the board's duties, as well as retaining legal counsel and subject matter experts when appropriate.

To conduct the analysis required in Section 18 and petition the EIB to address the implications of GHG emissions resulting from the generation and use of hydrogen, NMED projects a need of $250 thousand for contractual services in FY23. The recommended appropriation to the hydrogen hub project fund would partially cover NMED's total estimated expenses of $690 thousand in FY23. The LFC FY23 operating budget recommendation for NMED includes the creation of a Climate Change Bureau, staffed by 7 FTE, which would be responsible for implementing the Hydrogen Hub Development Act, among other tasks. Therefore, recurring funds are available to NMED in addition to the appropriation from the hydrogen hub project fund.

SIGNIFICANT ISSUES

The federal Infrastructure Investment and Jobs Act of 2021 (IIJA) that was signed November 15, 2021, includes $8 billion for federal fiscal years 2022-2026 to be distributed as grants to four hydrogen hub demonstration projects to be selected by the U.S. Department of Energy (DOE). HB4 puts New Mexico in position to compete for one of the four clean hydrogen hubs by establishing a public-private partnership structure that can be responsive to private interest in developing a hydrogen hub, or hubs, in New Mexico. If the Escalante project is selected for federal funding, then neither the state tax credits nor public-private partnership investment would be necessary. If the project does not receive a DOE grant, then the tax deductions, tax credits, and direct financial support would be critical in jumpstarting the industry.

The Economic Development Department (EDD) believes a hydrogen economy should be a key component of New Mexico's economic growth strategy. In EDD's recently released 20-year strategic plan, green and sustainable energy, including clean hydrogen, is named as one of nine target industries the state should actively pursue to diversify and grow the economy. EDD explains, "hydrogen is widely regarded as critical for the transition away from carbon-intensive energies to those based on renewables as it is one of the few energy sources that can be used for power generation, transportation, and industries processes," and "New Mexico's current strengths in natural gas make the state a competitive location for the near-term build out of blue hydrogen production, which requires natural gas."

The proposed Escalante project would be the world's first conversion of a coal-fired power plant to a hydrogen production facility, and EDD believes HB4 is an important policy step towards that accomplishment; the agency states, "By becoming an early leader in hydrogen, New Mexico could see large scale investments that could produce high-wage jobs throughout the state."

From an environmental standpoint, vigorous debate regarding the emissions impact of hydrogen is ongoing, but NMED submits that hydrogen production tax credits will help New Mexico decarbonize its energy production and transportation sectors, while driving innovation across industries. The agency further states that "HB4 commits the state to rapid and ambitious action to ensure that New Mexico reduces GHG emissions while developing climate resilience, supporting disproportionately affected communities, and building the clean energy economy in areas that have been impacted by job losses in the industries that rely on fossil fuels such as electricity generation and oil refining. … Efforts to expand the use of hydrogen for existing sources or new sources relocating to New Mexico will provide a lower- or zero-carbon energy source through the designated hydrogen hubs and monetary incentives, especially for hard to decarbonize industries."

The Indian Affairs Department (IAD) comments that access to financial resources is often a key barrier to development projects in Indian nations, tribes, and pueblos, and therefore, HB4's provision authorizing hydrogen hub development grants and loans to Indian nations, tribes, and pueblos may benefit this community and their chosen private partners by providing financial assistance to selected hydrogen projects.

As pointed out by the Energy, Minerals and Natural Resources Department (EMNRD), successful deployment of facilities that require carbon capture and sequestration, such as the Escalante power plant, may require the state to address specific policy issues in the near future. One such issue is pore space ownership (i.e., who owns the underground geographic features where CO_2 might be stored, particularly in a split estate location) and rules surrounding pore space development. Another is the long-term and short-term ownership of sequestered CO_2 and associated financial assurance requirements.

PERFORMANCE IMPLICATIONS

NMED is responsible for administering and enforcing regulations promulgated by the EIB to improve air quality throughout New Mexico. Key performance measure goals for public health and environmental protection are to reduce the share of the population exposed to unhealthy air and to reduce statewide emissions of nitrogen oxides and volatile organic compounds. According to NMED, HB4 will lower emissions from transportation and electricity generation fuels, reducing the amount of GHG in the atmosphere that contribute to climate change and degrade air quality. NMED is also responsible for implementing the Governor's Executive Order 2019-003 Addressing Climate Change and Energy Waste Prevention, which seeks to reduce statewide GHG emissions by 45 percent by 2030.

The LFC tax policy of accountability is met with the bill's requirement to report annually to an interim legislative committee. The bill does not articulate the purpose of the tax incentives nor establish measureable goals which will prevent evaluation of the legislation's effectiveness and efficiency.

ADMINISTRATIVE IMPLICATIONS

HB4 directs NMED to adopt rules to establish procedures to determine if facilities may receive a certificate of eligibility to claim either one of the income tax credits. NMED expects it will require two FTE – 1.5 technical staff and one part-time attorney – to develop proposed rules, conduct stakeholder and public outreach, participate in the rulemaking hearing process, and implement the certification requirements of the tax credits. HB4 also requires NMED to provide administrative services to the hydrogen hub development board, which NMED states will require 1 FTE.

HB4 requires NMFA to provide staff support to the board for financial analysis of proposed hydrogen hub projects. According to NMFA, these responsibilities would be similar to those currently provided to the Department of Transportation (NMDOT) in terms of financial analysis, bond issuance, establishing lines-of-credit, collecting revenues held by a Trustee that are designated for bond repayment, investing NMDOT funds, and managing the financial aspects of project funds. NMFA is therefore equipped to serve in this role, but may need additional staff due to the expected magnitude of a hydrogen hub project.

HB4 will enable NMFA to issue revenue bonds without state obligation or support. While NMFA has the expertise to issue such revenue bonds, it notes that success in doing so will depend on the availability of revenues from a hydrogen hub project, which in turn will likely require the facility to be in operation; bridging the financing gap between building the facility and generating revenues from an operating facility will likely fall to the private partner.

CONFLICT, RELATIONSHIP

House Bill 55 creates a public-private partnership board at NMFA and adds an exemption for public-private partnerships to the procurement code. If both HB55 and HB4 pass, these provisions could conflict with one another.

HB4 relates to an appropriation recommendation for House Bill 2: $125 million to the hydrogen hub project fund for loans and grants authorized in this bill.

TECHNICAL ISSUES

HB4 provides for the merging of public and private entities into public-private partnerships, under public-private partnership agreements. Section 41-4-4 NMSA 1978 (the Tort Claims Act) grants public entities and employees immunity from liability for tort claims except as waived under the New Mexico Religious Freedom Restoration Act [Sections 28-22-1 to 28-22-5 NMSA 1978] or the Tort Claims Act.
Section 41-4-8(A) NMSA 1978 states in part that immunity "does not apply to liability for damages resulting from bodily injury, wrongful death or property damage caused by the negligence of public employees while acting within the scope of their duties in the operation of the following [enumerated] public utilities…."

Section 41-4-8(B) NMSA 1978 states: "The liability imposed pursuant to Subsection A of this section shall not include liability for damages resulting from bodily injury, wrongful death or property damage: (1) caused by a failure to provide an adequate supply of gas, water, electricity or services as described in Subsection A of this section; or (2) arising out of the discharge, dispersal, release or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials or other irritants, contaminants or pollutants into or upon land, the atmosphere or any watercourse or body of water."

HB4 presents a potential issue as to whether this creation of a public-private partnership under public-private partnership agreement nullifies the immunity otherwise available to public utilities, entities, and employees under the Tort Claims Act.

Section 4(D)(12) states that a public-private partnership agreement shall "provide for the protection of proprietary information of the private partner." Because the partnership would involve a private entity, the legislation may require language as to how the proprietary information will be protected under Inspection of Public Records Act (IPRA) requirements that apply to the public entity.

The Office of the Attorney General (NMAG) notes that "In Section 9(B), the clause, 'as required by the authority' at the end of the sentence makes it unclear whether the authority can waive the preceding provision that obligates a private partner to 'provide funds that match or exceed the public partner's monetary obligations for the cost of a study.'"

NMAG clarifies that the HB4 definition of clean hydrogen referencing standards developed pursuant to Section 822 of the Federal Energy Policy Act of 2005 was likely intended to refer to Section 822 of the federal Infrastructure Investment and Jobs Act, 42 U.S.C.A §16166, Pub. L. No. 117-58 (2021).

NMAG also reports:

> "The definition of the term 'responsibly sourced gas' refers to standards promulgated pursuant to Title 8 of the federal Energy Policy Act of 2005. Presumably, this is in reference to the Clean hydrogen research and development program, 42 U.S.C.A. §16154(J) (2021), which was amended to direct the Secretary of the Department of Energy, issue updated targets for the 'clean hydrogen research and development program' within 180 days from the date of enactment to 'address near-term (up to 2 years), mid-term (up to 7 years), and long-term (up to 15 years) challenges to the advancement of clean hydrogen systems and technologies.' As of the time of this analysis, the status of those updated targets is uncertain. In short, absent federal definition, the proposed

> language is vague.
>
> As drafted, Section 7(A) states that 'if the proposed project generates hydrogen, then the board shall approve it only if it finds...' The clause 'if the proposed project generates hydrogen' suggests that hydrogen producers already in operation could nonetheless qualify for a hydrogen hub project if they otherwise meet the criteria."

OTHER SUBSTANTIVE ISSUES

Section 12 of the bill states "no breach shall impose a financial liability or charge upon the general credit of the state or any of its political subdivisions." However, NMAG notes it is unclear how this provision would protect against a rating agency downgrade in response to a debt obligation default held by a public-private partnership involving a political subdivision.

Section 9(E) provides for a grant or loan of money in the hydrogen hub project fund to "an Indian nation, tribe or pueblo that has entered into a public-private partnership with a private partner for the development of a public project" under enumerated conditions. In *Hamaatsa, Inc. v. Pueblo of San Felipe*, 2017-NMSC-007, 388 P.3d 977, the court held that dismissal was proper under: "the unequivocal precedent of the United States Supreme Court [which] declares only two exceptions to tribal sovereign immunity—the tribes' waiver of immunity or congressional authorization—neither of which exists in the instant case." Additionally, Update of Selected Studies in Transportation Law, citing *Michigan v. Bay Mills Indian Community*, 134 S. Ct. 2024, 188 L. Ed. 2d `071 (2014) states: "Sovereign immunity … extends to commercial activities off of Indian lands and can only be waived by the tribe or Congress."

Under this precedent, tribal sovereign immunity can only be expressly waived by an authorized member of the Indian nation, tribe, or pueblo; or by a Congressional waiver. If not waived, tribal sovereign immunity will apply to judicial actions taken against said entities. An express waiver of tribal sovereign immunity should therefore be included in HB4, and in any related legislation (and agreements) involving the Indian nation, tribe, or pueblo in order to preserve the state's pursuit of default and other contract remedies.

AMENDMENTS

NMFA points out a potential conflict between Sections 8(H) and 9(F) of the bill: 8(H) requires NMFA to be compensated for administrative and reimbursable costs related to the authority's support of the board and administration of the hydrogen hub project fund, but 9(F) specifies that money in the fund is subject to legislative appropriation. Section 8(H) may indicate NMFA is entitled to reimbursement for all relevant administrative costs, regardless of legislative appropriation.

POSSIBLE QUESTIONS

Does the bill meet the Legislative Finance Committee tax policy principles?

1. **Adequacy**: Revenue should be adequate to fund needed government services.
2. **Efficiency**: Tax base should be as broad as possible and avoid excess reliance on one tax.
3. **Equity**: Different taxpayers should be treated fairly.
4. **Simplicity**: Collection should be simple and easily understood.
5. **Accountability**: Preferences should be easy to monitor and evaluate

Does the bill meet the Legislative Finance Committee tax expenditure policy principles?

1. **Vetted**: The proposed new or expanded tax expenditure was vetted through interim legislative committees, such as LFC and the Revenue Stabilization and Tax Policy Committee, to review fiscal, legal, and general policy parameters.
2. **Targeted**: The tax expenditure has a clearly stated purpose, long-term goals, and measurable annual targets designed to mark progress toward the goals.
3. **Transparent**: The tax expenditure requires at least annual reporting by the recipients, the Taxation and Revenue Department, and other relevant agencies.
4. **Accountable**: The required reporting allows for analysis by members of the public to determine progress toward annual targets and determination of effectiveness and efficiency. The tax expenditure is set to expire unless legislative action is taken to review the tax expenditure and extend the expiration date.
5. **Effective**: The tax expenditure fulfills the stated purpose. If the tax expenditure is designed to alter behavior – for example, economic development incentives intended to increase economic growth – there are indicators the recipients would not have performed the desired actions "but for" the existence of the tax expenditure.
6. **Efficient:** The tax expenditure is the most cost-effective way to achieve the desired results.

LFC Tax Expenditure Policy Principle	Met?	Comments
Vetted	✓	
Targeted		
Clearly stated purpose	✓	
Long-term goals	✓	
Measurable targets	✗	
Transparent	✓	
Accountable		
Public analysis	✓	
Expiration date	✓	
Effective		
Fulfills stated purpose	✓	
Passes "but for" test	?	
Efficient	✗	
Key: ✓ Met ✗ Not Met ? Unclear		

CW/acv