



Air Resources Board



Matthew Rodriguez
*Secretary for
Environmental Protection*

Mary D. Nichols, Chairman
1001 I Street • P.O. Box 2815
Sacramento, California 95812 • www.arb.ca.gov

Edmund G. Brown Jr.
Governor

June 24, 2015

The Honorable Mark Leno
Joint Legislative Budget Committee
1020 N Street, Room 553
Sacramento, California 95814
Attention: Ms. Peggy Collins

Dear Senator Leno:

Since the passage of Assembly Bill 32 (AB 32) in 2006, the Air Resources Board (ARB) has worked diligently to develop California's climate change programs and to ensure their smooth implementation. We have made excellent progress towards achieving our goal of reducing carbon emissions to 1990 levels by 2020. With the recent official linkage of California's Cap-and-Trade program to the similar program in the Canadian province of Québec, we are well on our way as a State to reducing the greenhouse gas emissions that threaten our environment, public health, and our economy.

It is our pleasure to provide a copy of the enclosed report, which provides a detailed update on the progress being made to achieve the goals of AB 32. ARB has undertaken ground-breaking climate change initiatives, notably Cap-and-Trade, the Low Carbon Fuel Standard, and the Advanced Clean Cars Program, and is working in close partnership with our regional partners to implement SB 375. Furthermore, as AB 32 directed, we continue to work with our partners in other states, at the federal level, and in other countries to develop beyond-border solutions to climate change.

This report was prepared pursuant to the requirements of the Supplemental Report of the 2012 Budget Act, item 3900-001-0001, which requires ARB to provide AB 32 program updates semi-annually and AB 32 fiscal information annually to the Joint Legislative Budget Committee. The report also meets the requirements of Senate Bill 1018 (Budget and Fiscal Review, Chapter 39, Statutes of 2012), to provide semi-annual updates to the Joint Legislative Budget Committee about Western Climate Initiative, Incorporated.

*The energy challenge facing California is real. Every Californian needs to take immediate action to reduce energy consumption.
For a list of simple ways you can reduce demand and cut your energy costs, see our website: <http://www.arb.ca.gov>.*

California Environmental Protection Agency

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We look forward to continuing our work together to ensure that our efforts to implement AB 32 are successful. If you have any further questions or concerns please contact us, or Ms. Jennifer Gress, Ph.D., Legislative Director, Office of Legislative Affairs, at (916) 322-8520 or jgress@arb.ca.gov.

Sincerely,



Matthew Rodriguez
Secretary for Environmental Protection



Mary D. Nichols
Chairman
Air Resources Board

Enclosures

cc: See next page.

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cc: Mr. Daniel Alvarez
Secretary of the Senate
State Capitol, Room 3044
Sacramento, CA 95814

The Honorable Lois Wolk
Senate Budget and Fiscal Review
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State Capitol, Room 5019
Sacramento, California 95814

The Honorable Richard Bloom
Assembly Budget
Subcommittee No.3, Chair
State Capitol, Room 2003
Sacramento, California 95814

The Honorable Shirley Weber
Assembly Budget Committee, Chair
State Capitol, Room 6026
Sacramento, California 95814

The Honorable Jim Nielsen
Senate Budget and Fiscal Review Committee
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The Honorable Melissa Melendez
Assembly Budget Committee
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State Capitol, Room 6026
Sacramento, California 95814

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cc: (continued)

Mr. Mark McKenzie
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State Capitol, Room 2206
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Mr. Seren Taylor
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Mr. Craig Cornett
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Senate President pro Tempore's Office
State Capitol, Room 205
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Mr. Christian Griffith
Chief Consultant
Assembly Budget Committee
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Mr. Pedro Reyes
Assembly Appropriations Committee
State Capitol, Room 2114
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Mr. Eric Swanson
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cc: (continued)

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cc: (continued)

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Attention: Amy Leach

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Attention: Mr. Jim Lasky

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cc: (continued)

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Mr. Greg Lucas
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Ms. Jennifer Gress, Ph.D.
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Office of Legislative Affairs

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bcc: Ms. Camille Wagner
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