

# JOINT LEGISLATIVE COMMITTEE ON CLIMATE CHANGE POLICIES

**ASSEMBLYMEMBER EDUARDO GARCIA, CHAIR**  
**SENATOR BEN HUESO, VICE CHAIR**

## **INFORMATIONAL HEARING:**

**AB 197 (CHAPTER 250, STATUTES OF 2016)**

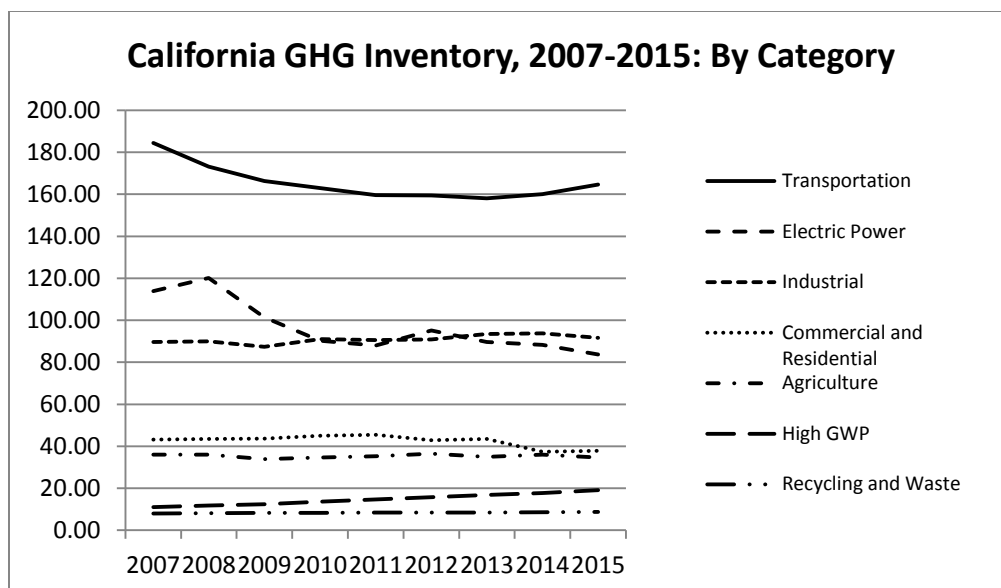
JULY 5, 2017

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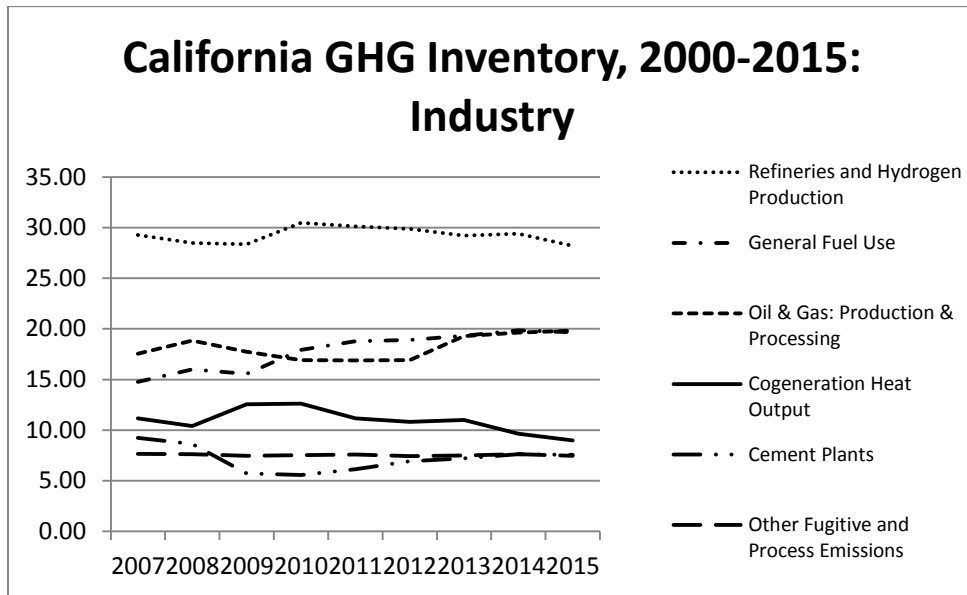
OR UPON ADJOURNMENT OF ASSEMBLY GOVERNMENT ORGANIZATION COMMITTEE  
STATE CAPITOL ROOM 4202

AB 197 (Chapter 250, Statutes of 2016) created the Joint Legislative Committee on Climate Change Policies (Committee) to ascertain facts and make recommendations to the Legislature concerning the state's programs, polices, and investments related to climate change. Specifically, the chair of the ARB shall appear at least annually before the Committee to present on emissions of GHGs, criteria pollutants, and toxic air contaminants from all sectors covered by the Scoping Plan. The report shall evaluate emission trends and include a discussion of the regulatory requirements, initiatives, and other programs that may influence those trends. The report also may include recommendations from the state board for legislative action and consideration. When adopting rules and regulations, the ARB shall consider the social costs of the emissions of GHGs. The ARB must also prioritize both direct emissions reductions at large stationary sources of greenhouse gas emissions sources and direct emission reductions from mobile sources, as well as direct emissions reductions from other sources.

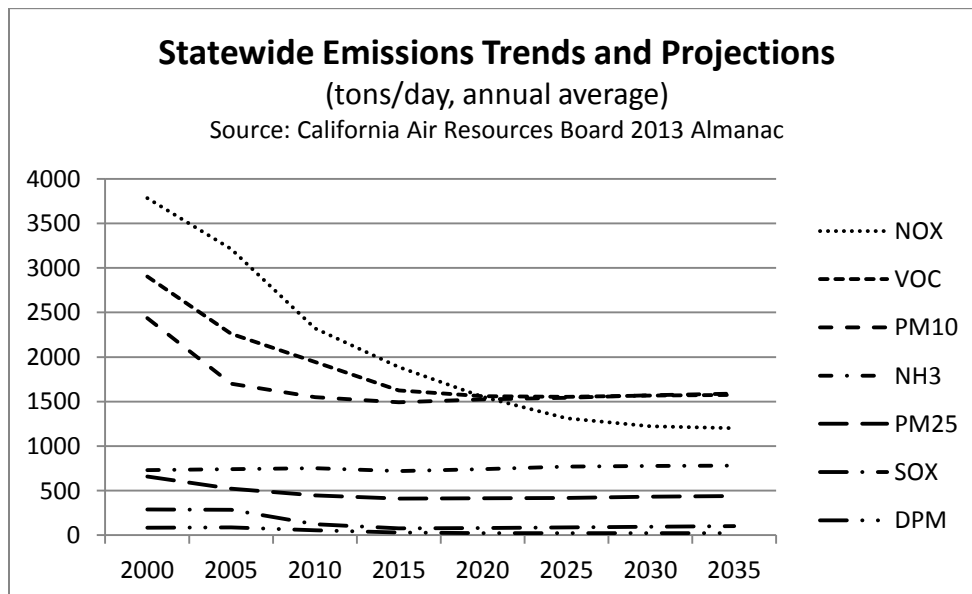
### **DATA ON STATEWIDE EMISSIONS TRENDS**



California’s greenhouse gas emissions have steadily declined since 2007. Emissions reductions have largely come from transportation, electrical power, and commercial and residential buildings. Within the industry category, California has seen the greatest reductions in cogeneration heat output facilities and cement facilities. The greatest source of industrial emissions is still refinery and hydrogen production facilities.



Criteria pollutants are determined by the United State Environmental Protection Agency and ARB. Exposure to these pollutants could negatively impact public health. California has seen steady decline in criteria pollutants since 2000, a trend ARB projects will continue for some pollutants but not others.



A report released by the California Environmental Protection Agency’s Office of Environmental Health Hazard Assessment in February 2017<sup>1</sup> analyzed the Cap and Trade Program and found a complex but positive correlation between greenhouse gas emissions and emissions of toxic air contaminants and

<sup>1</sup> Office of Environmental Health Hazard Assessment. “Tracking and Evaluation of Benefits and Impacts of Greenhouse Gas Limits in Disadvantaged Communities: Initial Report.” February 2017.

criteria air pollutants. Further research from Cushing et al<sup>2</sup> released in September 2016 concluded that facilities that emit greenhouse gases are located more in disadvantaged communities, and that the correlation between greenhouse gas emissions and other emissions was strongest with particulate matter (PM 10). That report went further to conclude that facilities regulated by cap-and-trade for greenhouse gas emissions were on average not reducing those emissions, and in some cases had increased emissions since the program went into effect in 2013.

Emissions trends are connected to economic growth. As California invests in a less carbon intensive economy, however, that correlation is becoming less significant. According to ARB's current draft 2030 Target Scoping Plan:

*“To date, California has reduced greenhouse gas emissions by about 10 percent from our historic highs in the early 2000s, and the State’s economy has demonstrated continued growth at a rate above the national average. And, year over year, the amount of carbon ‘embedded’ in the Gross State Product (GSP), expressed in the number of tons of carbon dioxide per million dollars of GSP, has dropped. This means the economy is experiencing greater fiscal growth for each unit of energy expended; in short - more economic growth with less carbon.”<sup>3</sup>*

Potential questions for the panel:

- a) What environmental and economic factors have influenced the emission trends since 2007?
- b) What recommendations should the Legislature consider to further reduce emissions and decarbonize the economy?

## **CURRENT EFFORTS TO REDUCE EMISSIONS**

California passed the Air Pollution Control Act in 1947 to create air pollution control districts throughout the state. In 1959, California enacted legislation to create air quality standards. Federal Clean Air Act amendments passed in 1970 authorized the United States Environmental Protection Agency to establish National Ambient Air Quality Standards (NAAQS). NAAQS are established to define air quality levels protective of public health. State Implementation Plans are then required to specify the programs needed to reduce emissions from stationary and mobile sources.

Potential questions for the panel:

- a) What programs to control emissions are working well? What programs are not working as well as expected?
- b) Are there plans or regulations in development to address direct emissions reductions? What information informed the development of those strategies?
- c) What gaps exist in either statewide or local approaches to reduce emissions?

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<sup>2</sup> Lara J. Cushing, Madeline Wander, Rachel Morello-Frosch, Manuel Pastor, Allen Zhu, and James Sadd. “A Preliminary Environmental Equity Assessment of California’s Cap-and-Trade Program.” September 2016.

<sup>3</sup> California Air Resources Board. “The 2017 Climate Change Scoping Plan Update: The Proposed Strategy for Achieving California’s 2030 Greenhouse Gas Target.” January 20, 2017. Excerpt from page ES4.