

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: April 2, 2009
POSITION: Neutral, note concerns

BILL NUMBER: SB 128
AUTHOR: A. Padilla
RELATED BILLS: SB 1762 (2008 Session)

BILL SUMMARY: State Climate Change Institute

This bill would create the California Climate Change Institute (Institute) to identify and support greenhouse gas (GHG) emission reduction research and education at the state's academic and research institutions and laboratories. Implementation of the bill would be subject to appropriation by the Legislature.

FISCAL SUMMARY

The bill's implementation would be subject to sufficient funding being appropriated by the Legislature. Therefore, at this time, the bill would have no fiscal impact, as there currently is no appropriation in either the 2008-09 or 2009-10 budget acts for this activity. However, we note that no funding source has been proposed to fund the goals and activities identified by the bill.

COMMENTS

The Institute would coordinate the research and development program to achieve the state's GHG reduction targets and mitigation goals. The Institute also would develop model education training, curriculum, and professional development assistance for emerging green technologies and industries.

This bill, which would statutorily authorize a Climate Change Institute, is similar to some of the provisions of SB 1762 (Perata) of the 2008 Legislative Session. However, that bill, vetoed by the Governor as premature and limiting, would have established the California Climate Change Institute within the University of California. SB 1762 would have funded the Institute by a redirection of Public Interest Energy Research funds and a new surcharge on electric service provided by investor- and publicly-owned utilities.

The Department of Finance is neutral on the bill in its current form, but notes the following concerns:

- The bill currently does not indicate whether the Institute would be housed within or outside of state government, nor would it establish a governance structure.
The bill does not specify a funding mechanism or source for the activities that it would authorize.
The bill could delay existing and ongoing efforts in the areas of GHG research and green technologies, to the extent that that such efforts might be subject to oversight from an Institute which might take up to a year to establish.

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

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

BILL NUMBER

A. Padilla

April 2, 2009

SB 128

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							Fund Code
	LA	(Dollars in Thousands)							
	CO	PROP							
	RV	98	FC	2008-2009	FC	2009-2010	FC	2010-2011	
3900/Air Res Bd	SO	No		-----	See Fiscal Summary	-----			0115
<u>Fund Code</u>	<u>Title</u>								
0115	Air Pollution Control Fund								