

JOINT LEGISLATIVE COMMITTEE ON CLIMATE CHANGE POLICIES
INFORMATIONAL AND OVERSIGHT HEARING
AB 197 (CHAPTER 250, STATUTES OF 2016)
July 5, 2017

HEARING RECAP

Members Present: Assemblymember E. Garcia (chair), Assemblymember Frazier, Senator Skinner, Senator Stern

Guests: Assemblymember Arambula, Assemblymember Bocanegra, Assemblymember C. Garcia, Assemblymember Grayson, Assemblymember Gomez, Senator Leyva, Assemblymember Reyes

First Panel: John Faust, Office of Environmental Health Hazard Assessment; Rachel Morello-Frosch, University of California Berkeley; Tom Steyer, NextGen Climate

- Mr. Faust summarized OEHHA's February 2017 report on AB 32 implementation. He stated that the data was inconclusive.
- Ms. Morello-Frosch summarized the Cushing et al report from September 2016. She stated that their preliminary results showed a correlation between carbon dioxide and particulate matter, but that the correlation varies across sources. In their findings, a 1% increase in greenhouse gas emissions resulted in a 0.5-1% increase in other pollutants.
- Mr. Steyer stated that cap and trade was originally a Republican idea. He noted that moving to clean energy created more jobs with higher incomes and faster GDP growth, and that the cost of renewables was going down. He concluded by asking the Legislature to push Californians to do more innovation.
- Discussion:
 - Senator Skinner asked a clarifying question to Ms. Morello-Frosch about the data she referenced when summarizing the report.
 - Senator Leyva noted that cap and trade could also be called "pollute and spend." She also stated that she has concerns about indirect and direct sources of pollution.
 - Senator Stern asked about the level of certainty in the air pollution data used for the two reports. Mr. Faust responded that the OEHHA report relied on air district data. Ms. Morello-Frosch responded that there is data available that is good enough to identify issues or opportunities for more monitoring.
 - Senator Stern asked about the impact free allowance allocation or preemption of local greenhouse gas emission reduction efforts would have on the market. Mr. Steyer responded that while the idea of a pure cap and trade system is applauded in academic circles, it needs to be balanced, and that any changes need to be sure not to shock the current workforce or system too drastically. He further added that a pure C&T system is not feasible now.
 - Assemblymember Frazier commented that the panel was missing an industry perspective. He added that representatives from the industry side need to be part

of this process due to the effect it will have on consumers. Chair Garcia responded that industry stakeholders had been invited to previous hearings but declined to participate.

- Assemblymember Reyes asked about efforts to alleviate the pollution burden in areas like her district. Mr. Steyer commented on the need for cleaner trucks. Senator Leyva followed up with a question about the need for indirect source rules. Mr. Steyer responded that those would help.
- Senator Skinner asked whether the data from Cushing report included black carbon or climate forcer pollutants. Ms. Morello-Frosch responded good temporal data has been challenging to acquire.
- Senator Skinner asked about the impact of sea level rise on airports, ports, and other economic drivers for California. Mr. Steyer responded that the future was very uncertain, but it was important to act quickly and aggressively.
- Assemblymember Reyes asked about special incentives to clean the air in the most polluted disadvantaged communities. Ms. Morello-Frosch responded that CalEnviroScreen highlights communities that may have been off the radar before, but the nature of the situation in each of those communities was unique. Mr. Steyer responded that the greatest strength of California was its people, must reduce health burden that keeps them from contributing.
- Chair Garcia asked about what could be done to reach communities outside of CalEnviroScreen. Mr. Faust responded that there is a lot of other information in that tool to help identify communities of concern. Ms. Morello-Frosch said the task was to eliminate the bad and build up the good in those communities.
- Chair Garcia asked about the extension of cap and trade and the potential impact on our climate goals if the Legislature did not act. Mr. Steyer responded that cap and trade was the best solution possible to reach the goals. He added that regardless of the program used to combat climate change there will have to be a state response, whether it was a market based response or a command and control program.

Second Panel: Alan Abbs, California Air Pollution Control Officers Association; Adrian Martinez, Earth Justice; Bill Magavern, Coalition for Clean Air

- Mr. Abbs summarized the air district efforts to reduce emissions. He stated that a lot of improvements would not be possible without a strong partnership between ARB and the air districts. He further stated that incentives would play an important role if we want to achieve our climate and air quality goals.
- Mr. Martinez stated that despite the progress noted by Mr. Abbs, California still has some of the worst air quality in the nation. South Coast Air Quality Management District estimates that more people will die in that region every year from air pollution than from all traffic accidents and crime related deaths combined. Incentives are good, but regulations also work. California needs more teeth in our standards. Mr. Martinez concluded by stating that goods movement has created a public health crisis that still hasn't been addressed with indirect source rules.
- Mr. Magavern summarized some key statewide measures to reduce emissions. He stated that California needs to increase the low carbon fuel standard, reduce vehicle miles

traveled, and stop overbuilding fossil fuel power plants. The investments in communities are important.

- Discussion:
 - Senator Leyva asked about the sources of California’s poor air quality. Mr. Martinez stated that we have been backsliding on our progress on ozone over the last 4-5 years.
 - Senator Leyva asked if indirect source rules could be labeled “job killers.” Mr. Martinez responded that “job killer” was political rhetoric, that industry was missing a huge growth opportunity by not pushing new measures to reduce emissions, and that every regulation passed has provisions. Senator Leyva stressed the need for direct regulations and noted that while losing your job is bad, losing your life is worse.
 - Chair Garcia asked about whether air districts should be allowed to pass greenhouse gas reduction standards or if that authority should only be with ARB. Mr. Abbs responded that the role of local air districts is very important to statewide progress on these issues. ARB and the air districts have been and should continue to work together.
 - Chair Garcia asked about what changes to the California Clean Air Act might be helpful. Mr. Magavern responded that penalties, citizen enforcement, and equipment upgrades would be a good start. Mr. Martinez responded that deadlines are important. Mr. Abbs responded that penalties, best available control technology, and best available retrofit technology were all important.
 - Chair Garcia asked about additional measures that could help the air quality in the border region. Mr. Abbs responded that data from smaller facilities wasn’t as good as for larger facilities, that more could be done to understand pollution sources and their emissions.
 - Chair Garcia asked about additional measures for rural communities. Mr. Abbs responded that wood stove replacement, electrification, and implementation of AB 1550 (Gomez) would be helpful. Mr. Magavern responded that the San Joaquin Valley particulate matter plan and regulations for oil and gas production could be strengthened.

Public Comment:

- One public comment was received from Eleanor Torres, Incredible Edible Community Garden