

CLIMATE CHANGE

Position

As the nation's largest "Cool County," the County supports climate change legislation to achieve an 80 percent reduction in greenhouse gas emissions by the year 2050.

The County supports legislation that directly funds local government efforts to combat climate change.

Background

On October 23, 2007, the Board of Supervisors approved a resolution to designate Los Angeles County as a "Cool County", a National Association of Counties initiative under which counties pledge support for (1) an 80 percent reduction in greenhouse gas emissions by 2050, and (2) Federal legislation that would enact a multi-sector national program for reducing greenhouse gas emissions to 80 percent below current levels by 2050.

President Obama, Representative Henry Waxman, the Chair of the House Energy and Commerce Committee, and Senator Barbara Boxer, the Chair of the Senate Environment and Public Works Committee are committed to passing Federal climate change legislation in this session of Congress. They are each committed to a "cap and trade" approach that relies upon market-based mechanisms to effectively establish a price for carbon. Under this approach, each major emitter of greenhouse gas emissions would be allocated a certain number of "allowances" that give them the right to emit an amount that declines over time. The value of the allowances would be established in the marketplace, and will depend upon many factors, including the percentage of the total amount of allowances that are awarded free and/or sold through government auction.

In his Fiscal Year (FY) 2010 budget proposal, President Obama assumed that all of the allowances would be auctioned, which would raise as much as \$646 billion in revenue for the government between FYs 2012 and 2020.

If Congress embraces "cap and trade" and the creation of allowances, it is essential that the critical role of local governments, such as the County, be recognized. Local governments are at the forefront of climate change initiatives, and County efforts should be supported through allowances and other market-based mechanisms that have economic value.

Examples of the County's efforts to reduce greenhouse gas emissions and improved energy efficiency are as follows:

- The County has adopted a green building ordinance requiring enhanced efficiency of private development; all new County buildings (greater than 10,000 sq. ft.) will be certified under the U.S. Green Building Council's Leadership in Energy and Environmental Design standard.
- The County's latest General Plan will adopt and implement land use policies geared towards reducing vehicle miles traveled.
- The County has plans to implement a program to provide incentives and municipal financing for community-wide energy efficiency and renewable projects.
- The County has been improving energy efficiency in our own buildings for over a decade; and the County has adopted one of the most progressive "green procurement" policies in the country.
- The County has introduced a Countywide, internet-based "solar mapping program" to assist consumers in recognizing the potential value of installing solar panels.

Under Senator Boxer's manager's amendments offered last year to the Lieberman-Warner Climate Security Act, local governments would have been directly funded from the sale of allowances. The direct allocation of allowances to local governments would provide the County with the financial resources required to expand its climate protection programs consistent with the goal of reducing greenhouse gas emissions by 80 percent by 2050. Chairman Waxman's recently released discussion draft did not address the allocation of allowances.

Status

Chairman Waxman released a discussion draft on March 31, 2009. The House Energy & Commerce Committee began hearings on the bill on April 22, 2009, and mark-up of the legislation is expected in May 2009. The Chairman has indicated that his goal is to pass a bill out of Energy & Commerce by Memorial Day. On April 2, 2009, Speaker Pelosi announced that a bill would not move to the House floor until a consensus approach had been worked out.

Senator Barbara Boxer publicly stated earlier this year that Congress will draft greenhouse gas cap-and-trade legislation before the international climate change negotiation in Copenhagen in December. No date has been set for action in the Senate.