### UCLA Institute of the Environment and Sustainability

Center for Climate Change Solutions



UCLA SCHOOL OF LAW

# **BACKGROUND INFORMATION**

on Proposition 23 and California's Global Warming Solutions Act (AB 32)

# What is the ballot language for Proposition 23?

PROP

Suspends implementation of air pollution control laws (AB 32) requiring major sources of emissions to report and reduce greenhouse gas emissions that cause global warming, until unemployment drops to 5.5 percent or less for full year.

# What is AB 32?

AB 32 is California's Global Warming Solutions Act of 2006, a law requiring California to reduce its greenhouse gas emissions back to 1990 levels by 2020. This would mean, according to state analysts, about a 29% cut from a "business-as-usual" projection of California emissions in 2020, or about a 15% reduction from current emission levels.

AB 32 directs the California Air Resources Board (ARB), the state agency historically charged with protecting California's air quality, to develop a plan for achieving these reductions. ARB has approved a scoping plan that outlines what are, in its view, the technologically feasible and cost-effective measures needed to reduce greenhouse gas emissions back to 1990 levels. Its plan includes energy efficiency measures, clean car measures, other direct regulations, and a cap on carbon emissions coupled with market trading of emission allowances (so-called cap-and-trade). Some of the regulations, known as "early action" measures, have already been put in place. Others are still being developed.

ARB also has authority under AB 32 to collect an administrative fee from large sources of greenhouse gases in order to pay for program costs.

# How much could regulation of greenhouse gases in California affect the overall emissions level worldwide?

The United States and China lead the world in greenhouse gas emissions, and California's total emissions are second only to Texas in the U.S. If California were a country, it would be the 19th largest source of greenhouse gas emissions in the world.

Chart adapted from International Energy Agency, CO, Emissions from Fuel Combustion, 2009

From UC Berkeley Law Center for Law, Energy & the
Environment, California at the Crossroads, Sept. 2010

Legend: Emissions in Millions Metric Tons (MMT) CO₂e		
	4–64	
	75–100	
	112–148	
	169–216	
	232–474	
	785	

Top 10 Emitting Countries in 2007 (Gt CO<sub>2</sub>)





# If Proposition 23 passes, for how long would air pollution control law AB 32 be suspended?

Proposition 23 would require the suspension of AB 32 "until unemployment drops to 5.5% or less for a full year." California's unemployment rate has fallen to or below 5.5% three times in the past 34 years.

From UC Berkeley Law Center for Law, Energy & the Environment, California at the Crossroads, Sept. 2010





# What measures would likely be suspended if Proposition 23 passes?

Proposition 23 would suspend many, but not all, of the measures being used by the state to return our greenhouse gas pollution levels back to 1990 levels. The two tables on the right, together, list nearly all the measures that California plans to use to achieve this goal, showing which ones will likely be suspended if Proposition 23 passes and which ones will likely survive. Measures based on statutory authority other than AB 32 are likely to remain in effect even if Proposition 23 passes.

The tables also show, by percentage, how much each measure would contribute to meeting the 1990 emissions target, according to the Air Resources Board.

Charts adapted from Energy Policy Initiatives Center (EPIC), University of San Diego School of Law, Proposition 23, Sept. 2010

# Who are the major donors supporting and opposing Proposition 23?

Donor data from California Secretary of State, as of Oct. 1, 2010 🔻

#### Donors in Support: \$300,000+

Valero Services, Inc.	\$4,059,678
Tesoro Companies	\$1,525,000
Flint Hill Resources	\$1,000,000
Adam Smith Foundation	\$498,000
Occidental Petroleum Corp.	\$300,000

#### **Donors in Opposition: \$300,000+**

Thomas Steyer	\$5,000,000
L. John Doerr	\$1,000,000
Ann Doerr	\$1,000,000
Robert J. Fisher	\$1,000,000
Claire Perry	\$500,000
Julian H. Robertson, Jr.	\$500,000
Wendy Schmidt	\$500,000

#### Measures Likely Suspended if Proposition 23 Passes

Measure	% of Target C02e Reduction
Discrete Early Actions	
Low Carbon Fuel Standard	9.20%
Renewable Standard for Electricity (33% by 2020)	) 7.70%
Landfill Methane Control Measures	0.90%
Heavy-Duty Vehicle GHG Emissions Reduction / Aerodynamic Efficiency	0.50%
Tire Pressure Program	0.40%
Limit High GWP Use in Consumer Products	0.10%
Sulfur Hexaflouride (SF6) Limits in Non-Utility and Non-Semiconductor Applications	0.10%
Reduction of Perfluocarbons in Semiconductor Manufacturing	0.10%
Motor Vehicle Air Conditioning Systems	0.10%
Ship Electrification at Ports	0.10%
Actions Not Yet in Effect	
Cap-and-Trade	19.80%
High-GWP Refrigerant Management Program for Stationary Sources	4.60%
Mitigation Fee on High GWP Gases	2.90%
SF6 Emission Reductions from the Electricity Sector and Particle Accelerators	0.10%
Total:	46.60%

#### Measures Likely Continued Even if Proposition 23 Passes

Measure	% of Target CO <sub>2</sub> e Reduction
Pavley Tailpipe Emissions Standards for Cars and Light Duty Trucks	15.90%
Energy Efficiency Measures (Electricity)	8.80%
Renewable Portfolio Standard (20% by 2010)	4.50%
Increasing Combined Heat and Power by 30,000 G	GWh 3.90%
Advanced Clean Cars	2.90%
Regional Transportation GHG Targets	2.90%
Sustainable Forest Target	2.90%
Energy Efficiency (Natural Gas)	2.50%
Stationary Equipment Refrigerant Management Prog	gram 2.30%
Million Solar Roofs: 3,000 MW by 2017 (CA Solar Initiative)	1.20%
High Speed Rail	0.60%
Medium- and Heavy-Duty Vehicle Hybridization	0.30%
Tire Tread Program	0.20%
Solar Water Heating (AB 1470)	0.10%
Total:	49.00%

#### Number of donations by donation amount 300 No on 23 Yes on 23 250 200 Corporations, 150 non-profits, PACs, and associations 100 Individual 50 0 \$1,000 \$100,000 \$1,000,000+ \$10.000 \$100,000 \$1,000,000+ \$10,000 \$1,000 < \$100 \$100 < \$100 \$100 to to to to to to to to \$99,999 \$999.999 \$9,999 \$99,999 \$999.999 \$9,999 \$999 \$999

# What California political figures have endorsed or opposed Proposition 23?

#### **Endorsed:**

U.S. Senatorial candidate Carly Fiorina **Opposed:** Gubernatorial candidate Jerry Brown Gubernatorial candidate Meg Whitman Governor Arnold Schwarzenegger U.S. Senators Barbara Boxer and Dianne Feinstein **The full list in support of Prop 23:** http://www.yeson23.com/learn-more/coalition-list/ **The full list in opposition to Prop 23:** http://www.StopDirtyEnergyProp.com/our-coalition.php

# How could climate change affect California?

The state's Climate Action Team released its biennial report in April assessing the projected impacts to California from climate change, using a range of projected greenhouse gas emissions levels. The report highlights impacts across the state including those to public health, energy costs, water supply, coastal regions, agriculture, and forest fires.

For example, the report concluded that increased frequency of extreme conditions, such as more frequent, longer and more intense heat waves, are likely to lead to the most serious effects of climate change on public health. Climate change also has the potential to influence asthma symptoms, the incidence of infectious disease, and the potential to affect humans indirectly through impacts on food and water supplies and quality.

The report also concluded that statewide electricity demand in the residential sector may increase by about 7 percent in the next few decades solely due to increases in mean temperature and frequency of extreme heat events from climate change. By the end of this century, residential demand may increase by 20 percent to 50 percent, depending on emissions projections.

# How would Proposition 23's passage affect California's economy?

The benefits and costs of Proposition 23 are hotly debated. Reports and academic studies, sponsored by a variety of businesses, individuals and non-profit groups, have reached differing conclusions on the potential impact of air pollution control law AB 32 and the consequences if it were to be suspended by passage of Proposition 23. Tonight's debate is aimed, in part, at airing views on the impacts to state revenue, jobs, and consumers.

See arguments for and against Proposition 23, with rebuttals, at:

http://www.voterguide.sos.ca.gov/propositions/23/argum ents-rebuttals.htm