

SB 684 Summary from Cal Matters Digital Democracy

The California Global Warming Solutions Act of 2006, until January 1, 2031, authorizes the State Air Resources Board to adopt a regulation establishing a system of market-based declining aggregate emissions limits for sources or categories of sources that emit greenhouse gases (market-based compliance mechanism) that meets certain requirements. Existing law establishes the Greenhouse Gas Reduction Fund and requires all moneys, except for fines and penalties, collected by the state board from the auction or sales of allowances as a part of a market-based compliance mechanism to be deposited into the fund and requires the Legislature to appropriate moneys in the fund for the purpose of reducing greenhouse gas emissions in the state, as provided.

Existing law, the California Climate Crisis Act, declares that it is the policy of the state both to achieve net-zero greenhouse gas emissions as soon as possible, but no later than 2045, and achieve and maintain net-negative greenhouse gas emissions thereafter, and to ensure that by 2045, statewide anthropogenic greenhouse gas emissions are reduced to at least 85% below the 1990 levels.

This bill would enact the Polluters Pay Climate Superfund Act of 2025 and would establish the Polluters Pay Climate Superfund Program to be administered by the California Environmental Protection Agency to require fossil fuel polluters to pay their fair share of the damage caused by greenhouse gases released into the atmosphere during the covered period, which the bill would define as the time period between the 1990 and 2024 calendar years, inclusive, resulting from the extraction, production, refining, sale, or combustion of fossil fuels or petroleum products, to relieve a portion of the burden to address cost borne by current and future California taxpayers. The bill would require the agency, within 90 days of the effective date of the act, to determine and publish a list of responsible parties, which the bill would define as an entity with a majority ownership interest in a business engaged in extracting or refining fossil fuels that, during the covered period, did business in the state or otherwise had sufficient contact with the state, and is determined by the agency to be responsible for more than 1,000,000,000 metric tons of covered fossil fuel emissions, as defined, in aggregate globally, during the covered period.

This bill would require the agency, within one year of the effective date of the act, to conduct and complete a climate cost study to, among other things, quantify the total damage amount, which the bill would define as all past and future climate harms and damages to the state from January 1, 1990, through December 31, 2045, inclusive. The bill would require the agency to update the climate cost study, not less frequently than every 5 years, through January 1, 2045, as provided. The bill would require the agency, within 60 days of the completion of the climate cost study, to determine and assess, as provided, a cost recovery demand for each responsible party listed, which represents the responsible party's proportionate share of the total damage amount. The bill would require responsible parties to pay their cost recovery demand, as provided. The bill would require the collected cost recovery demands to be deposited in the Polluters Pay Climate ~~Superfund~~ ~~Fund~~, Superfund, which the bill would create in the State Treasury. The bill would, upon appropriation by the Legislature, require moneys in the ~~fund~~ Polluters Pay Climate Superfund be expended for, among other things, qualifying expenditures, which the bill would define to include expenditures for projects and programs to mitigate, adapt, or respond to the damages and costs caused to the state from climate change. The bill would

require the agency to determine the initial implementation costs for the act, as provided, and would require the agency to assess an amount allocated equitably among responsible parties to cover those costs.

This bill would require the Director of Finance, within 45 days of the effective date of the act, to perform an initial assessment of the reasonable and appropriate initial implementation costs that will be incurred by the agency.

This bill would declare that it is to take effect immediately as an urgency statute.

AB 1243 Summary from Cal Matters Digital

The California Global Warming Solutions Act of 2006, until January 1, 2031, authorizes the State Air Resources Board to adopt a regulation establishing a system of market-based declining aggregate emissions limits for sources or categories of sources that emit greenhouse gases (market-based compliance mechanism) that meets certain requirements. Existing law establishes the Greenhouse Gas Reduction Fund and requires all moneys, except for fines and penalties, collected by the state board from the auction or sales of allowances as a part of a market-based compliance mechanism to be deposited into the fund and requires the Legislature to appropriate moneys in the fund for the purpose of reducing greenhouse gas emissions in the state, as provided.

Existing law, the California Climate Crisis Act, declares that it is the policy of the state both to achieve net-zero greenhouse gas emissions as soon as possible, but no later than 2045, and achieve and maintain net-negative greenhouse gas emissions thereafter, and to ensure that by 2045, statewide anthropogenic greenhouse gas emissions are reduced to at least 85% below the 1990 levels.

This bill would enact the Polluters Pay Climate Superfund Act of 2025 and would establish the Polluters Pay Climate Superfund Program to be administered by the California Environmental Protection Agency to require fossil fuel polluters to pay their fair share of the damage caused by greenhouse gases released into the atmosphere during the covered period, which the bill would define as the time period between the 1990 and 2024 calendar years, inclusive, resulting from the extraction, production, refining, sale, or combustion of fossil fuels or petroleum products, to relieve a portion of the burden to address cost borne by current and future California taxpayers. The bill would require the agency, within 90 days of the effective date of the act, to determine and publish a list of responsible parties, which the bill would define as an entity with a majority ownership interest in a business engaged in extracting or refining fossil fuels that, during the covered period, did business in the state or otherwise had sufficient contact with the state, and is determined by the agency to be responsible for more than 1,000,000,000 metric tons of covered fossil fuel emissions, as defined, in aggregate globally, during the covered period.

This bill would require the agency, within one year of the effective date of the act, to conduct and complete a climate cost study to, among other things, quantify the total damage amount, which the bill would define as all past and future climate harms and damages to the state from January 1, 1990, through December 31, 2045, inclusive. The bill would require the agency to update the climate cost study, not less frequently than every 5 years, through January 1, 2045, as provided. The bill would require the agency, within 60 days of the completion of the climate cost study, to determine and assess, as provided, a

cost recovery demand for each responsible party listed, which represents the responsible party's proportionate share of the total damage amount. The bill would require responsible parties to pay their cost recovery demand, as provided. The bill would require the collected cost recovery demands to be deposited in the Polluters Pay Climate Superfund, which the bill would create in the State Treasury. The bill would, upon appropriation by the Legislature, require moneys in the ~~Polluters Pay Climate Superfund~~ fund be expended for, among other things, qualifying expenditures, which the bill would define to include expenditures for projects and programs to mitigate, adapt, or respond to the damages and costs caused to the state from climate change. The bill would require all interest earned on moneys that have been deposited into the fund to be retained in the fund for use in implementing the program. The bill would require the agency to determine the initial implementation costs for the act, as provided, and would require the agency to assess an amount allocated equitably among responsible parties to cover those costs. This bill would require the Director of Finance, within 45 days of the effective date of the act, to perform an initial assessment of the reasonable and appropriate initial implementation costs that will be incurred by the agency. This bill would declare that it is to take effect immediately as an urgency statute.