

AMENDED IN ASSEMBLY MAY 5, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 21

Introduced by Assembly Member Perea
(Coauthor: Assembly Member Daly)

December 1, 2014

An act to amend Sections ~~38501, 38551, 38501~~ and 38561 of the Health and Safety Code, relating to greenhouse gases.

LEGISLATIVE COUNSEL'S DIGEST

AB 21, as amended, Perea. California Global Warming Solutions Act of 2006: ~~emissions limit~~; scoping plan.

The California Global Warming Solutions Act of 2006 establishes the State Air Resources Board as the state agency responsible for monitoring and regulating sources emitting greenhouse gases. The act requires the state board to adopt a statewide greenhouse gas emissions limit, as defined, to be achieved by 2020, equivalent to the statewide greenhouse gas emissions levels in 1990. ~~The act requires the state board to make recommendations to the Governor and the Legislature on how to continue the reduction of greenhouse gas emissions beyond 2020.~~

The act also requires the state board to prepare and approve a scoping plan for achieving the maximum technologically feasible and cost-effective reductions in greenhouse gas emissions.

~~This bill would require the state board, no later than January 1, 2018, to recommend to the Governor and the Legislature a specific target of statewide emissions reductions for 2030 to be accomplished in a cost-effective manner.~~

This bill would require the state board in preparing its scoping plan to consult with specified state agencies regarding matters involving energy efficiency and the facilitation of the electrification of the transportation sector.

This bill also would make various findings and declarations.

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 38501 of the Health and Safety Code is
2 amended to read:

3 38501. The Legislature finds and declares all of the following:

4 (a) Global warming poses a serious threat to the economic
5 well-being, public health, natural resources, and the environment
6 of California. The potential adverse impacts of global warming
7 include the exacerbation of air quality problems, a reduction in
8 the quality and supply of water to the state from the Sierra
9 snowpack, a rise in sea levels resulting in the displacement of
10 thousands of coastal businesses and residences, damage to marine
11 ecosystems and the natural environment, and an increase in the
12 incidences of infectious diseases, asthma, and other human
13 health-related problems.

14 (b) Global warming will have detrimental effects on some of
15 California’s largest industries, including agriculture, wine, tourism,
16 skiing, recreational and commercial fishing, and forestry. It will
17 also increase the strain on electricity supplies necessary to meet
18 the demand for summer air-conditioning in the hottest parts of the
19 state.

20 (c) California has long been a national and international leader
21 on energy conservation and environmental stewardship efforts,
22 including the areas of air quality protections, energy efficiency
23 requirements, renewable energy standards, natural resource
24 conservation, and greenhouse gas emissions standards for passenger
25 vehicles. The program established by this division will continue
26 this tradition of environmental leadership by placing California at
27 the forefront of national and international efforts to reduce
28 emissions of greenhouse gases.

29 (d) National and international actions are necessary to fully
30 address the issue of global warming. However, action taken by

1 California to reduce emissions of greenhouse gases will have
2 far-reaching effects by encouraging other states, the federal
3 government, and other countries to act.

4 (e) By exercising a global leadership role, California will also
5 position its economy, technology centers, financial institutions,
6 and businesses to benefit from national and international efforts
7 to reduce emissions of greenhouse gases. More importantly,
8 investing in the development of innovative and pioneering
9 technologies will assist California in achieving the 2020 statewide
10 limit on emissions of greenhouse gases established by this division
11 and will provide an opportunity for the state to take a global
12 economic and technological leadership role in reducing emissions
13 of greenhouse gases.

14 ~~(f) Having made significant strides between 2006 and 2014 in~~
15 ~~reducing greenhouse gas emissions, California continues to~~
16 ~~demonstrate and exercise national and global leadership by~~
17 ~~establishing a statewide greenhouse gas emissions limit for 2030.~~

18 ~~(g)~~

19 (f) It is the intent of the Legislature that the State Air Resources
20 Board coordinate with state agencies, as well as consult with the
21 environmental justice community, industry sectors, business
22 groups, academic institutions, environmental organizations, and
23 other stakeholders, in implementing this division.

24 ~~(h)~~

25 (g) It is the intent of the Legislature that the State Air Resources
26 Board consult with the Public Utilities Commission in the
27 development of emissions reduction measures, including limits on
28 emissions of greenhouse gases applied to electricity and natural
29 gas providers regulated by the Public Utilities Commission in order
30 to ensure that electricity and natural gas providers are not required
31 to meet duplicative or inconsistent regulatory requirements.

32 ~~(i)~~

33 (h) It is the intent of the Legislature that the State Air Resources
34 Board design emissions reduction measures to meet the statewide
35 emissions limits for greenhouse gases established pursuant to this
36 division in a manner that cleans the environment in ways that are
37 ~~affordable~~ *cost effective* for California residents, minimizes costs
38 and maximizes benefits for California's economy, improves and
39 modernizes California's energy infrastructure and maintains electric
40 system reliability, maximizes additional environmental and

1 economic co-benefits for California, and complements the state's
2 efforts to improve air quality.

3 (j)

4 (i) It is the intent of the Legislature that the Climate Action
5 Team established by the Governor to coordinate the efforts set
6 forth under Executive Order S-3-05 continue its role in
7 coordinating overall climate policy.

8 ~~SEC. 2. Section 38551 of the Health and Safety Code is~~
9 ~~amended to read:~~

10 ~~38551. (a) The statewide greenhouse gas emissions limit for~~
11 ~~2020 shall remain in effect unless otherwise amended or repealed.~~

12 ~~(b) It is the intent of the Legislature that the statewide~~
13 ~~greenhouse gas emissions limit for 2020 continue in existence and~~
14 ~~be used to maintain and continue reductions in emissions of~~
15 ~~greenhouse gases beyond 2020.~~

16 ~~(c) (1) The state board shall make recommendations to the~~
17 ~~Governor and the Legislature on how to continue further reductions~~
18 ~~of greenhouse gas emissions beyond 2020.~~

19 ~~(2) No later than January 1, 2018, the state board shall~~
20 ~~recommend to the Governor and the Legislature a specific target~~
21 ~~of statewide emissions reductions for 2030 to be accomplished in~~
22 ~~a cost-effective manner consistent with paragraph (1).~~

23 ~~SEC. 3.~~

24 ~~SEC. 2. Section 38561 of the Health and Safety Code is~~
25 ~~amended to read:~~

26 ~~38561. (a) (1) On or before January 1, 2009, the state board~~
27 ~~shall prepare and approve a scoping plan, as that term is understood~~
28 ~~by the state board, for achieving the maximum technologically~~
29 ~~feasible and cost-effective reductions in greenhouse gas emissions~~
30 ~~from sources or categories of sources of greenhouse gases by 2020~~
31 ~~under this division.~~

32 ~~(2) The state board shall consult with all state agencies with~~
33 ~~jurisdiction over sources of greenhouse gases, including the Public~~
34 ~~Utilities Commission and the State Energy Resources Conservation~~
35 ~~and Development Commission, in developing all elements of its~~
36 ~~plan that pertain to energy-related matters including, but not limited~~
37 ~~to, electrical generation, energy efficiency, load based-standards~~
38 ~~or requirements, the provision of reliable and affordable electrical~~
39 ~~service, petroleum refining, the facilitation of the electrification~~
40 ~~of the transportation sector, and statewide fuel supplies to ensure~~

1 the greenhouse gas emissions reduction activities to be adopted
2 and implemented by the state board are complementary,
3 nonduplicative, and can be implemented in an efficient and
4 cost-effective manner.

5 (b) The plan shall identify and make recommendations on direct
6 emissions reduction measures, alternative compliance mechanisms,
7 market-based compliance mechanisms, and potential monetary
8 and nonmonetary incentives for sources and categories of sources
9 that the state board finds are necessary or desirable to facilitate
10 the achievement of the maximum feasible and cost-effective
11 reductions of greenhouse gas emissions by 2020.

12 (c) In making the determinations required by subdivision (b),
13 the state board shall consider all relevant information pertaining
14 to greenhouse gas emissions reduction programs in other states,
15 localities, and nations, including the northeastern states of the
16 United States, Canada, and the European Union.

17 (d) The state board shall evaluate the total potential costs and
18 total potential economic and noneconomic benefits of the plan for
19 reducing greenhouse gases to California's economy, environment,
20 and public health, using the best available economic models,
21 emission estimation techniques, and other scientific methods.

22 (e) In developing its plan, the state board shall take into account
23 the relative contribution of each source or source category to
24 statewide greenhouse gas emissions, and the potential for adverse
25 effects on small businesses, and shall recommend a de minimis
26 threshold of greenhouse gas emissions below which emissions
27 reduction requirements will not apply.

28 (f) In developing its plan, the state board shall identify
29 opportunities for emissions reduction measures from all verifiable
30 and enforceable voluntary actions, including, but not limited to,
31 carbon sequestration projects and best management practices.

32 (g) The state board shall conduct a series of public workshops
33 to give interested parties an opportunity to comment on the plan.
34 The state board shall conduct a portion of these workshops in
35 regions of the state that have the most significant exposure to air
36 pollutants, including, but not limited to, communities with minority
37 populations, communities with low-income populations, or both.

- 1 (h) The state board shall update its plan for achieving the
- 2 maximum technologically feasible and cost-effective reductions
- 3 of greenhouse gas emissions at least once every five years.

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