

AMENDED IN SENATE SEPTEMBER 4, 2015

AMENDED IN SENATE SEPTEMBER 1, 2015

AMENDED IN ASSEMBLY JUNE 2, 2015

AMENDED IN ASSEMBLY APRIL 20, 2015

AMENDED IN ASSEMBLY APRIL 6, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 692

Introduced by Assembly Member Quirk

February 25, 2015

An act to add Section 43870 to the Health and Safety Code, relating to greenhouse gases.

LEGISLATIVE COUNSEL'S DIGEST

AB 692, as amended, Quirk. Low-carbon transportation fuels.

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 to be achieved by 2020 equivalent to the statewide greenhouse gas emissions levels of 1990. The state board additionally is required to adopt rules and regulations in an open public process to achieve the maximum technologically feasible and cost-effective greenhouse gas emissions reductions. Pursuant to the act, the state board has adopted the Low-Carbon Fuel Standard regulations.

This bill, commencing January 1, 2017, would require, except as provided, at least 3% of the aggregate amount of bulk transportation

fuel purchased by ~~the state agencies~~ *government* to be procured from very low carbon transportation fuel sources. The bill would require, except as provided, the percentage to be increased by 1% each year thereafter until January 1, 2024. The bill would require the Department of General Services to coordinate with state agencies that are buyers of transportation fuel and submit an annual progress report to the Legislature. The bill would define very low carbon transportation fuel for these purposes.

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. The Legislature finds and declares both of the
2 following:

3 (a) Low-carbon transportation fuels are an important element
4 of the state's greenhouse gas reduction policy, and increasing the
5 supply of those fuels will help the state achieve its greenhouse gas
6 reduction goals.

7 (b) Existing incentives for the development of low-carbon
8 transportation fuels, including the Low-Carbon Fuel Standard
9 regulation (Subarticle 7 (commencing with Section 95480) of
10 Article 4 of Subchapter 10 of Chapter 1 of Division 3 of Title 17
11 of the California Code of Regulations), the California Global
12 Warming Solutions Act of 2006 (Division 25.5 (commencing with
13 Section 38500) of the Health and Safety Code), and Assembly Bill
14 118 (Chapter 750 of the Statutes of 2007), can be enhanced if the
15 state's purchasing power is used to buy very low carbon
16 transportation fuel for its own fleets, providing a reliable source
17 of demand for these fuels.

18 SEC. 2. Section 43870 is added to the Health and Safety Code,
19 to read:

20 43870. (a) Except as provided in subdivision (e), commencing
21 January 1, 2017, at least 3 percent of the aggregate amount of bulk
22 transportation fuel purchased by ~~the state agencies~~ *government*
23 shall be procured from very low carbon transportation fuel sources,
24 and, commencing January 1, 2018, the amount of very low carbon
25 transportation fuel purchased shall be increased every year, by 1
26 percent, until January 1, 2024.

1 (b) As used in this section, “very low carbon transportation fuel”
 2 means a liquid or gaseous transportation fuel having no greater
 3 than 40 percent of the carbon intensity of the closest comparable
 4 petroleum fuel for that year, as measured by the methodology in
 5 the low-carbon fuel standard regulation (Subarticle 7 (commencing
 6 with Section 95480) of Article 4 of Subchapter 10 of Chapter 1 of
 7 Division 3 of Title 17 of the California Code of Regulations). The
 8 carbon intensity for the transportation fuel shall include the indirect
 9 land use change emission if an agricultural commodity that is a
 10 food product is used as a feedstock for the production of the
 11 transportation fuel.

12 (c) This section does not replace or modify any existing fuel
 13 standards or requirements imposed under the low-carbon fuel
 14 standard regulation.

15 (d) The Department of General Services shall coordinate with
 16 state agencies that are buyers of transportation fuel and submit to
 17 the Legislature, consistent with Section 25722.8 of the Public
 18 Resources Code, an annual progress report on actions taken
 19 pursuant to this section.

20 (e) If the Department of General Services, in consultation with
 21 the chairperson of the state board, makes a determination that very
 22 low carbon transportation fuel does not perform adequately for its
 23 intended use or is not available at a reasonable price and in a
 24 reasonable period of time, the state shall procure very low carbon
 25 transportation fuel only to the extent feasible.

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 28 **CORRECTIONS:**
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