

2006 LEGISLATIVE SUMMARY



The California State Capitol building as it appeared in 1879

COMMITTEE REPORT

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Arnold Schwarzenegger, *Governor*

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ENERGY
COMMISSION**

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2006 Legislative Summary

Notice

Summaries of 2006 chaptered and vetoed energy-related bills can be found at:

<http://www.leginfo.ca.gov/bilinfo.html>.

Preface

The *2006 Legislative Summary* is intended as a tool to easily access information on 2006 energy-related bills. It provides information on bills that were chaptered or vetoed in 2006, the second year of the 2005-06 legislative session.

The report is divided into two parts: Energy Commission-related bills, which are chaptered or vetoed bills that have a direct impact on the Energy Commission; general energy bills, which are chaptered or vetoed bills that do not directly impact Energy Commission programs, but may be of interest or concern. Each section contains a Summary Table, followed by a Bill Abstract for each listed bill which summarizes the bill and its impacts.

Acknowledgements

The Office of Governmental Affairs would like to acknowledge the contributions of all those individuals who participated in the development of the 2006 bill analyses. We are especially grateful for the work of the Deputy Directors and the Legislative Coordinators in each division, who assisted our office by assuring the timely technical analyses by their divisions, coordinating the policy committee presentations and participating in the Energy Commission bill analysis process.

The 2006 Legislative Coordinators were:

- Efficiency & Demand Analysis: Mark Hutchison
- Fuels & Transportation Energy: Susan Brown, Debbie Jones
- Office of Chief Counsel: Arlene Ichien
- Strategic Issues Integration Group: Thom Kelly
- System Assessment and Facilities Siting: Chris Tooker
- Technology Systems: Steve Williams

In addition, there are several individuals who are designated subject matter experts and without their knowledge and expertise in commenting on certain bills, we could not provide the accurate information necessary to provide quality bill analyses. We would like to acknowledge a few of these individuals who exceeded all expectations. Their contributions to the bill analyses are greatly appreciated.

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ENERGY COMMISSION-RELATED BILLS

2006 Chaptered Legislation

Bill Number	Subject
AB 32 (Nuñez) Chapter 488, Statutes of 2006	California Global Warming Solutions Act of 2006
AB 1632 (Blakeslee) Chapter 722, Statutes of 2006	Energy: Planning and Forecasting
AB 1803 (Committee on Budget) Chapter 77, Statutes of 2006	Public Resources
AB 1811 (Committee on Budget) Chapter 48, Statutes of 2006	Budget Act of 2006
AB 1881 (Laird) Chapter 559, Statutes of 2006	Water Conservation
AB 1925 (Blakeslee) Chapter 471, Statutes of 2006	Carbon Dioxide Sequestration
AB 1969 (Yee) Chapter 731, Statutes of 2006	Electrical Corporations: Water Agencies
AB 2160 (Lieu) Chapter 742, Statutes of 2006	State Buildings: Green Building
AB 2189 (Blakeslee) Chapter 747, Statutes of 2006	Public Utilities: Energy Efficiency
AB 2264 (Pavley) Chapter 767, Statutes of 2006	Purchases: Vehicles: State Fleet
AB 2778 (Lieber) Chapter 617, Statutes of 2006	Self-Generation Incentive Program
SB 1 (Murray) Chapter 132, Statutes of 2006	California Solar Initiative
SB 107 (Simitian) Chapter 464, Statutes of 2006	Renewable Portfolio Standard and Renewable Energy and Public Interest Energy Research Programs
SB 1059 (Escutia) Chapter 638, Statutes of 2006	Electric Transmission Corridors
SB 1250 (Perata) Chapter 512, Statutes of 2006	Renewable Energy and Public Interest Energy Research Programs
SB 1368 (Perata) Chapter 598, Statutes of 2006	Greenhouse Gas Performance Standard

2006 Chaptered Legislation

AB 32 (Nuñez), Chapter 488, Statutes of 2006 - California Global Warming Solutions Act of 2006

Summary: Enacts the Global Warming Solutions Act of 2006. Requires the California Air Resources Board (CARB) to adopt regulations, on or before January 1, 2008, that will: 1) require reporting and verification of statewide greenhouse gas (GHG) emissions and to monitor and enforce compliance with this program; 2) require the most significant sources of GHG emissions to report and verify their annual emissions results, 3) determine the level of statewide GHG emissions in the year 1990, based on the best available scientific, technological, and economic information; and 4) establish a statewide limit on GHG emissions equivalent to the 1990 emissions level, to be achieved on or before the year 2020. CARB will make recommendations to the Governor and Legislature regarding how to making GHG reductions beyond 2020.

In addition, CARB is directed to adopt regulations on or before January 1, 2011, to establish emission limits and reduction measures to become operative on January 1, 2012 that will: 1) achieve the maximum technologically feasible and cost-effective GHG emissions reductions from sources subject to provisions of the bill; 2) prepare a list of distinct early action measures to reduce GHG emissions prior to achieving the 2020 emissions limit and adopt regulations by January 1, 2010, to implement the early emission reduction measures; 3) on or before January 1, 2011; 4) adopt methodologies to quantify GHG emission reductions from voluntary offset projects.

Finally, the bill allows for additional GHG reduction measures to be adopted by CARB for mobile emissions sources, if reductions associated with automobile GHG regulations do not occur, and directs CARB to convene an environmental justice advisory committee for advice on the scoping plan and other pertinent matters under the Act. The bill also requires all state agencies to consider and implement strategies to reduce their GHG emissions.

Appropriation: None

Effective: January 1, 2007

Sections Affected: Health and Safety Code – Adds § 38561 to Division 25.5

AB 1632 (Blakeslee), Chapter 722, Statutes of 2006 – Energy: Planning and Forecasting
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Summary: Requires the Energy Commission to compile and assess existing scientific studies to determine the potential vulnerability of existing large baseload generation facilities (1,700 MW or greater) under certain conditions and to assess the impact on system reliability, public safety, and the economy. Further, the Energy Commission is required to assess other key policy and planning issues affecting the future role of nuclear power plants in California and include that assessment in the 2008 energy policy review. The Energy Commission is required to periodically update its analysis to the extent new studies are issued that reflect further understanding of seismic hazards and to incorporate the above analysis into its biennial IEPR. Finally, the Energy Commission is required to, in the absence of a long-term nuclear waste storage facility, assess the potential state and local costs and impacts associated with accumulating waste at California's nuclear power plants.

Appropriation: None

Effective: January 1, 2007

Sections Affected: Public Resources Code - Amends § 25303.

AB 1803 (Committee on Budget) Chapter 77, Statutes of 2006 – Public Resources

Summary: This bill is one of a series of budget trailer bills that made various changes in the areas of natural resources and environmental protection. This bill requires, that on and after January 1, 2007, the California Air Resources Board (ARB) prepare and maintain the inventory of California greenhouse gas (GHG) emissions, currently performed by the California Energy Commission.

Energy Commission Responsibilities: None specified.

Appropriation: None to the Energy Commission.

Effective: July 18, 2006

Sections Affected: Food and Agricultural Code - Amends § 11472.1. Fish and Game Code - Amends § 7361, 12015, and 13007, and adds § 13001.5. Government Code - Amends § 51283, and adds § 12805.6 and 67125. Health and Safety Code - Amends § 25160, 25173.6, 25173.7, 25192, 25205.6, 25205.15, 25297.1, 25324, 25330.2, 25351.2, 25353, 25355.5, 25355.6, 25356.1, 25356.4, 25359.3, 25359.4.5, 25360, 25360.2, 25360.3, 25360.4, 25361, 25365.6, 25368.2, 25385.1, and 25385.6 of, to amend and repeal Sections 25330, 25334, 25385.3, and 25385.8. Adds § 39607.4 and 42871. Repeals § 25336, 25351.1, 25351.6, and 25385.9, and Chapter 6 (commencing with § 42800) of Part 4 of Division 26. Public Resources Code - Amends § 4799.13, 5090.15, 5090.70, 30533, 42885, and 42889. Adds § 4137, 5003.11, 5818.1, 5818.2, 8709.5, and 25731. Repeals Chapter 8.5 (commencing with § 25730) of Division 15. Vehicle Code - Amends §. 38225. Water Code – Amends § 79441, 79452, and 79452.3. Adds § 141.5 and 79442 to, and Chapter 2.5 (commencing with § 79473) to Division 26.4.

AB 1811 (Committee on Budget) Chapter 48, Statutes of 2006 – Budget Act of 2006

Summary: This bill is one of a series of budget trailer bills that made various changes in the areas of natural resources and environmental protection. This bill requires, that pursuant to a plan jointly developed by the California Air Resources Board (CARB) and the Energy Commission, \$25 million shall be expended in the current fiscal year for all of the following purposes:

- (a) Market-based incentives such as buydowns, rebates, credits, or other incentives for purchasers of high efficiency, high mileage, clean alternative fuel light-, medium-, and heavy-duty vehicles, both individual and public fleet, in California;
- (b) Production incentives such as loans, loan guarantees, and credits for clean alternative fuel production in California;
- (c) Market-based incentives such as loans and loan guarantees for the construction of publicly accessible, clean alternative fuel refueling stations, including refueling stations that sell ethanol blends consisting of at least 85 percent ethanol ("E-85"), sufficient in number to match the existing and anticipated supply of E- 85 vehicles in California;
- (d) Grants for research and development of clean and zero emission fuels and vehicle technology to assist in making those technologies affordable in the marketplace;
- (e) Incentives to replace the current state vehicle fleet with clean, high mileage alternative fuel vehicles.

None of the funds appropriated shall be used for incentives, grants, or any other form of state support for the development of fuels derived from petroleum, petroleum coke, or coal.

Appropriation: \$25 Million

Effective: June 30, 2006

Sections Affected:

AB 1881 (Laird), Chapter 559, Statutes of 2006 – Water Conservation

Summary: Requires the Energy Commission to adopt by 2010 standards and labeling requirements for landscape irrigation equipment, including, but not limited to, irrigation controllers, moisture sensors, emission devices, and valves and bans the sale of noncompliant irrigation equipment after January 1, 2012.

In addition, the Energy Commission must prepare and submit a report to the Legislature, on or before January 1, 2010, that sets forth on a proposed schedule for adopting performance standards and labeling requirements for emission devices and valves.

Appropriation: None

Effective: January 1, 2007

Sections Affected: Civil Code – Adds § 1353.8. Government Code - repeals and adds Article 10.8 (commencing with § 65591) of Chapter 3 of Division 1 of Title 7. Public Resources Code - Adds § 25401.9. Water Code - Adds Article 4.5 (commencing with § 535) to Chapter 8 of Division 1, relating to water conservation.

AB 1925 (Blakeslee), Chapter 471, Statutes of 2006 –Carbon Dioxide Sequestration

Summary: Requires the Energy Commission, on or before November 1, 2007, to prepare a legislative report with recommendations on how to manage geologic sequestration of carbon dioxide (CO₂). Requires the Energy Commission, in formulating the recommendations, meet with representatives from industry, environmental groups, academic experts, and other government officials, with expertise in indemnification, subsurface geology, fossil fuel electric generation facilities, advanced carbon separation and transport technologies, and GHG management.

Effective: January 1, 2007

Sections Affected: None specified

AB 1969 (Yee), Chapter 731, Statutes of 2006 – Electrical Corporations: Water Agencies

Summary: This bill requires an investor-owned utility (IOU) to purchase electricity from renewable electricity generation facilities that are owned and operated by public wastewater agencies under certain conditions.

Appropriation: None

Effective: January 1, 2007

Sections Affected: Public Utilities Code – Adds §399.20.

AB 2160 (Lieu), Chapter 742, Statutes of 2006 – State Buildings: Green Building

Summary: Requires the Department of General Services to define a life-cycle cost analysis model to be used with respect to certain state building design and construction decisions. It requires the Energy Commission, in consultation with specified entities, to identify and develop appropriate mechanisms to facilitate state building energy and resource efficient projects, to identify obstacles to private sector commercial energy and resource efficient projects, and recommend financial and other incentives to facilitate private sector commercial building energy and resource efficient projects. The bill also requires the Energy Commission to report its findings and recommendations to the Green Action Team.

Appropriation: None

Effective: January 1, 2007

Sections Affected: Government Code - Adds § 15814.40.

AB 2189 (Blakeslee), Chapter 747, Statutes of 2006 – Energy: Renewable Energy Resources

Summary: Provides that a small hydroelectric generation facility that is an eligible renewable energy resource retains eligibility if, as a result of efficiency improvements at the facility undertaken after January 1, 2003, the generating capacity of the facility exceeds 30 megawatts. The Energy Commission must revise the its interim RPS tracking methodology to verify incremental small hydro capacity from eligible facilities, and verify RPS procurement from these facilities.

Appropriation: None.

Effective: January 1, 2007

Sections Affected: Public Utilities Code – Adds § 399.12.5.

AB 2264 (Pavley), Chapter 767, Statutes of 2006 – Purchases: Vehicles: State Fleet

Summary: Requires, on or before June 1, 2007, the Department of General Services (DGS) to establish a minimum fuel economy standard for the purchase of passenger vehicles and light-duty trucks for the state fleet that are powered solely by internal combustion engines utilizing fossil fuels. This bill requires that on or after January 1, 2008, new state fleet purchases of these vehicles by all state entities have to meet this minimum fuel economy standard. Authorized emergency vehicles and certain other identified vehicles would be exempt from this requirement.

Appropriation: None

Effective: January 1, 2007

Sections Affected: Public Resources Code - Adds § 25722.7.

AB 2778 (Lieber), Chapter 617, Statutes of 2006 – Self-Generation Incentive Program

Summary: Requires the Public Utilities Commission, in consultation with the Energy Commission, to administer, until January 1, 2012, a self-generation incentive program for distributed generation resources and limit eligibility for non-solar technologies to fuel cells and wind technologies that meet or exceed the emissions standards adopted by the Air Resources Board. This bill requires the Energy Commission, by November 1, 2008, in consultation with the Public Utilities Commission and Air Resources Board, to evaluate the costs and benefits of providing ratepayer subsidies for renewable and fossil fuel “ultra-clean, low-emission distributed generation” as part of the Energy Commission’s Integrated Energy Policy Report.

Appropriation: None

Effective: January 1, 2007

Sections Affected: Public Utilities Code - Amends § 379.6

Governor’s Signing Message Follows:

To the Members of the California State Assembly:

I am signing Assembly Bill 2778.

This bill extends the sunset on the Self Generation Incentive Program to promote distributed generation throughout California. However, the legislation eliminated clean combustion technologies like microturbines from the program. I look forward to working with the legislature to enact legislation that returns the most efficient and cost effective technologies to the program. If clean up legislation is not possible, the California Public Utilities Commission should develop a complimentary program for these technologies.

Sincerely,

Arnold Schwarzenegger

SB 1 (Murray), Chapter 132, Statutes of 2006 – California Solar Initiative

Summary: Establishes requirements and procedures to implement the California Solar Initiative (CSI) to be administered by the California Public Utilities Commission (CPUC) and the California Energy Commission (Energy Commission). The bill establishes an aggregate funding cap of \$3.3508 billion, of which approximately \$2.1668 billion will be derived from investor-owned utilities, \$784 million from municipal utilities, and \$400 million from the Energy Commission. The goal of the CSI is to install 3,000 megawatts of solar energy systems on new and existing residential and commercial customer sites, and placing solar energy systems on 50 percent of new homes in 13 years. The bill also directs the Energy Commission to establish appropriate energy efficiency improvements in the new and existing home or commercial structure where the solar energy system is installed, and provides for an offset program that would allow a developer to forgo the “must offer” requirement for new residential construction by installing solar systems on other projects.

Appropriation: None

Effective: January 1, 2007

Sections Affected: Public Resources Code - Adds § 25405.5 and 25405.6, adds Chapter 8.8 (commencing with Section 25780) to Division 15. Utilities Code – Amends § 2827, adds § 387.5 and 2851.

SB 107 (Simitian, Chapter 464, Statutes of 2006 – Renewable Portfolio Standard and Renewable Energy and Public Interest Energy Research Programs

Summary: Revises California's Renewable Portfolio Standard (RPS) by accelerating the 20 percent renewable energy target from 2017 to 2010. The bill also amends current law governing the administration of the Energy Commission's Public Interest Energy Research (PIER) Program and the Renewable Energy Program, and allocates 10 percent of money deposited in the Renewable Resources Trust Fund (RRTF) to the Existing Renewable Resources Account to achieve fully competitive and self-sustaining existing in-state renewable electricity generation facilities, and alters the award of production incentives to existing facilities under the Existing Renewable Resources Account. The bill changes the RPS eligibility criteria for out-of-state facilities and requires that the facilities not cause or contribute to a violation of a California environmental quality standard.

Appropriation: None to the Energy Commission.

Effective: Effective January 1, 2007.

Sections Affected: Public Resources Code - Amends § 25620.1, 25740, 25741, 25742, 25743, 25746, and 25751. Adds § 25470.5 and 25744.5. Repeals § 25745 and 25749. Public Utilities Code – Amends § 387, 399.11, 399.12, 399.13, 399.14, and 399.15. Adds Article 9 (commencing with § 635) to Chapter 3 of Part 1 of Division 1. Adds and repeals § 2854. Repeals and adds § 399.16.

SB 1059 (Escutia), Chapter 638, Statutes of 2006 – Electric Transmission Corridors

Summary: Authorizes the Energy Commission to designate transmission corridors for future use, under certain conditions, that are consistent with the strategic plan for the State's transmission grid pursuant to SB 1565 (Bowen), Chapter 692, Statutes of 2004. The bill designates the Energy Commission as the lead agency for the California Environmental Quality Act (CEQA) for all transmission corridor zones proposed for designation.

Appropriation: None to the Energy Commission.

Effective: January 1, 2007

Sections Affected: Public Resources Code – Adds Chapter 4.3 (commencing with § 25330) to Division 15.

SB 1250 (Perata), Chapter 512, Statutes of 2006 – Renewable Energy and Public Interest Energy Research Programs

Summary: Reauthorizes the Energy Commission's Public Interest Energy Research (PIER) Program and the Renewable Energy Program for five years, and amends current law governing these programs. The bill allocates 10 percent of money deposited in the RRTF to the Existing Renewable Resources Account, allocates 37.5 percent of the money deposited in the RRTF to the Emerging Renewable Resources Account, and allocates 1 percent of the money in the RRTF to the Renewable Resources Consumer Education Account. The bill also establishes specific goals for the PIER program that include advanced transportation technologies, increased energy efficiency, and advanced electricity generation technologies that increase use of renewable energy resources, or improve transmission or distribution of electricity generated from renewable energy resources.

Appropriation: None specified

Effective: September 27, 2006

Sections Affected: Public Resources Code – Amends § 25620, 25620.1, 25620.2, 25620.5, 25620.8, 25620.11, 25742, 25744, 25746, 25747, 25748, and 25751. Adds § 25620.15 and 25740.5. Repeals § 25620.9, 25745, 25749, and 25750. Public Utilities Code – Amends § 381, 399.8, and 895. Amends and repeals § 399 and 399.4. Repeals § 383, 383.6, 384.1, 399.1, 399.2, 399.3, 399.6, 399.7, and 399.9.

SB 1368 (Perata), Chapter 598, Statutes of 2006 – Greenhouse Gas Performance Standard

Summary: Requires the Energy Commission to develop and adopt by regulation a greenhouse gas emissions performance standard for long-term procurement of electricity by local publicly owned utilities. The Energy Commission must adopt the performance standard on or before June 30, 2007 and must be consistent with the performance standard adopted by the California Public Utilities Commission for load-serving entities under their jurisdiction on or before February 1, 2007.

Appropriation: None to the Energy Commission.

Effective: January 1, 2007

Sections Affected: Public Resources Code – Adds Chapter 3 (commencing with §8340) to Division 4.1.

ENERGY COMMISSION-RELATED BILLS

2006 Vetoed Legislation

Bill Number	Subject
AB 974 (Nuñez)	Electricity: Electrical Transmission Infrastructure Planning and Investment
AB 1012 (Nation)	Vehicular Air Pollution Control: Clean Alternative Vehicles
AB 2927 (Leno)	Public Records
SB 757 (Kehoe)	Oil Conservation, Efficiency, and Alternative Fuels Act

2006 Vetoed Legislation

AB 974 (Nuñez) – Electricity: Electrical Transmission Infrastructure Planning and investment

Summary: Would have enacted the Electrical Transmission Infrastructure Investment Act of 2006, which would have required that every investor-owned utility that owns electrical transmission facilities plan for and provide sufficient electrical transmission facilities and any upgrades to or expansion of those facilities as are reasonably necessary to ensure reliable transmission service to its customers.

Governor's Veto Message Follows

To the Members of the California State Assembly:

I am returning Assembly Bill 974 without my signature.

This measure focuses on the California Public Utilities Commission internal siting process, much of which the commission could do administratively without legislation. However, this measure does nothing to eliminate duplication between agencies, streamline the process, provide consistency or increase certainty.

In my response to the 2003 Integrated Energy Policy Report (IEPR) I outlined a program to streamline the transmission permitting process. This proposal included consolidating transmission and generation siting in the same agency, develop a corridor planning process as proposed to be established in SB 1059 currently pending my approval, and increasing transmission investment from both the utility and merchant sector. California needs a one-stop permitting process for bulk transmission lines, which is integrated with energy planning. Agency functions would be consolidated, efficiency in state government promoted, public involvement in permitting decisions enhanced, and permitting decisions would be made in a timely manner.

This bill fails to resolve the current disconnect between transmission planning and permitting and it creates duplicative filing requirements between the investor-owned utilities and the California Independent System Operator.

Sincerely,

Arnold Schwarzenegger

AB 1012 (Nation) – Vehicular Air Pollution Control: Clean Alternative Vehicles

Summary: Would have required the State Air Resources Board (ARB) to develop and adopt regulations requiring that commencing January 1, 2020, half of new passenger vehicles and light-duty trucks sold in California each year are clean alternative vehicles, as defined.

Governor's Veto Message Follows

To the Members of the California State Assembly:

Assembly Bill 1012 mandates that 50% of all cars and trucks sold in California to be powered by alternative fuels. I strongly support the goal to increase California's use of alternative transportation fuels, however this bill is counterproductive to several major initiatives already underway and will cost California more than \$1.2 billion in transportation funding.

Last year I signed Assembly Bill 1007, which requires development of a comprehensive plan with specific benchmarks on how to achieve the goal of increasing the use of alternative fuels in California. This process is underway and this bill ignores this planning and prejudices the outcome.

Just this week I signed into law the world's most sweeping legislation to control global greenhouse gas emissions, Assembly Bill 32. This groundbreaking legislation establishes a process for reducing greenhouse gas emissions in the most cost-effective, balanced and expeditious manner, including encouraging the use of alternative fuels. This bill, again, prejudices the outcome of this historic effort.

Most importantly, Department of Finance estimates that this bill will cost the state at least \$1.2 billion per year in critical transportation funds. Gasoline taxes fund our states highways, local streets and roads and our transit system. Alternative transportation fuels are taxed at one half the rate of gasoline and diesel. As we incorporate more of these fuels into our transportation system we need to plan for and mitigate the impact on funding to support our transportation system.

Finally, the bill restricts the California Air Resources Board (CARB) ability to develop and implement the most effective reduction measures.

California has become a national and world leader on alternative fuels, greenhouse gas reductions and renewable energy. We must not second guess the processes, we must let them work.

For these reasons I am returning this bill without my signature.

Sincerely,

Arnold Schwarzenegger

AB 2927 (Leno) – Public Records

Summary: Would have required any state agency with an internet site to create a link on its homepage for an individual from the public to make an online public record request. The bill would also have required state agencies to post information that could be disclosed under the Public Records Act, regardless of whether a member from the public had made a request. This bill would also have set guidelines for determining whether a civil penalty could be awarded against the agency for wrongfully denying a public record request. Finally, the bill would have awarded court costs and reasonable attorney's fees to a plaintiff who had prevailed in an action against an agency that was determined to have failed to comply with the posting requirements that the bill would have imposed.

Governor's Veto Message Follows

To the Members of the California State Assembly:

I am returning Assembly Bill 2927 without my signature. An open and accessible government is critical to instill confidence in the governed. Indeed the people recently voted overwhelmingly to amend California's Constitution to make access to public records a fundamental right. That is why I issued Executive Order S-03-06 which directs all state departments to post PRA request guidelines in a conspicuous public place at all office locations and to identify and designate staff to handle the requests and ensure appropriate training in PRA compliance for designated staff members. As a result of the order, all executive branch agencies have reviewed their public records procedures.

They have been revamped to improve performance and compliance and extensive training has been provided to state agency staff. These efforts address the problem this bill is attempting to fix. In addition the provision allowing the Attorney General to review denials of public records requests is unduly burdensome. The Attorney General is the attorney for most State agencies and advises agencies on responding to such requests and thus this bill creates an inherent conflict of interest. I will continue to require the highest standards of compliance with the Public Records Act throughout the executive branch.

Sincerely,

Arnold Schwarzenegger

SB 757 (Kehoe) – Oil Conservation, Efficiency, and Alternative Fuels Act.

Summary: Would have directed state agencies to reduce petroleum use. The bill would have required the California Environmental Protection Agency (Cal EPA) to prepare an assessment of the state's transportation and alternative fuel policies and to take actions to increase the federal fuel economy standards, and would have required the Energy Commission to report trends in world oil demand growth and oil reserves and refer market power abuses to the Attorney General. The bill would have required the Secretary of Business, Transportation, and Housing (BTH) to develop recommendations on alternative revenue sources for the state's transportation infrastructure. The bill would have required the Air Resources Board (ARB) to adopt incentives for public fleet operators to procure alternative fuel vehicles and advanced transportation technologies.

Governor's Veto Message Follows

To the Members of the California State Senate:

I am returning Senate Bill 757 without my signature. The intent of this bill is laudable, however, it is duplicative of ongoing efforts, costly, and may impede the significant progress California is making to address alternative transportation fuels. I strongly agree with this goal and have taken many actions over the past year toward achieving this end, including issuing an Executive Order promoting biofuels, S-06-06 and signing Assembly Bills 1007 and 32.

AB 1007 requires the California Energy Commission and the Air Resources Board to assess the relative environmental and public health benefits of different alternative fuel types and to develop and adopt a detailed state plan to increase the use of alternative transportation fuels. That detailed report will be out early next year and will provide a roadmap for alternative fuels in California. From that roadmap an integrated and comprehensive set of actions can be taken. Any legislative actions taken by the state prior to the release of the AB 1007 would be premature.

Additionally, the process established in Assembly Bill 32 will guide the states implementation of alternative fuels that help reduce global greenhouse gas emissions. We must not second guess the process established in AB 32 with bills that address the same issues.

Now that AB 32 is enacted, we must let it work.

For these reasons, I am unable to sign this bill.

Sincerely,

Arnold Schwarzenegger

GENERAL ENERGY-RELATED BILLS

2006 Chaptered Legislation

Bill Number	Subject
AB 2021 (Levine) Chapter 734, Statutes of 2006	Public Utilities: Energy Efficiency
AB 2104 (Lieber) Chapter 738, Statutes of 2006	California Alternative Rates for Energy Program
AB 2515 (Ruskin) Chapter 573, Statutes of 2006	Water Conservation: Report
AB 2573 (Leno) Chapter 786, Statutes of 2006	Hetch Hetchy Water and Power Solar Generation
AB 2576 (De La Torre) Chapter 787, Statutes of 2006	Public Utilities Commission: California Alternative Rates for Energy Program
AB 2591 (Keene) Chapter 506, Statutes of 2006	State Agencies: Accounts: Reports
AB 2723 (Pavley) Chapter 864, Statutes of 2006	Solar Energy: Low-Income Residential Housing
AB 2843 (Saldaña) Chapter 798, Statutes of 2006	Air Pollution
AB 2972 (Nava) Chapter 298, Statutes of 2006	Oil and Gas Leases: State Waters
AB 3021 (Nuñez) Chapter 621, Statutes of 2006	California-Mexico Relations
SB 369 (Simitian) Chapter 300, Statutes of 2006	Solid Waste: Tire Recycling: Rubberized Asphalt Concrete
SB 1131 (Committee on Budget and Fiscal Review) Chapter 371, Statutes of 2006	Education Funding
SB 1169 (Cox) Chapter 248, Statutes of 2006	Municipal Utility Districts: Purchases
SB 1282 (Ducheny) Chapter 451, Statutes of 2006	Transportation: Federal Funds: Border Infrastructure Program
SB 1505 (Lowenthal) Chapter 877, Statutes of 2006	Fuel: Hydrogen Alternative Fuel
SB 1814 (Torikason) Chapter 882, Statutes of 2006	CEQA: Schools

2006 Chaptered Legislation

AB 2021 (Levine), Chapter 734, Statutes of 2006 – Public Utilities: Energy Efficiency

Summary: This requires: 1) local publicly owned electric utilities (POUs) to report on achievable cost-effective electricity measures and targets for statewide efficiency; 2) the POUs to report investments in energy efficiency and demand programs; 3) the Energy Commission to summarize the utilities' information and report on achievable cost-effective electricity and natural gas efficiency savings, and set targets for statewide efficiency savings in a public process, and 4) the Energy Commission, on or before January 1, 2008, to develop a plan for improving the energy efficiency of air conditioners.

Appropriation: None

Effective: January 1, 2007

Sections Affected: Public Resources Code – Adds §25310. Public Utilities Code - Amend §9615.

AB 2104 (Lieber), Chapter 738, Statutes of 2006 – California Alternative Rates for Energy Program

Summary: Requires the Public Utilities Commission (PUC), by December 31, 2007, to improve the California Alternative Rates for Energy (CARE) application process for tenants of a mobilehome park, apartment building, or similar residential complex receiving electric or gas service from a master-meter customer through a sub-metered system by developing processes whereby electrical corporations and gas corporations are able to directly accept CARE applications from those tenants and to directly notify and provide renewal applications to tenants that are existing CARE customers. Requires the PUC, by December 31, 2007, to improve the CARE program by developing processes whereby every electrical corporation and gas corporation is required to timely provide each master-meter customer with a list of tenants who are approved to receive discounts pursuant to the CARE program, which list specifically identifies those tenants added to or deleted from CARE program eligibility since the previous billing cycle.

Appropriation: None to the Energy Commission

Effective: January 1, 2007

Sections Affected: None Specified

AB 2515 (Ruskin), Chapter 573, Statutes of 2006 – Water Conservation: Report

Summary: Requires the Public Utilities Commission (PUC) to prepare and submit to the Legislature, by June 30, 2008, a report describing the progress achieved toward implementing the policy objectives of the PUC's Water Action Plan, adopted December 15, 2005, and to include specified matter.

Appropriation: None

Effective: January 1, 2007

Sections Affected: Public Utilities Code – Adds § 2714.5.

AB 2573 (Leno), Chapter 786, Statutes of 2006 – Hetch Hetchy Water and Power Solar Generation

Summary: Increases the limit of photovoltaic (PV) generation interconnected agreements between Pacific Gas and Electric (PG&E) and the City and County of San Francisco from a total of 5 MW to a total of 15 MW of peak generating capacity, exclusive of qualifying remote new load.

Appropriation: None.

Effective: January 1, 2007.

Sections Affected: Public Utilities Code - Amends § 2828.

AB 2576 (De La Torre) Chapter 787, Statutes of 2006 – Public Utilities Commission: California Alternative Rates for Energy Program

Summary: Requires the CPUC to ensure that an electrical corporation or gas corporation, with a commission-approved program to provide discounts based upon economic need, utilize a single application form, to enable an applicant to alternatively apply for any assistance program for which the applicant may be eligible.

Appropriation: None

Effective: January 1, 2007

AB 2591 (Keene) Chapter 506, Statutes of 2006 – State Agencies: Accounts: Reports

Summary: Requires specified state agencies, until July 1, 2010, to submit to the Department of Finance an annual report on the status of that agency's liquidated and delinquent accounts as of the end of the previous fiscal year and efforts made by the agency to collect those accounts.

Appropriation: None

Effective: January 1, 2007

Sections Affected: Government Code – Adds and repeals § 13292.5

AB 2723 (Pavley), Chapter 864, Statutes of 2006 – Solar Energy: Low-Income Residential Housing

Summary: Creates the Low-Income Housing Development and Nonprofit Building Program Fund (Fund) to provide incentives for distributed solar energy systems on low-income residential housing units and affordable housing projects until January 1, 2016. The bill requires 10 percent of revenues collected by electrical corporations, pursuant to the California Solar Initiative to be deposited in the Fund and be appropriated by the Legislature for the program. The Public Utilities Commission (CPUC) will adopt and implement the program after reviewing recommendations from an advisory committee made up of representatives from the California Tax Credit Allocation Committee, the California Housing Finance Agency and the Department of Housing and Community Development. Recipients of money from this program are required to report to the CPUC the cost of the energy saved as a result of the solar energy system funded by the allocation. This bill does not require the PUC to consult with the Energy Commission in creating the Advisory Committee or considering the Advisory Committee's recommendations.

Appropriation: None.

Effective: January 1, 2007.

Sections Affected: Public Utilities Code – Adds § 2852.

AB 2843 (Saldaña), Chapter 798, Statutes of 2006 – Air Pollution

Summary: Eliminates the sunset date on the statute that requires at least 50% of certain air pollution funds to be allocated to disproportionately affected communities.

Appropriation: None.

Effective: January 1, 2007.

Sections Affected: Health and Safety Code – Amends § 43023.5.

AB 2972 (Nava), Chapter 298, Statutes of 2006 – Oil and Gas Leases: State Waters

Summary: Requires, if an application for oil and gas development in state waters that is determined to be incomplete by the commission continues to remain incomplete one year after the date of the first incomplete notice sent to the applicant by the State Lands Commission, the application to be considered withdrawn.

Appropriation: None.

Effective: January 1, 2007.

Sections Affected: Public Resources Code – Adds § 6872.

AB 3021 (Nuñez), Chapter 621, Statutes of 2006 – California-Mexico Relations

Summary: Establishes the California-Mexico Border Relations Council to consist of specified state officials. The bill requires the council to coordinate activities of state agencies that are related to cross-border programs, initiatives, projects, and partnerships that exist within state government, and beginning January 1, 2008 to submit an annual report on its activities to the Legislature.

Appropriation: None.

Effective: January 1, 2007.

Sections Affected: Government Code – Adds Chapter 8.1 (commencing with § 8710) to Division 1 of Title 2

SB 369 (Simitian), Chapter 300, Statutes of 2006 – Solid Waste: Tire Recycling: Rubberized Asphalt Concrete

Summary: Revises the eligibility qualifications for those public works grants to instead require the project to use at least 1,250 tons of rubberized asphalt concrete. Requires the California Integrated Waste Management Board (CIWMB) to annually calculate the amount of a grant, based on the amount of rubberized asphalt concrete used on a project, and would increase the maximum amount of grant money that can be awarded to \$250,000. Recommences the grant program on January 1, 2007, and would make the program inoperative on June 30, 2010. Extends the repeal date to January 1, 2011. Revises and increases the types of activities eligible for funding to delete the use of used tires for artificial reefs and to include rubberized asphalt, as specified, and tire-derived aggregate applications, as specified. Extends the requirement for the inclusion of that description until June 30, 2010.

Appropriation: None.

Effective: January 1, 2007.

Sections Affected: Public Resources Code - Amends § 42872.5, 42873, and 42885.5.

SB 1131 (Committee on Budget and Fiscal Review), Chapter 371, Statutes of 2006 – Education Funding

Summary: This bill is one of a series of budget trailer bills that made various changes in the areas of natural resources and environmental protection. The bill requires that on and after January 1, 2007, the California Air Resources Board (ARB) maintain the inventory of California greenhouse gas (GHG) emissions currently under the California Energy Commission's jurisdiction.

Effective: September 20, 2006

Appropriation: None specified.

Sections Affected: Education Code - Amends § 41508, 41532, 41542, 41573, 52379, and 54026. Amends Item 6110-198-0001 of § 2.00 of Chapter 38 of the Statutes of 2005, and amends § 35 and 43 of Chapter 79 of the Statutes of 2006.

SB 1169 (Cox), Chapter 248, Statutes of 2006 – Municipal Utility Districts: Purchases

Summary: Deletes the January 1, 2007, repeal date, thereby making the alternative acquisition process provisions operative indefinitely for districts that purchase supplies and materials by contract let pursuant to a best value at the lowest cost of acquisition policy before January 1, 2006.

Appropriation: None

Effective: January 1, 2007

Sections Affected: Public Utilities Code – Amends § 12751.3.

SB 1282 (Ducheny), Chapter 451, Statutes of 2006 – Transportation: Federal Funds: Border Infrastructure Program

Summary: Requires federal funds apportioned to the state under the Safe, Accountable, Flexible, Efficient Transportation Equity Act (SAFETEA-LU) to be programmed, allocated, and expended in the same manner as other federal transportation capital funds in the state transportation improvement program, except that these federal funds are not subject to the distribution and fair share formulas, and may be used for projects located in Mexico. The bill authorizes any nonfederal funds needed to match these federal funds be programmed from any available local source or any available state transportation funding source, with the concurrence of the applicable regional transportation planning agency.

Appropriation: None

Effective: September 25, 2006

Sections Affected: Streets and Highways Code - Adds § 164.1.

SB 1505 (Lowenthal), Chapter 877, Statutes of 2006 – Fuel: Hydrogen Alternative Fuel

Summary: Requires the State Air Resources Board (ARB) to adopt regulations that will ensure that state funding for the production and use of hydrogen fuel, as described in the California Hydrogen Highway Blueprint Plan, contributes to the reduction of greenhouse gas, criteria air pollutant, and toxic air contaminant emissions, and requires these regulations to meet minimum requirements.

The bill also requires ARB to adopt regulations that are to apply in any year immediately following a 12-month period in which the mass of hydrogen fuel dispensed in California for transportation purposes exceeds 3,500 metric tons, to ensure that the production and direct use of hydrogen fuels for motor vehicles in the state, including, but not limited to, any hydrogen highway network that is developed pursuant to the California Hydrogen Highway Blueprint Plan, contributes to a reduced dependence on petroleum, as well as reductions in greenhouse gas emissions, criteria air pollutant emissions, and toxic air contaminant emissions, and requires these regulations to meet minimum requirements.

The bill authorizes ARB to increase the 3,500-metric-ton threshold, as specified. Requires the California Environmental Protection Agency's Environmental Justice Advisory Committee to meet to discuss the production and distribution of hydrogen fuel in the state, and requires the agency secretary, in consultation with the ARB, to recommend to the Legislature and the Governor, on or before January 1, 2010, incentives that could be offered to businesses within the hydrogen fuel industry and consumers to spur the development of clean sources of hydrogen fuel. The bill requires these regulations to require providers of hydrogen fuel for transportation in the state to report to the ARB the annual mass of hydrogen fuel dispensed and the method by which the dispensed hydrogen was produced and delivered.

Appropriation: None

Effective: January 1, 2007

Sections Affected: Health and Safety Code - Adds § 43868 and 43869.

SB 1814 (Torlakson), Chapter 882, Statutes of 2006 – CEQA: Schools

Summary: Includes, as a project for which a master environmental impact report may be prepared, a plan for district projects to be undertaken by a school district, that also complies with applicable school facilities requirements.

Appropriation: None.

Effective: January 1, 2007

Sections Affected: Public Resources Code - Amends § 21157.

GENERAL ENERGY-RELATED BILLS

2006 Vetoed Legislation

Bill Number	Subject
AB 1020 (Hancock)	Transportation Planning: Improved Travel Models
AB 1337 (Ruskin)	Environment: State Buildings: Green Building Standards
AB 2404 (Klehs)	State Government: Reports: Declarations
AB 2756 (Levine)	Energy: Efficiency Retrofits: State Energy Conservation Assistance Account for Public Schools
AB 2823 (Ruskin)	Air Pollution: District Compliance Programs
AB 2960 (Ridley-Thomas)	Energy: Electrical Corporation Procurement Plans
SB 204 (Bowen)	Public Utilities Commission: Energy Commission: Commission Memberships
SB 1286 (Ducheny)	Binational Air Pollution

2006 Vetoed Legislation

AB 1020 (Hancock) – Transportation Planning: Improved Travel Models

Summary: Would have required the California Transportation Commission, by December 31, 2007, to adopt guidelines related to the travel demand models used in the development of regional transportation plans by regional transportation planning agencies. Would have required a regional transportation planning agency for a region with a population of 800,000 or more to use those guidelines.

Governor's Veto Message Follows

To the Members of the California Legislature:

I am returning Assembly Bill 1020 without my signature.

While well intentioned, this bill would impose costly and unnecessary requirements upon the California Transportation Commission (CTC), the Department of Transportation (Department) and regional transportation planning agencies (RTPAs).

My administration is already moving forward with a comprehensive approach to integrating land use and transportation planning through the Strategic Growth Plan that I proposed earlier this year. The Department has already begun implementation of a key element of this plan, the Regional Transportation Blueprint Program. This grant program is funding development of the very types of travel demand modeling and land-use forecasting that this bill envisions.

I am extremely concerned that the requirements in AB 1020 would drain critical resources from the important work that is already underway, and would result in substantial duplication of effort among state as well as regional agencies. For these reasons, I am returning this bill without my signature.

Sincerely,

Arnold Schwarzenegger

AB1337 (Ruskin) – Environment: State Buildings: Green Building Standards

Summary: Would have enacted the Green Building Act of 2006 and have required the California Integrated Waste Management Board, by July 1, 2008, to develop and adopt regulations for green building standards for the construction or renovation of state buildings, as defined. Would have required, on and after July 1, 2008, that a state building for which the renovation or the development of capital plans commences on or after that date be built, designed, and operated in accordance with those regulations.

Governor's Veto Message Follows

To the Members of the California State Assembly:

I am returning Assembly Bill 1337 without my signature.

This bill requires the Integrated Waste Management Board to develop regulations for green building standards for the construction and renovation of state buildings. The bill also mandates that all state buildings be designed and operated in accordance with the regulations.

In California, building standards are developed by the California Building Standards Commission. They prescribe how State building standards are written and promulgated in a public and participatory manner. The California Integrated Waste Management Board expertise is in waste management and reduction and they have done excellent work in identifying new uses in building products for recycled material. However, the Board does not have the expertise in building standards, public safety, building design and construction, fire codes and public process to ensure the standards are developed in an appropriate manner.

Sincerely,

Arnold Schwarzenegger

AB 2404 (Klehs) – State Government: Reports: Declarations

Summary: Would have required the head of every state agency, board, or commission, elected official, official whose duties are prescribed in the California Constitution, and local official when submitting reports to the State Controller to include a signed statement declaring that the contents of the report are true, accurate, and complete to the best of his or her knowledge. This bill also stated that any person who declares true any material matter they know to be false shall be liable, as specified.

Governor's Veto Message Follows

To the members of the California State Assembly:

I am returning Assembly Bill 2404 without my signature.

Although I agree that the Legislature should base their decisions on sound information that is true, accurate and complete, I believe that this bill is the wrong approach. By requiring that only mandatory reports submitted to the Legislature and State Controller contain signed statements attesting to their accuracy, this bill would create an inconsistent system in which some of the information considered in the legislative process is subject to declarations of truth, while the majority of the written material used in the legislative process is accepted as truth without such verification.

The Legislature already has the authority to question the accuracy of a report by requiring those responsible for submitting the report to attest to the accuracy of the report under oath. Given this legislative oversight and the fact that state law already makes it a misdemeanor for a state or local official to submit a written report containing false information to the State Controller, this measure is unnecessary.

Sincerely,

Arnold Schwarzenegger

AB 2756 (Levine) – Energy: Efficiency Retrofits: State Energy Conservation Assistance Account for Public Schools

Summary: Would have established the State Energy Conservation Assistance Account (ECAA) for Public Schools in the General Fund into which \$22,235,000 from the Attorney General’s Litigation Deposits Fund would be transferred. The account would have been used to provide grant funding for energy efficiency projects at low-income public K-12 schools, via a public university or a community college.

Would have required the Controller to transfer funds from the Ratepayer Relief Fund to an account in the Special Deposit Fund, to provide grants to eligible institutions, defined as a kindergarten and grades 1-12, inclusive, public school ranked academically as specified, for energy conservation projects at eligible institutions. The bill would have authorized moneys in the account, upon appropriation by the Legislature, to be used by a public university or community college for the purposes of the bill.

The bill would have required the Department of Water Resources to report to the Legislature on or before July 1, 2007, and each July 1 thereafter, on all sums collected and expended for costs associated with siting and installation of certain generating units obtained through an energy settlement agreement with The Williams Companies, Inc. and Williams Energy Marketing & Trading Company

Governor’s Veto Message Follows

To the Members of the California State Assembly:

I am returning Assembly Bill 2756 without my signature.

This bill would transfer \$22,235,000 from the Ratepayer Relief Fund established through a court settlement with Williams Companies to a special fund to be used for energy efficiency programs, research and curriculum in schools. While the intent of this bill may be meritorious, establishing a new undefined program in the school system to provide grants is not prudent. The funding should be transferred to one of the numerous energy efficiency programs already in existence so it can be productively invested as soon as possible to maximize benefits to ratepayers.

Sincerely,

Arnold Schwarzenegger

AB 2823 (Ruskin) – Air Pollution: District Compliance Programs

Summary: Would have required any district that has a population of 1,000,000 or more, for any notice of violation of specified nuisance laws or regulations, to post a copy of the notice of violation on the district's Internet Web site, to provide a copy of the notice of violation to the State Air Resources Board, the city and county where the violation occurred, and other appropriate governmental entities, to notify the superintendent of an affected school district, to place a notice of the violation in a newspaper for one time, and to post a laminated copy of the notice of the violation on each side of the violating facility, as specified, no more than 2 days after ensuring that the information on the notice is accurate, thereby imposing a state-mandated local program. The bill would have required any person who violated specified nuisance laws or regulations to pay these costs

Governor's Veto Message Follows

To the Members of the California State Assembly:

I am returning Assembly Bill 2823 without my signature.

I have strongly supported efforts to make enforcement information transparent and to improve enforcement accountability. Through the Enforcement Initiative, the California Environmental Protection Agency is collecting and posting enforcement data for all environmental violations across government, not just air quality. The requirements in the bill on local air districts can be accomplished administratively and should be pursued locally by communities that desire this information.

Sincerely,

Arnold Schwarzenegger

AB 2960 (Ridley-Thomas) – Energy: Electrical Corporation Procurement Plans

Summary: Would have, among other things, required investor-owned utilities (IOU) to evaluate the dependency on natural gas of its portfolio of resources used to meet electrical demand and required that their risk management policy, strategy, and practices account for natural gas price volatility and supply risks.

Governor’s Veto Message Follows

To the Members of the California State Assembly:

I am returning Assembly Bill 2960 without my signature.

This bill is unnecessary and duplicative of existing statute and regulations. The California Public Utilities Commission has already adopted aggressive risk management policies to address volatility of natural gas prices to ensure just and reasonable rates. Additionally, this bill requires each utility to include natural gas price and supply forecast which is already developed biannually as part of the California Energy Resources Conservation and Development Commission’s Integrated Energy Policy Report.

The bill contains language that attempts to promote renewable energy use. However, I have signed Senate Bill 107 which accelerates the renewable energy portfolio compliance date for utilities from 2017 to 2010. That bill will more effectively address the goal to increase renewable energy consumed by Californians.

Sincerely,

Arnold Schwarzenegger

SB 204 (Bowen) – Public Utilities Commission: Energy Commission: Commission Memberships
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Summary: Would have prohibited anyone from being a member of the Energy Commission who, during the two years prior to appointment, received any substantial portion of his or her income from any person or corporation subject to regulation by the Energy Commission. Would have also prohibited an Energy Commission commissioner, for two years after ceasing to be a commissioner, from being employed by any person or corporation subject to regulation by the Energy Commission. This bill would have also provided that if a member of the Public Utilities Commission had acquired or maintained a financial interest in a person or corporation and knows or should know the person or corporation is subject to regulation by the Public Utilities Commission, his or her office would immediately become vacant. Finally, this bill would have required the Public Utilities Commission, by June 1, 2007, to adopt an updated Conflict of Interest Code and Statement of Incompatible Activities.

Governor's Veto Message Follows

To the Members of the California State Senate:

I am returning Senate Bill 204 without my signature.

The Commissioners on the California Energy Commission and the California Public Utilities Commission are subject to strict conflict of interest laws. Both commissions have restrictions on pre and post employment and this law could result in less clarity on the requirements, discouraging qualified, knowledgeable and experienced applicants from seeking these public service positions.

This measure would add duplication and ambiguity to existing law and not result in greater protections.

Sincerely,

Arnold Schwarzenegger

SB 1286 (Ducheny) – Binational Air Pollution

Summary: Would have, upon the execution of a memorandum of understanding between any state agency, the County of Imperial, the State of Baja California, and the City of Mexicali that established a binational council to address air quality issues in the binational air basin that encompasses Imperial County and the City of Mexicali, Baja California, specified part of the membership of the California delegation to the binational council. The bill would have required the meetings of the California delegation to be subject to the Ralph M. Brown Act. Would have require the binational council to perform specified functions, including, but not limited to, identifying and recommending to the state and local governments of both California and Baja California strategies and actions that could be taken to improve air quality within the air basin.

Governor's Veto Message Follows

To the Members of the California Senate:

I am returning Senate Bill 1286 without my signature.

I commend the author for attempting to establish a state governance structure to address cross border air quality issues on the California Mexican border. However, the functions of the bills proposed council would be duplicative of ongoing efforts by the U.S. Mexico Air Policy Forum and the Imperial Valley-Mexicali and San Diego-Tijuana air quality task forces established under the Border 2012 Program. The proposed council could dilute the efforts of the current workgroups. It may even prove difficult to rally support for another border air quality coordinating group. Additionally, this bill would have significant general fund costs in order to fulfill its requirements.

Sincerely,

Arnold Schwarzenegger