

BILL NUMBER: AB 1405  
VETOED DATE: 09/30/2010

To the Members of the California State Assembly:

I am returning Assembly Bill 1405 without my signature.

This bill creates the California Climate Change Community Benefits fund by requiring a minimum of 10% of revenues from the sale of compliance instruments for market-based compliance mechanisms under AB 32 to be deposited into the fund.

When the Legislature passed and I signed AB 32, we made a commitment to California's disadvantaged communities that we would ensure that the impacts of climate change and the impacts of reducing climate change would not fall disproportionately on their communities. Throughout the California Air Resources Board's (ARB) process, they have kept this commitment in mind and have fashioned every aspect of this program in a manner that attempts to lessen any disproportionate impact on these communities.

I am confident ARB will keep on this path as they continue the important work of fashioning market-based mechanisms that will reduce the burden on California's business community while still achieving our climate change reduction goals.

To that end, this bill is premature. Unfortunately, the bill proposes to spend money that does not currently exist and might not ever exist in a fund controlled by the state of California.

Important work continues at ARB to determine the most effective and least costly manner to implement AB 32. I encourage the supporters of this bill to work in earnest with ARB as they build this program. There will be a time to have this discussion. Unfortunately, now is not that time.

For these reasons, I am unable to sign this bill.

Sincerely,

Arnold Schwarzenegger