

SUPPORT CLIMATE AND AIR QUALITY VOTE <u>YES</u> ON AB 398 AND AB 617

Extends & Reforms Cap-and-Trade (AB 398, E. Garcia)

- Ratchets down emissions cap to ensure compliance with SB 32 target in 2030
- Bulletproofs legal authority to charge polluters for their greenhouse gas emissions and invest the proceeds in scaling up clean energy, particularly in disadvantaged communities
- Preserves platform to link to other states and regions to leverage and export California's climate leadership in the fight against global climate change
- Reduces offsets to strengthen price signal and capture more in-state benefits
- Slashes oversupply of emissions permits to tighten the emissions cap post-2020

Improves Air Quality (AB 617, C. Garcia, E. Garcia, Santiago)

- Expedites retrofit requirements (BARCT) for large industrial emitters by no later than 2023 to clean up old polluting units
- Creates state clearinghouse for air quality technology standards to spread best practices and increase accountability on air districts
- Enhances fence-line monitoring and reporting of criteria and toxic air pollutants
- Implements community-level plans to reduce toxic and criteria emissions from both stationary and mobile sources in hardest-hit areas. Plans must include reduction targets, regulatory measures, deadlines, and an enforcement plan that ARB must approve
- Increases air district penalty authority and indexes to inflation to hold polluters accountable for health and safety violations

Retains Regulators' Authority to Protect Public Health

To reach the required 2/3 margin the package reflects a hard-fought compromise among competing interests. But the benefits in the package outweigh the concessions to industry. Importantly, the bills:

- Preserve air district authority to regulate all other air pollutants besides CO2 (which is already regulated by the cap), including toxic and criteria pollutants and short-lived climate pollutants
- Preserve ARB's authority to extend and ratchet down existing direct measures on the oil industry like the Low Carbon Fuel Standard (LCFS) and methane rules
- Require ARB to achieve ton-for-ton emissions reductions if the cap is breached at the ceiling price to make the cap "whole"