

**ASSEMBLY BILL**

**No. 2632**

---

---

**Introduced by Assembly Member Fuller**

February 22, 2008

---

---

An act to amend Section 38570 of the Health and Safety Code, relating to air pollution.

LEGISLATIVE COUNSEL'S DIGEST

AB 2632, as introduced, Fuller. California Global Warming Solutions Act of 2006: market-based compliance mechanisms.

The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The state board is required to adopt a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions levels in 1990 to be achieved by 2020, and to adopt rules and regulations in an open public process to achieve the maximum technologically feasible and cost-effective greenhouse gas emission reductions. The state board is authorized to adopt market-based compliance mechanisms, as defined, meeting specified requirements to be used for compliance with those regulations.

This bill would make technical, nonsubstantive changes to these provisions of law.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 38570 of the Health and Safety Code is  
2 amended to read:

3 38570. (a) The state board may include in the regulations  
4 adopted pursuant to Section 38562 the use of market-based  
5 compliance mechanisms to comply with ~~the~~ *those* regulations.

6 (b) Prior to the inclusion of ~~any~~ *a* market-based compliance  
7 mechanism in the regulations, to the extent feasible and in  
8 furtherance of achieving the statewide greenhouse gas emissions  
9 limit, the state board shall do all of the following:

10 (1) Consider the potential for direct, indirect, and cumulative  
11 emission impacts from these mechanisms, including localized  
12 impacts in communities that are already adversely impacted by air  
13 pollution.

14 (2) Design any market-based compliance mechanism to prevent  
15 any increase in the emissions of toxic air contaminants or criteria  
16 air pollutants.

17 (3) Maximize additional environmental and economic benefits  
18 for California, as appropriate.

19 (c) The state board shall adopt regulations governing ~~how the~~  
20 *manner in which* market-based compliance mechanisms may be  
21 used by regulated entities subject to greenhouse gas emission limits  
22 and mandatory emission reporting requirements to achieve  
23 compliance with their greenhouse gas emissions limits.

O