

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: July 15, 2010
POSITION: Neutral, note concerns
SPONSOR: The Nature Conservancy, Audubon California, Defenders of Wildlife

BILL NUMBER: AB 2329
AUTHOR: I. Ruskin

BILL SUMMARY: Greenhouse Gas Emissions; Climate Action Team

This bill would codify the Climate Action Team (CAT) in statute with specified members and specified duties. The CAT would be responsible for coordinating the state's climate change policy under the direction of the Secretary for Environmental Protection (Secretary). The bill would also require the Natural Resources Agency, by June 1, 2012, to develop a California Climate Vulnerability and Adaptation Plan and revise it on a triennial basis.

FISCAL SUMMARY

The Air Board states that any cost from this bill would be minor and absorbable. The Office of the Secretary states that the bill would essentially codify existing practice, and for that reason, any costs to the Office of the Secretary also should be minor and absorbable within existing resources. The Department of Fish and Game indicates that it would incur a cost of \$85,000 annually, most likely a General Fund cost. Other entities that would assist in the development of the Adaptation Plan would also likely have costs. However, given that the Natural Resources Agency has already generated much baseline adaptation data in preparing the 2009 California Climate Adaptation Strategy, it is likely that these costs would be modest.

COMMENTS

The Department of Finance is neutral on this bill but notes a concern that the bill could result in a General Fund cost for the Department of Fish and Game. We note that any request for additional resources would be considered during development of the annual Governor's Budget.

This bill would largely codify existing practice of the Climate Action Team established by Executive Order S-3-05. Additionally, it would expand upon the 2009 California Climate Adaptation Strategy developed by the Natural Resources Agency. Specifically, it would require development of California Climate Vulnerability and Adaptation Plan, to be updated on a triennial basis. While this would create ongoing workload for the Natural Resources Agency, the cost should be absorbable or minor, considering that knowledge of the subject matter has already been acquired. On balance, given the potential impacts on California of climate change, including sea level rise and impacts to water supply, performing advance adaptation planning makes sense.

Analyst/Principal Date Program Budget Manager Date
(0623) K. DaRosa Karen Finn

Department Deputy Director Date

Governor's Office: By: Date: Position Approved
Position Disapproved

BILL ANALYSIS Form DF-43 (Rev 03/95 Buff)

BILL ANALYSIS/ENROLLED BILL REPORT--(CONTINUED)

AUTHOR

AMENDMENT DATE

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July 15, 2010

AB 2329

| Code/Department Agency or Revenue Type | SO | (Fiscal Impact by Fiscal Year) | | | | | | | Fund Code |
|--|----|--------------------------------|----|-----------|------------------------|-----------|----|-----------|--------------|
| | LA | (Dollars in Thousands) | | | | | | | |
| | CO | PROP | | | | | | | |
| | RV | 98 | FC | 2010-2011 | FC | 2011-2012 | FC | 2012-2013 | |
| 0540/Secy Nat Res | SO | No | | ----- | No/Minor Fiscal Impact | ----- | | | 0140 |
| 0555/Environ Prot | SO | No | | ----- | No/Minor Fiscal Impact | ----- | | | 0115 |
| 3360/Energy Comm | SO | No | | ----- | See Fiscal Analysis | ----- | | | 0381 |
| 3600/Dept FishGam | SO | No | C | \$42 | C | \$85 | B | \$85 | 0001 |
| 3900/Air Res Bd | SO | No | | ----- | No/Minor Fiscal Impact | ----- | | | 0115 |

| <u>Fund Code</u> | <u>Title</u> |
|------------------|--|
| 0001 | General Fund |
| 0115 | Air Pollution Control Fund |
| 0140 | Environmental License Plate Fund, Calif |
| 0381 | Public Int Res, Dev & Demonstratn Progrm |