AMENDED IN ASSEMBLY JANUARY 4, 2016 AMENDED IN ASSEMBLY MARCH 26, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 1336

Introduced by Assembly Member Salas

February 27, 2015

An act to amend Section 39713 of the Health and Safety Code, relating to greenhouse gases. An act to add Chapter 4.3 (commencing with Section 39740) to Part 2 of Division 26 of the Health and Safety Code, relating to greenhouse gases.

LEGISLATIVE COUNSEL'S DIGEST

AB 1336, as amended, Salas. California Global Warming Solutions Act of 2006: disadvantaged communities. Greenhouse gases: Community Climate Improvement Program.

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 act authorizes the state board to include the use of market-based compliance mechanisms. Existing law requires all moneys, except for fines and penalties, collected by the state board as part of a market-based compliance mechanism to be deposited in the Greenhouse Gas Reduction Fund and to be available upon appropriation.

This bill would establish and require the Strategic Growth Council, in coordination with the state board, to administer the Community Climate Improvement Program to provide grants for the development and implementation of multicounty, multielement climate beneficial projects that maximize greenhouse gas emissions reductions or

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sequestration. The bill would require the council, in coordination with the state board, to develop guidelines for the program. The bill would require the council to implement the program with moneys appropriated from the Greenhouse Gas Reduction Fund and would require not less than an unspecified percentage of the program moneys be made available for projects in the San Joaquin Valley.

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 act authorizes the state board to include the use of market-based compliance mechanisms. Existing law requires all moneys, except for fines and penalties, collected by the state board from the auction or sale of allowances as part of a market-based compliance mechanism to be deposited in the Greenhouse Gas Reduction Fund and to be available upon appropriation. Existing law requires the California Environmental Protection Agency to identify disadvantaged communities and requires the Department of Finance, in consultation with the state board and any other relevant state agency, to develop, as specified, a 3-year investment plan for the moneys deposited in the Greenhouse Gas Reduction Fund. Existing law requires a minimum of 25% of the available moneys in the fund to be allocated to projects that provide benefits to disadvantaged communities.

This bill instead would require a minimum of 40% of the available moneys in the fund to be allocated to projects that provide benefits to disadvantaged communities.

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

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

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1 SECTION 1. Chapter 4.3 (commencing with Section 39740)
2 is added to Part 2 of Division 26 of the Health and Safety Code,
3 to read:
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5 Chapter 4.3. Community Climate Improvement Program

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39740. It is the intent of the Legislature, in enacting this chapter, to establish a comprehensive grant program funded by the Greenhouse Gas Reduction Fund, established pursuant to Section 16428.8 of the Government Code, for purposes of investing

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in regional, multibenefit projects that maximize greenhouse gas emissions reductions or sequestration, especially in disadvantaged communities.

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- 39741. For purposes of this chapter, the following terms mean the following:
- (a) "Council" means the Strategic Growth Council established pursuant to Section 75121 of the Public Resources Code.
- (b) "Disadvantaged community" means a community identified pursuant to Section 39711.
- (c) "San Joaquin Valley" means the region of the state that is under the jurisdiction of the San Joaquin Unified Air Pollution Control District pursuant to Chapter 5.7 (commencing with Section 40600) of Part 3.
- 39742. (a) The council, in coordination with the state board, shall administer the Community Climate Improvement Program which is hereby established to provide grants for the development and implementation of multicounty, multielement climate beneficial projects that maximize greenhouse gas emissions reductions or sequestration.
- (b) The council, in coordination with the state board, shall develop guidelines for the implementation of the program consistent with the requirements of the California Global Warming Solutions Act of 2006 (Division 25.5 (commencing with Section 38500)) and the Greenhouse Gas Reduction Fund Investment Plan and Communities Revitalization Act (Chapter 4.1 (commencing with Section 39710)) that do all of the following:
- (1) Promote projects based on the potential to provide integrated climate services to the most disadvantaged communities, especially projects that use proven community outreach.
- (2) Maximize the delivery of multiple climate benefits, including, but not limited to, clean cars and trucks, clean energy generation, energy efficiency and weatherization, organic waste diversion and compost development, water quality, supply, and waterfowl habitat improvements, river habitat and access improvements, and drought-tolerant lawn, park, and urban greening projects.
- (3) Ensure all ancillary elements of project development and implementation are eligible for funding if they lead to the better implementation and program delivery.
- 39 (4) Ensure that project investments funded pursuant to the 40 program use consistent accounting and modeling approaches to

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1 estimate and monitor greenhouse gas emissions and emissions 2 reductions over time.

- (5) Promote project that assist the state in reach its climate goals beyond 2020 consistent with Part 3 (commencing with Section 38550) of Division 25.5.
- (6) Promote investments in projects that include cobenefits, including, but not limited to, achieving state and federal air quality goals.
- (7) Ensure projects funded pursuant to the program maximize moneys appropriated for the program, create job opportunities, and are consistent with other laws.
- (c) In evaluating projects to be funded pursuant to the program, the council shall give priority to projects that demonstrate one or more of the following characteristics:
 - (1) Regional implementation.
 - (2) The ability to leverage additional public and private funding.
 - (3) The potential for cobenefits or multibenefit attributes.
- (4) The potential for the project to be replicated.
- (5) The use of existing regional infrastructure and institutions.
- (6) Inclusion of technical assistance.
- 39743. (a) The council shall implement this chapter with moneys appropriated by the Legislature for the program from the Greenhouse Gas Reduction Fund.
- (b) Not less than ____ percent of the amount appropriated for the program shall be made available to projects in the San Joaquin Valley.
- SECTION 1. Section 39713 of the Health and Safety Code is amended to read:
- 39713. (a) The investment plan developed and submitted to the Legislature, pursuant to Section 39716, shall allocate a minimum of 40 percent of the available moneys in the fund to projects that provide benefits to communities described in Section 39711.
- (b) The investment plan shall allocate a minimum of 10 percent of the available moneys in the fund to projects located within communities described in Section 39711.

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(c) The allocation pursuant to subdivision (b) may be, but need not be, for projects included, in whole or in part, in the set of projects supported by the allocation described in subdivision (a).

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