

Report Summary

Annual Report to the Joint Legislative Budget Committee on Assembly Bill 32 (Chapter 488, Statutes of 2006) The California Global Warming Solutions Act of 2006

Assembly Bill 32 (AB 32), The California Global Warming Solutions Act of 2006, designates the Air Resources Board (ARB) as the State agency charged with monitoring and regulating sources of emissions of greenhouse gases. AB 32 set a goal for California to reduce greenhouse gases to 1990 levels by 2020. The law tasked ARB with quantifying this goal, implementing a mandatory emissions reporting system, and adopting a Scoping Plan that describes the measures and other actions California planned to achieve the target. ARB has adopted and is implementing over 20 measures to achieve greenhouse gas emission reductions, including the Cap-and-Trade regulation, the Low Carbon Fuel Standard, and the Advanced Clean Cars program.

Legislative Direction. The Supplemental Report of the 2012 Budget Act item 3900 001-0001 requires ARB to provide the Joint Legislative Budget Committee (JLBC) with multiple reports on its activities and resources to implement AB 32. ARB's annual report contains all of the required elements listed below and is structured accordingly:

- (1) A semi-annual AB 32 update on key climate programs, including recent developments and upcoming milestones;
- (2) An annual AB 32 fiscal report for the prior fiscal year summarizing fees and proceeds coming in, and expenditures going out; and
- (3) Annual AB 32 resource reports—one prospective and one retrospective—showing staffing, operations, and contract expenses by major program area.

Senate Bill 1018 (Budget and Fiscal Review, Chapter 39, Statutes of 2012) also requires ARB and the Secretary for Environmental Protection to submit reports to JLBC on the Western Climate Initiative, Incorporated (WCI, Inc.):

- (4) A semi-annual report on any actions proposed by WCI, Inc. that affect California State government or entities located within the State. ARB must also notify JLBC in advance of any funds over \$150,000 to be paid to WCI, Inc. ARB and the Secretary for Environmental Protection submitted the first of these WCI, Inc. reports in July 2012.

ARB's annual report focuses on ARB's implementation of AB 32 and does not include the activities and resources of other State agencies to implement AB 32.

This report can be viewed at: <http://www.arb.ca.gov/mandrpts/mandrpts.htm>. To order a hard copy of this report, please contact Ms. Jennifer Gress at (916) 322-8520 or via email at JGress@arb.ca.gov.