

AMENDED IN ASSEMBLY MARCH 14, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

**ASSEMBLY BILL**

**No. 768**

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**Introduced by Assembly Member Gatto**

February 17, 2011

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An act to add Section 38560.7 to the Health and Safety Code, relating to air pollution.

LEGISLATIVE COUNSEL'S DIGEST

AB 768, as amended, Gatto. California Global Warming Solutions Act of 2006: ~~low-carbon fuel standard.~~ *Low Carbon Fuel Standard.*

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 level 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 adopted a Low Carbon Fuel Standard regulation pursuant to these requirements.*

This bill would require the state board to allow a regulated entity ~~subject to a low-carbon fuel standard adopted pursuant to the act to meet its low-carbon fuel standard obligations by purchasing credits created by the sale of biomethane~~ *renewable party that elects to be subject to the requirements of the Low Carbon Fuel Standard regulation in order to generate credits for the purposes of the Low Carbon Fuel Standard regulation, to generate credits through the sale of renewable*

*natural* gas produced out of state, but distributed to consumers in the state through displacement trade contracts.

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

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

1 SECTION 1. Section 38560.7 is added to the Health and Safety  
2 Code, to read:  
3 38560.7. The state board shall allow a regulated entity subject  
4 to a low-carbon fuel standard adopted pursuant to this division to  
5 meet its low-carbon fuel standard obligations by purchasing credits  
6 created by the sale of biomethane renewable party that elects to  
7 be subject to the requirements of the Low Carbon Fuel Standard  
8 regulation in order to generate credits for the purposes of the Low  
9 Carbon Fuel Standard regulation, to generate credits through the  
10 sale of renewable natural gas produced out of state, but distributed  
11 to consumers in the state through displacement trade contracts.