SENATE RULES COMMITTEE

Office of Senate Floor Analyses

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THIRD READING

Bill No: AB 1482

Author: Gordon (D), et al. Amended: 9/1/15 in Senate

Vote: 21

SENATE NATURAL RES. & WATER COMMITTEE: 7-2, 6/23/15 AYES: Pavley, Allen, Hertzberg, Hueso, Jackson, Monning, Wolk

NOES: Stone, Vidak

SENATE ENVIRONMENTAL QUALITY COMMITTEE: 5-1, 7/1/15

AYES: Wieckowski, Hill, Jackson, Leno, Pavley

NOES: Bates

NO VOTE RECORDED: Gaines

SENATE APPROPRIATIONS COMMITTEE: 5-2, 8/27/15

AYES: Lara, Beall, Hill, Leyva, Mendoza

NOES: Bates, Nielsen

ASSEMBLY FLOOR: 63-12, 6/2/15 - See last page for vote

SUBJECT: Climate adaptation

SOURCE: Audubon California

TreePeople

DIGEST: This bill requires the California Natural Resources Agency (CNRA) to update its climate adaptation strategy, the Safeguarding California Plan (Plan), by July 1, 2017, and every three years thereafter by coordinating adaption activities among lead state agencies in each sector. This bill also requires the relevant state agencies to maximize specified objectives across sectors to address vulnerabilities identified in the Plan and requires the Strategic Growth Council (SGC) to identify and review activities and funding programs of state agencies that may be coordinated to meet the goals of the strategies and priorities in the Plan.

ANALYSIS:

Existing law:

- 1) Establishes the Greenhouse Gas Reduction Fund (GGRF) as a special fund in the State Treasury; requires all moneys, except fines and penalties, collected pursuant to a market-based mechanism be deposited in the fund; and requires the Department of Finance, in consultation with the California Air Resources Board and any other relevant state agency, to develop, as specified, a three-year investment plan for the moneys deposited in the GGRF. (Government Code (GOV) §16428.8)
- 2) Requires that moneys deposited in the GGRF be used to facilitate the achievement of greenhouse gas (GHG) emissions reductions in the state and, where applicable and to the extent feasible, lessen the impacts and effects of climate change on the state's communities, economy, and environment, among other potential specified co-benefits. (Health and Safety Code (HSC) §39712)
- 3) Establishes the SGC, consisting of the Director of the Governor's Office of Planning and Research (OPR), the Secretary of the CNRA, the Secretary of the Environmental Protection Agency (CalEPA), the Secretary of Transportation, the Secretary of Health and Human Services (HHS), the Secretary of Business, Consumer Services, and Housing, the Secretary of the California Department of Food and Agriculture (CDFA), and three members of the public. (Public Resources Code (PRC) §75121)
- 4) Requires the SGC to identify and review activities and funding programs of member agencies to improve air and water quality, meet the goals of AB 32 (Pavley, Chapter 488, Statutes of 2006), encourage sustainable land use, and revitalize urban and community centers in a sustainable manner, in addition to helping local and regional bodies develop and plan sustainable communities. (PRC §75125)
- 5) Establishes the Affordable Housing and Sustainable Communities program to be developed and administered by the SGC to reduce GHG emissions through projects that implement land use, housing, transportation, and agricultural land preservation practices to support infill and compact development and that support related and coordinated policy objectives, as specified. (PRC §75210)

6) Appropriates, continuously, 20 percent of annual proceeds of the GGRF to the SGC for the Affordable Housing and Sustainable Communities program. (HSC §39719)

This bill:

1) States legislative findings and declarations regarding numerous impacts of climate change and the need for adaptation planning, prioritization, and policy development by all state departments and agencies consistent with the Plan in order to address the impacts.

2) Requires the CNRA to:

- a) Update the Plan by July 1, 2017, and every three years thereafter, by coordinating with other state agencies to identify a lead agency or group of agencies to lead state adaptation efforts in each sector, and including:
- b) Vulnerabilities by region and sector, including at minimum, water, energy, transportation, public health, agriculture, emergency services, forestry, biodiversity and habitat, ocean and coastal resources.
- c) Priority actions to reduce sector risks.
- d) Release a draft of the Plan by January 1, 2017, and every three years thereafter; between release of the draft and publication of the final update, hold at least three public hearings in northern, central valley, and southern California.
- e) Report to the Legislature on actions to implement the Plan by applicable agencies.
- 3) Requires state agencies to address the vulnerabilities identified in the Plan by working to maximize, where applicable and feasible, the following objectives:
 - a) Educating the public about the consequences of climate change, as specified.
 - b) Ensuring a continued repository of scientific data on climate change and adaptation in the state.
 - c) Promoting the use of the Plan to inform planning decisions, ensure that state investments consider climate change impacts, and promote the use of natural systems and natural infrastructure, as defined.
 - d) Encouraging regional collaborative planning efforts.

- e) Promoting a coordinated, drought-resilient water system and establishing drought preparation and response systems.
- f) Building resilient communities by developing urban greening projects.
- g) Protecting and enhancing habitat, species strongholds, and wildlife corridors.
- h) Promoting actions to address impacts across specified sectors and communities.
- 4) Requires the SGC to identify and review activities and funding programs of "state agencies," instead of only "member state agencies," by striking "member" in Section 75125 subdivision (a), that may be coordinated for the list of specified goals, including meeting the goals of the strategies and priorities developed in the Plan when identifying and reviewing funding programs of state agencies.

Background

1) Executive Orders Relating to the Climate Change Adaptation. Executive Order S-3-05 established GHG emission reduction targets, created the Climate Action Team (CAT), and directed the Secretary of CalEPA to coordinate efforts to meet the targets with the heads of other state agencies. The order required the Secretary to report back to the Governor and Legislature biannually on progress toward meeting the GHG targets, GHG impacts to California, as well as mitigation and adaptation plans.

Executive Order S-13-08 directed state agencies to plan for climate impacts specifically from sea level rise. It further directed the CNRA, through the CAT, to coordinate the California Climate Adaptation Strategy by June 2009, noting "California must begin now to adapt and build our resiliency to coming climate changes through a thoughtful and sensible approach with local, regional, state and federal government using the best available science."

Recent Executive Order B-30-15, in addition to setting GHG-related goals, directs the CNRA to update the Plan every three years and include vulnerabilities to climate change by sector and region, as specified, primary risks and priority actions regarding climate change impacts, and identification of lead agencies for each sector, which then report back to the CNRA on their actions taken. The order further directs state agencies to take climate change into account in planning and investment decisions, guided by specified principles, and directs OPR to establish a technical, advisory group to help state agencies in their efforts.

2) CNRA and the Safeguarding California Implementation Collaborative. The CNRA, along with the OPR, SGC, and CalEPA, has developed the Safeguarding California Implementation Collaborative (SCIC). The SCIC grew out of the steering committee for the Plan, which was an update to the state's 2009 Climate Adaptation Strategy.

According to the CNRA, the SCIC is convened monthly in order to understand how the Safeguarding principles are being implemented across the state, integrate climate change considerations across state government, and collaborate with internal and external stakeholders to create sustainable strategies to address climate challenges.

The SCIC also coordinates complimentary efforts with the CAT and its subgroups and is currently working to complete a Safeguarding California Implementation Tracking Document with information from 25 bodies listed as participants. The Tracking Document will include grants, documents, and outreach efforts carried out by participants. An Implementation Report was anticipated by August 2015.

- 3) SGC and Adaptation Funding Considerations. In their 2014 annual report, the SGC highlighted hundreds of sustainable communities planning and urban greening projects that were completed or underway, as well as \$130 million dollars as part of the GGRF-supported programs to reduce GHGs. In the 2015 guidelines for the Affordable Housing and Sustainable Communities Program, the SGC notes as one of the application threshold requirements that "the applicant must demonstrate that where applicable, climate adaptation measures are integrated into their Project."
- 4) Legislative Hearings on Climate Adaptation. This year, the Senate Environmental Quality Committee has conducted two hearings on climate adaptation in California. The first hearing, in February, was focused mainly on state efforts to adapt to climate change impacts with testimony from the Secretaries of CalEPA, CNRA, CDFA, HHS, as well as the Deputy Directors of OPR and the Office of Emergency Services, and testimony from regional and local representatives and the Little Hoover Commission.

Testimony highlighted that there has been a great deal of preliminary thought on climate change impacts and recommended policy, though there remains a lack of statutory direction that clearly articulates the roles at each level of government to ensure coordination and prioritization of adaptation and resiliency throughout the state. Uncertainty also remains as to how adaptation and mitigation are integrated in state policies.

In May, a second hearing was conducted in Oakland which focused on regional adaptation efforts and coordination in the Bay Area. Speakers included a member of the Nobel Prize-winning Intergovernmental Panel on Climate Change, as well as the San Francisco Department of Public Health, and representatives from the Climate Readiness Institute, the Bay Conservation and Development Commission, the Association of Bay Area Governments, the Counties of Marin, Sonoma, and Santa Clara, and the City of Berkeley, as well as the Asian Pacific Environmental Network.

Testimony underscored the current and worsening impacts from climate change and the need for coordinating knowledge, tools, and funding so that adaptation is approached efficiently and holistically across government levels and regions. Local leaders called for more alignment of adaptation efforts across the state and regional agencies, as well as more guidance and engagement from the state with regional and local bodies.

Comments

- 1) Purpose of Bill. According to the author, "California has been a leader in taking actions to impact the causes of global climate change. In spite of our efforts, climate change continues to affect our state. It is not enough to try to reverse the course of climate change. We must also become a leader in adapting to climate change. AB 1482 would broaden the state's focus on climate change to include climate adaptation and ensure, by including in state law, California's climate adaptation efforts continue into the future. AB 1482 would specifically require the Natural Resources Agency to oversee and coordinate state agency and department actions to adapt to climate change impacts. It is essential to identify a lead state entity in order to ensure that the state's response to climate change is focused and consistent across agencies to best protect California's residents, resources, and infrastructure from the effects of climate change."
- 2) Coordination of Adaptation in California. CNRA has successfully brought together information from multiple agencies representing various sectors in the Plan. Given these efforts, along with their investment in the creation and coordination of the SCIC and in working with multi-agency groups such as the

CAT and SGC, it seems appropriate for the CNRA to continue its role in coordinating updates to the Safeguarding Plan, as well as the research assessments, by collaborating with leads from numerous sectors.

In considering an organization to lead the state's overall adaptation policy, there are concerns about the task falling to one agency with a sector-specific focus. In order to be the most effective, adaptation efforts should equally involve sectors and regions across the state. If one sector-specific agency is in charge of the state's overall adaptation strategy, there is the potential for prioritizing issues related to that agency's core mandates. Certainly concerns for our state's natural resources are a critical component of addressing climate change, but so are considerations of public health, agriculture, emergency response, air and water quality, etc.

Recent amendments to this bill expand both the coordination among state agencies in leading sector-specific work for the Plan and the range of objectives across sectors to be maximized by agencies in addressing the vulnerabilities identified in the Plan.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

According to the Senate Appropriations Committee:

- Unknown ongoing costs in the low millions of dollars to the General Fund for each update of the Plan after 2017.
- Unknown cost pressures in the millions of dollars to the General Fund and various special funds to implement the climate adaptation strategy and the Infrastructure Plan.

SUPPORT: (Verified 8/31/15)

Audubon California (co-source)
Tree People (co-source)
Asian Pacific Environmental Network
California Climate & Agriculture Network
California League of Conservation Voters
California ReLeaf
California State Association of Counties
Center for Climate Change and Health
Climate Resolve

Coastal Environmental Rights Foundation Defenders of Wildlife Little Hoover Commission Local Government Commission National Parks Conservation Association The Nature Conservancy The Trust for Public Land Wholly H2O

OPPOSITION: (Verified 8/31/15)

None received

ARGUMENTS IN SUPPORT: According to a coalition of supporters, "In 2014, the Natural Resources Agency adopted the Safeguarding California Plan, which begins to lay out a statewide plan for climate adaptation. However, there is no mechanism for enforcing this plan or ensuring that state agency or department actions are consistent with the Safeguarding California Plan.

"AB 1482 would provide statutory authority to the CNRA and the SGC to coordinate the state's climate adaptation policies and programs.

"AB 1482 will ensure that the state's response to climate change is focused and consistent across agencies in order to best protect California's citizens, wildlife, and infrastructure from the effects of climate change."

ASSEMBLY FLOOR: 63-12, 6/2/15

AYES: Achadjian, Alejo, Baker, Bloom, Bonilla, Bonta, Brown, Burke, Calderon, Campos, Chau, Chiu, Chu, Cooley, Cooper, Dababneh, Dahle, Daly, Dodd, Eggman, Frazier, Cristina Garcia, Eduardo Garcia, Gatto, Gipson, Gomez, Gonzalez, Gordon, Gray, Hadley, Roger Hernández, Holden, Irwin, Jones-Sawyer, Lackey, Levine, Linder, Lopez, Low, Maienschein, Mayes, McCarty, Medina, Mullin, Nazarian, Obernolte, O'Donnell, Olsen, Perea, Quirk, Rendon, Rodriguez, Salas, Santiago, Steinorth, Mark Stone, Thurmond, Ting, Weber, Wilk, Williams, Wood, Atkins

NOES: Travis Allen, Bigelow, Brough, Beth Gaines, Harper, Jones, Kim, Mathis, Melendez, Patterson, Wagner, Waldron

NO VOTE RECORDED: Chang, Chávez, Gallagher, Grove, Ridley-Thomas

Prepared by: Laurie Harris / E.Q. / (916) 651-4108 9/1/15 21:30:26