

## ATTACHMENT A

**BILL:** ASSEMBLY BILL 151  
AS AMENDED MAY 2, 2017

**AUTHOR:** ASSEMBLYMEMBER AUTUMN BURKE (D-INGLEWOOD)

**SUBJECT:** CALIFORNIA GLOBAL WARMING SOLUTIONS ACT OF 2006:  
MARKET-BASED COMPLIANCE MECHANISMS: SCOPING  
PLAN: REPORT

**STATUS:** ASSEMBLY APPROPRIATIONS COMMITTEE  
HEARING SCHEDULED: MAY 17, 2017

**ACTION:** SUPPORT

### **RECOMMENDATION**

Staff recommends that the Board of Directors adopt a SUPPORT position on Assembly Bill 151 (Burke).

### **ISSUE**

Assemblymember has recently amended Assembly Bill 151, which would make changes to how the state implements the Cap-and-Trade program, and would extend the state's Cap-and-Trade authority.

Specifically the bill would:

- Extend ARB's cap-and-trade authority indefinitely and disconnects the cap-and-trade authority from achieving a statewide GHG limit;
- Require ARB to report to the appropriate policy and fiscal committees of the Legislature to receive input, guidance, and assistance before adopting guidelines and regulations implementing the scoping plan or rules and regulations to ensure that statewide GHG emissions are reduced to at least 40% below the 2020 statewide limit no later than December 31, 2030;
- Establish the Compliance Offsets Protocol Task Force, consisting of specified stakeholders, to investigate, analyze, and provide guidance to ARB in approving new offset protocols, with a priority on the development of new urban offset protocols;
- Require ARB, in conjunction with the Task Force, to develop a multi-tiered incentive system for compliance offset credits, in the following order:
  - Offsets in disadvantaged communities;
  - Offsets in communities with stationary sources that emit GHGs and are regulated by ARB;
  - Offsets in the state or on Native American or tribal lands;

- Offsets in territories linked to the state through a GHG emission trading program; and,
- Offsets in the United States.
- Require ARB, by January 1, 2019, to report to the Legislature on the need for increased education, career technical education, job training, and workforce development in ensuring that statewide GHG emissions are reduced to at least 40% below the statewide limit by 2030.
- Require ARB to work with the Secretary of Labor and Workforce Development, the Workforce Development Board, the Department of Education, California Community Colleges, Trustees of the California State University, Regents of the University of California, interested stakeholders, and the Green Collar Jobs Council.

## **DISCUSSION**

AB 151 would restructure the State's cap-and-trade program. As the bill is currently written, it would re-authorize the cap-and-trade program after 2020 with approval by a 2/3<sup>rd</sup>s vote of the legislature and would restructure how the funds are allocated. The bill's most recent substantive amendments were introduced on May 2, 2017 and is currently being analyzed by staff. Various stakeholders in Sacramento are registering concerns as they analyze the bill as well. This report will be subsequently updated prior to the Board's consideration of the item.

Staff recommends that the Board adopt a SUPPORT position on the measure AB 151 (Burke).

## **DETERMINATION OF SAFETY IMPACT**

There is no determined safety impact due to the enactment of the proposed legislation.

## **FINANCIAL IMPACT**

The estimated financial impact has yet to be determined.

## **ALTERNATIVES CONSIDERED**

Staff has considered adopting an oppose position on the bill. Adopting an oppose position on the bill would be counter to the advocacy efforts as outlined in the Board Approved 2017 State Legislative Program Goal #5 which is to maximize opportunities for funding LA County's transportation projects and programs through implementation of the states' cap-and-trade programs.

## **NEXT STEPS**

Should the Board decide to adopt a SUPPORT position on this measure; staff will communicate the Board's position to the author and work to ensure inclusion of the

Board priorities in the final version of the bill. Staff will continue to keep the Board informed as this issue is addressed throughout the legislative session.