

Introduced by Senator WieckowskiFebruary 11, 2015

An act to amend Section 39716 of the Health and Safety Code, relating to greenhouse gases.

LEGISLATIVE COUNSEL'S DIGEST

SB 207, as introduced, Wieckowski. California Global Warming Solutions Act of 2006: Greenhouse Gas Reduction Fund: investment 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 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 by the Legislature. Existing law 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.

This bill would additionally require the 3-year investment plan to identify conflicting or overlapping policies, where applicable, in current state strategies to meeting the state's greenhouse gas emissions reduction goals and targets by sector.

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 39716 of the Health and Safety Code is
2 amended to read:

3 39716. (a) The Department of Finance, on behalf of the
4 Governor, and in consultation with the state board and any other
5 relevant state entity, shall develop and submit to the Legislature
6 at the time of the department's adjustments to the proposed
7 2013–14 fiscal year budget pursuant to subdivision (e) of Section
8 13308 of the Government Code a three-year investment plan.
9 Commencing with the 2016–17 fiscal year budget and every three
10 years thereafter, with the release of the Governor's budget proposal,
11 the Department of Finance shall include updates to the investment
12 plan following the public process described in subdivisions (b)
13 and (c). The investment plan, consistent with the requirements of
14 Section 39712, shall do all of the following:

15 (1) Identify the state's near-term and long-term greenhouse gas
16 emissions reduction goals and targets by sector.

17 (2) Analyze gaps *and identify conflicting or overlapping*
18 *policies*, where applicable, in current state strategies to meeting
19 the state's greenhouse gas emissions reduction goals and targets
20 by sector.

21 (3) Identify priority programmatic investments of moneys that
22 will facilitate the achievement of feasible and cost-effective
23 greenhouse gas emissions reductions toward achievement of
24 greenhouse gas reduction goals and targets by sector, consistent
25 with subdivision (c) of Section 39712.

26 (b) (1) The state board shall hold at least two public workshops
27 in different regions of the state and one public hearing prior to the
28 Department of Finance submitting the investment plan.

29 (2) The state board, *prior to the submission of each investment*
30 *plan*, shall, ~~prior to the submission of each investment plan~~, consult
31 with the Public Utilities Commission to ensure the investment plan
32 is coordinated with, and does not conflict with or unduly overlap
33 with, activities under the oversight or administration of the Public
34 Utilities Commission undertaken pursuant to Part 5 (commencing
35 with Section 38570) of Division 25.5 or other activities under the
36 oversight or administration of the Public Utilities Commission that
37 facilitate greenhouse gas emissions reductions consistent with this
38 division. The investment plan shall include a description of the

1 use of any moneys generated by the sale of allowances received
2 at no cost by the investor-owned utilities pursuant to a
3 market-based compliance mechanism.

4 (c) The Climate Action Team, established under Executive
5 Order S-3-05, shall provide information to the Department of
6 Finance and the state board to assist in the development of each
7 investment plan. The Climate Action Team shall participate in
8 each public workshop held on an investment plan and provide
9 testimony to the state board on each investment plan. For purposes
10 of this section, the Secretary of Labor and Workforce Development
11 shall assist the Climate Action Team in its efforts.

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