

# POLICY POSITION PAPER



**Lead Committee: Land Use & Environmental  
Information Committee: Transactions  
Level of Government Committee: Legislative**

**January 29, 2015**

## **EXPANDING AB 32 GREEN HOUSE GAS REDUCTION GOALS**

### **THE QUESTION**

What position should C.A.R. adopt, if any, on SB 32 (Pavley), a bill that seeks to further reduce GHG emissions by an additional 80% below 1990 levels by 2050?

### **ACTION REQUIRED?**

Yes

### **POSSIBLE POSITIONS**

1. Adopt a SUPPORT position.
2. Adopt a FAVOR position.
3. Adopt a WATCH position.
4. Adopt a NOT FAVOR position.
5. Adopt an OPPOSE position.
6. Take no action
7. Other

### **DISCUSSION**

The California Global Warming Solutions Act of 2006, generally known as AB 32, mandated that the California Air Resources Board (CARB) adopt both statewide greenhouse gas (GHG) emissions limits equivalent to the statewide GHG emission level in 1990 and rules and regulations to achieve maximum, technologically feasible, and cost-effective GHG emissions reductions. AB 32 mandated that California achieve the adopted GHG emission reductions by 2020. C.A.R. took a WATCH position on AB 32 as it was not clear in the broad language of the bill how the GHG reductions would affect real estate.

Subsequent to the passage of AB 32, C.A.R. has been involved in opposing or amending multiple pieces of legislation and regulation designed to implement AB 32 that affect real estate transactions, home energy efficiency, and land use practices.

Senator Pavley recently introduced SB 32 to be considered during the 2015-2016 legislative session. SB 32 proposes requiring the CARB to adopt a statewide GHG emission limit equivalent to 80% below the 1990 level to be achieved by 2050. The bill also authorizes the CARB to adopt interim GHG emission level targets for 2030 and 2040.

The bill explicitly expresses “the intent of the Legislature for the Legislature and appropriate agencies to adopt complementary policies that ensure long-term emission reductions adopted pursuant to subdivision (b) of Section 38550 [that] advance all of the following:

- (1) Job growth and local economic benefits in California.
- (2) Public health benefits for California residents, particularly in disadvantaged communities.
- (3) Innovation in technology and energy, water, and resource management practices.
- (4) Regional and international collaboration to adopt similar greenhouse gas emissions reduction policies.”

This bill would codify former Governor Schwarzenegger's Executive Order No. S-5-05 2050 emission reduction targets. If signed into law, this bill will remove any uncertainty with regard to the long-term emission reductions for the state that have created long-term planning uncertainty for local governments and regional planning entities.

While the bill is short on details, earlier this month Governor Brown declared the following in his State of the State address:

*"In fact, we are well on our way to meeting our AB 32 goals of reducing carbon pollution and limiting the emissions of heat-trapping gases to 431 million tons by 2020. But now, it is time to establish our next set of objectives for 2030 and beyond.... I propose three ambitious goals to be accomplished within the next 15 years:*

- *Increase from one-third to 50 percent our electricity derived from renewable sources;*
- *Reduce today's petroleum use in cars and trucks by up to 50 percent;*
- ***Double the efficiency of existing buildings*** *and make heating fuels cleaner."*

Is it reasonable to conclude that the passage of SB 32 would have an effect on existing housing?

What position should C.A.R. adopt, if any, on SB 32 (Pavley)?