

California and Climate Change: How State Policy is Addressing our Environmental Crisis

A presentation to the Pacific Yearly Meeting by FCL Education Fund

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Why is California so important in addressing the crisis?

The “California Effect” • States play an important role in shaping policy, including environmental policy in our federal system. • California has extensively exerted its discretion over environmental regulation – a policy “laboratory.” • Highest impact of any state on the environmental regulations of the federal government as well as on other states. • California’s policies on vehicle emissions standards and global climate change have had an outsized impact on other states, on federal policy and on international governments. • Importance of grassroots efforts and citizen mobilization. • Strong regulatory institutions, e.g., CA Air Resources Board

Two landmark pieces of legislation

2006 – Landmark Legislation - Assembly Bill 32 (Nunez, 2006) The Global Warming Solutions Act of 2006. California adopts the first in the nation law to comprehensively address global warming and mandates a statewide reduction in greenhouse gas emissions by 2020 to be equivalent to emissions in 1990. AB 32 appointed CA Air Resources Board (CARB) to develop a plan to achieve the 2020 Greenhouse Gas Reduction Target, which included a mix of incentives, regulations and an economy-wide cap and trade program. In 2008, CARB adopted the first AB 32 Scoping Plan,[14] which charted the State’s path to achieving the 2020 GHG Reduction Target. It included a mix of incentives, regulations, and an economy-wide cap-and-trade program. The Cap-and-Trade Program is a key element of California’s climate plan. It sets a statewide limit on sources responsible for 85 percent of California’s greenhouse gas emissions. It is a system in which power plants, refineries, and other large facilities buy and sell greenhouse gas emissions allowances in order to meet overall emissions limitations set by CARB. Proceeds generated from Cap-and-Trade auctions provide funding for projects to reduce emissions via the Greenhouse Gas Reduction Fund

2016 – A Referendum on California’s Climate Policy SB 32 and AB 197 •

Passage of these two bills cements California’s commitment as a climate change leader. •

SB 32 codifies a previous executive order by then- Gov. Brown by requiring heat-trapping emissions to be reduced to 40 percent below 1990 levels by 2030. • AB 197 increases legislative oversight over and transparency to the state's climate change programs and it emphasizes the state's commitment to ensuring these policies help communities most impacted by climate change and air pollution. • Grassroots organizing and lobbying helped passed these two critical bills despite well-funded opposition from the oil industry, California Chamber of Commerce, California Manufacturers and Technology Association, the Construction Industry and Big Ag interests.

Beyond 2016 – Key themes in environmental legislation – remarks by Jim Lindburg

It was either November 9th or 10th, 2016, when Senate president pro-Tempore Kevin de León sent a press release saying that California would not back down as a result of the presidential election and assured that California would press on with protecting the rights immigrants, ensuring that California remained a place of opportunity for all and would press on with mitigating climate change, even if it meant going at alone, without the participation and/or in the face of resistance from the new administration.

There are solutions! Implementing them is really a question of political will. Most historical struggles could be framed as emerging power challenging established power and privilege, and addressing climate change is no exception! It's very much a people power, in the form of some excellent grassroot groups, informed by science, versus the status quo, which consists of very well-funded, sophisticated narrow interests that exert tremendous influence in the State Capitol, such as the Western States Petroleum Association, Big Ag, including the California Farm Bureau, the California Chamber of Commerce, the California Association of Manufacturers and Technology, and the Building Trades Association (labor). These groups spend a ton of money on lobbying, and they are very adept at it. And often, successes are met with push back, such as the referendum voters will see on the ballot in 2024 with regards to setbacks.

Addressing climate change is complex and multifaceted. Rather than go through every bill, it might be more useful to think of the issue contextually and describe the themes that I am seeing at the State Capitol. Of course, these categories are not rigid, and they often overlap. And then we should talk about what we can all do in terms of affecting good public policy.

Three major themes I see are: 1) Reducing GHG emissions, which is a broad category and includes the Cap-and-Trade program and renewable energy generation, transportation, land use, carbon sequestration, divestiture, etc. Reducing GHG emissions has taken on an increased urgency as the consensus of climatologists is that time is running out and we will soon be approaching the point of no return. 2) Environmental Justice, which recognizes that people in disadvantaged communities, usually communities of color are on the front lines of the impacts of climate change. 3)

Mitigating the immediate effects of climate change, such as harm from wildfires and sea level rise.

Legislative trends -- REDUCING Greenhouse gas emissions (GHG), thru:
CLEAN ENERGY GENERATION

SB 350 (2015) by Kevin de Leon (D-Los Angeles) -- Enacts the "Clean Energy and Pollution Reduction Act of 2015" and establishes targets to increase retail sales of renewable electricity to 50% by 2030 and double the energy efficiency savings in electricity and natural gas end uses by 2030. Signed by Gov. Brown.

SB 100 (2017) (de Leon) -- the 100 Percent Clean Energy Act of 2017, which increases the Renewables Portfolio Standard (RPS) requirement from 50 percent by 2030 to 60 percent and creates the policy of planning to meet all of the state's retail electricity supply with a mix of RPS-eligible and zero-carbon resources by December 31, 2045, for a total of 100 percent clean energy. Signed by Gov. Brown.

As it became aware that this issue was more urgent than previously believed, state was amended by **SB 1020** (2022), by John Lair (D-Santa Cruz), which establishes that eligible renewable energy resources and zero-carbon resources supply 90% of all retail sales of electricity to California end-use customers by December 31, 2035, and 95% by December 31, 2040. SB 1020 also establishes the policy that eligible renewable energy resources and zero-carbon resources supply 100% of electricity procured to serve all state agencies by December 31, 2035, ten years sooner than required by SB 100.

AB 525 (2021), by David Chiu (D-San Francisco) – Requires the California Energy Commission (CEC) to establish 2030 and 2045 planning goals, as specified, for electricity generated by offshore wind (OSW). Additionally requires the CEC, in coordination with specified agencies, to develop a five-part strategic plan for OSW development and to submit the plan to the Natural Resources Agency (NRA) and the Legislature by June 30, 2023. Signed by Gov. Newsom.

SB 1314 (2022), by Monique Limon (D-Santa Barbara) – Prohibits an operator from injecting a concentrated CO₂ fluid produced by a CO₂ capture project or CO₂ capture and sequestration project into a Class II well for purposes of Enhanced Oil Recovery (EOR) including the facilitation of EOR from another well. Signed by Gov. Newsom.

SB 846 (2022), by Bill Dodd (D-Davis) and Jordan Cunningham (R- San Luis Obispo) extends the operating life of the Diablo Canyon Nuclear Power Plant, slated to go offline in 2025, for five years and authorizes a \$1.4 billion loan to PG&E to facilitate the extension. The bill also allows PG&E to increase rates to ratepayers to cover operating

costs. FCLCA OPPOSES. This last-minute bill was desired by Gov. Newsom and signed into law.

AB 3 (2023), by Rick Chavez ZBur (D-Santa Monica) – Requires the California Energy Commission (CEC) develop a plan to enhance seaport readiness for offshore wind development and would have the CEC study the feasibility of achieving 70% and 85% in-state assembly and manufacturing of offshore wind energy projects. Senate Appropriations Committee.

SB 252 (2023), by Lena Gonzalez (D-Long Beach) – prohibits the California Public Employees' Retirement System (CalPERS) and the California State Teachers' Retirement System (CalSTRS) from investing in the 200 largest fossil fuel effective January 1, 2024, and requires the two systems to divest existing investments in the companies on or before July 1, 2031. Assembly Public Employees and Retirement Committee. (Two-year bill.)

TRANSPORTATION, LAND USE, REGIONAL PLANNING

SB 375 (2008), by Darrell Steinberg (D-Sacramento) -- requires the California Air Resources Board to provide each region with greenhouse gas emission reduction targets for the automobile and light truck sector; 2) requires a regional transportation plan to include a Sustainable Communities Strategy designed to achieve the targets for greenhouse gas emission reduction; 3) requires the California Transportation Commission to maintain guidelines for travel demand models; 4) requires cities and counties, in general, to revise their housing elements every eight years in conjunction with the regional transportation plan and complete any necessary rezonings within a specific time period; and 5) relaxes CEQA requirements for housing developments that are consistent with a Sustainable Communities Strategy. Signed by Gov. Brown.

Executive order by Gov. Newsom (2020) that by 2035 all new vehicles sold in California must be Zero Emission Vehicles.

SB 27 (2021), by Nancy Skinner (D-Berkeley) – Creates the California Carbon Sequestration and Climate Resilience Project Registry, in order to maintain a list of eligible but unfunded projects, which then may be funded by public or private entities in order to mitigate California's greenhouse gas (GHG) emissions and improve climate resilience. This bill also directs relevant state agencies to establish the Natural and Working Lands (NWL) Climate Smart Strategy to increase adoption of NWL-based carbon sequestration that advances the state's climate goals and requires the Air Resources Board (ARB) to add carbon sequestration targets to the state's climate change scoping plan. Signed by Gov. Newsom.

SB 49 (2023), by Josh Becker (D-San Mateo) – Requires the state to develop a strategic plan to incentivize the development of solar canopies along highways and parking lots. Assembly Appropriations Committee.

SB 233 (2023), by Nancy Skinner – Requires all electric vehicles (EVs) sold in California, with potential exemptions for certain vehicle types as determined by the California Air Resources Board (CARB), to be capable of bidirectional charging beginning with the 2030 model year. Assembly Appropriations Committee.

ENVIRONMENTAL JUSTICE

SB 535 (2012) (de Leon) – Requires a minimum of 25% of the available moneys in the fund to projects that provide benefits to identified disadvantaged communities; and 2) a minimum of 10% of the available moneys in the fund to projects located within identified disadvantaged communities. Signed by Gov. Brown.

AB 693 (2015), by Susan Eggman (D-Stockton) – Provides financial incentives for the installation of solar energy photovoltaic systems on multifamily affordable housing properties throughout California. Funded by Cap & Trade and signed by Gov. Brown.

AB 1550 (2016). by Jimmy Gomez (D-Los Angeles) – Requires that 25% of the Greenhouse Gas Reduction Fund (GGRF) be spent on projects located within disadvantaged communities (DACs) and requires that an additional 5% be spent on projects that benefit low-income households. Signed by Gov. Brown.

SB 1137 (2022) by Senators Lena Gonzalez (D-Long Beach) and Monique Limón (D-Santa Barbara) -- Establishes a setback distance of 3,200 feet between any new oil well and homes, schools, parks, or businesses open to the public. Signed by Gov. Newsom. Note: Opponents of SB 1137 gathered enough signatures to qualify a referendum on this bill for the November 2024 ballot.

TRANSPARENCY & ACCOUNTABILITY

SB 253 (2023), by Scott Wiener (D-San Francisco) – Requires all US-based corporations with annual gross revenues of \$1 billion USD or greater that do business in California to publicly disclose their greenhouse gas (GHG) emissions inventory each year in a manner easily understandable and accessible to the people of California. Assembly Appropriations Committee.

SB 261 (2023), by Henry Stern (D-Thousand Oaks) – Provides transparency to policymakers, investors, shareholders by requiring companies that do business in California and have gross revenues exceeding \$500 million annually to report on their climate-related financial risk. Assembly Appropriations Committee.

RESILIENCE/MEETING THE IMMEDIATE IMPACTS OF CLIMATE CHANGE

SB 1078 (2022), by Ben Allen (D-Sacramento) – Requires the Ocean Protection Council to develop the Sea Level Rise Revolving Loan Pilot Program to provide low-interest loans to local jurisdictions to purchase identified vulnerable coastal properties located in certain communities and populations disproportionately affected by climate change, such as low-income communities and communities of color. Vetoed.

SB 272 (2023), by John Laird (D-Sacramento) Requires a local government in the coastal zone or within the jurisdiction of the San Francisco Bay Conservation and Development Commission to implement sea level rise planning and adaptation, as specified, and prioritizes funding for local government projects that meet the state’s goal for approval of the required plans. Assembly Appropriations Committee.

AB 1567 (2023), by Eduardo Garcia (D-Imperial Valley) –Places a \$15.955 billion climate resilience general obligation bond before the voters on the March 5, 2024, Primary Election ballot for wildfire protection and restoration, coastal lands, water supplies, etc. Senate Natural Resources and Water.

An unprecedented commitment to mitigating climate change.

Last year the State had a budget surplus of \$97 billion. Gov. Newsom, to his credit, proposed an unprecedented \$37.6 billion in one-time spending on climate projects. However, the final budget ended up being \$54 billion due to grass roots advocacy. (In addition to Gov. Newsom, I want to recognize the work of California Environmental Voters, Budget Chair, Senator Nancy Skinner and Senate President pro Tem Toni Atkins.)

These critical investments are timely, given that in 2018, the Intergovernmental Panel on Climate Change released a report (<https://www.ipcc.ch/sr15/>) indicating that sometime in the 2030’s, the earth’s temperature will have risen by 1.5 degrees Celsius, which will lead to severe environmental disruptions. This is a call to policymakers to reduce greenhouse gases in the environment drastically and urgently.

Budget Highlights:

- \$1.3 billion for Wildfire and Forest Resilience
- \$3.6 billion for Drought Resilience and Response
- \$1.1 billion for Nature-Based Solutions
- \$365 million for Extreme Heat
- \$7.9 billion for Energy Reliability, Relief and Clean Energy Investments
- \$6.1 billion for Zero-Emission Vehicle (ZEV) Investments

With the state projected to have a \$31.5 billion deficit, these investments took a \$3.1 billion hit (down from \$6 billion as proposed by the Governor in January) in the recently adopted 2023/2024 budget.

Governor Newsom also signed numerous climate bills into law (see Resources below).

What you can do:

- Sign up for FCLCA Action Alerts. We are a member of Green California, and we routinely track good climate legislation. We will ask you to contact your state representative (usually by e-mail or phone) prior to key votes in the Capitol. Forward our Action Alerts to like-minded family and friends. Let us know if you've relationships with policymakers or staff in districts represented by moderate Democrats or Republicans. Email your name, complete address, email address to kevan@fclca.org to sign up.
- VISIT www.fclca.org – check out our Education Center and Action Center periodically for more information.
- Follow the work of California Environmental Voters, Fossil Free California, The Climate Center, Environment California, The Coalition for Clean Air, The Sierra Club, National Resource Defense Council, the California Environmental Justice Alliance, and others.
- Consider joining FCLCA for the Green California Advocacy Day on August 30th. Contact me at jlsolutions@mycci.net if you can come to Sacramento and spend the day lobbying on climate change and other environmental issues.

Resources:

- **California Climate Policy Dashboard** (Berkeley Law)
<https://www.law.berkeley.edu/research/clee/research/climate/climate-policy-dashboard/>
- **No Time to Waste: The Intergovernmental Panel on Climate Change's Special Report on Global Warming of 105 degrees Celsius and Implications for Washington State.** <https://cig.uw.edu/projects/no-time-to-waste/>
- **California Air Resources Board AB 32 Scoping Plans:**
<https://ww2.arb.ca.gov/our-work/programs/ab-32-climate-change-scoping-plan>
- **“Gov. Newsom Signs Sweeping Climate Measures Ushering in New Era of World-Leading Climate Action.”** Press Release.
<https://www.gov.ca.gov/2022/09/16/governor-newsom-signs-sweeping-climate-measures-ushering-in-new-era-of-world-leading-climate-action/>
- **California Environmental Voters** (formerly known as the League of Conservation Voters): <https://envirovoters.org/>

- **The Climate Center:** <https://theclimatecenter.org/>
- **Environment California:** <https://environmentamerica.org/california/>
- **California Environmental Justice Alliance:** <https://caleja.org/>
- **Sierra Club California:** <https://www.sierraclub.org/california>
- VISIT www.fclca.org – check out our Education Center and Action Center periodically for more information.