

Battle against California's landmark global warming law heats up

Foes get 800,000 signatures to try to suspend reform measure

Paul Rogers, Bay Area News Group, 5-4-10

SAN JOSE — Setting up what is expected to be a multimillion-dollar political battle between oil companies and Silicon Valley tech leaders, opponents of California's landmark global warming law turned in about 800,000 signatures Monday for a November ballot measure to suspend the law.

Opponents of the law, known as Assembly Bill 32, say it will cost California jobs during a bad economy by increasing the price for fuels such as gasoline, and electricity bills. Supporters say the law — the latest example of California leading the rest of the nation on environmental reform — already is helping the state's green tech and renewable energy industries by driving demand for cleaner energy.

AB32 was signed by Gov. Arnold Schwarzenegger in 2006. It requires that by 2020, California's emissions of carbon dioxide and other greenhouse gases be reduced to 1990 levels, a drop of about 25 percent. Its main provisions take effect Jan. 1, 2012.

Carbon dioxide is formed by burning fossil fuels.

If approved by voters Nov. 2, the ballot measure would suspend AB32 until California has four consecutive quarters where the unemployment rate is 5.5 percent or less. In the last two decades, the state has seen those conditions only three times: in 1999, 2000 and 2006.

Supporters of the ballot measure need 433,931 valid voter signatures to qualify the initiative.

"AB32 is going to significantly exacerbate our energy bills," said James Duran, chairman of the Hispanic Chamber of Commerce of Silicon Valley. He said he is concerned that higher gasoline and PG&E bills would most harm Latino residents, who tend to have lower incomes than the state as a whole.

Supporters of the campaign include the California Republican Party, Howard Jarvis Taxpayers Association and the California Manufacturers & Technology Association. Major funding so far has come from oil companies, Valero and Tesoro, both with operations in California and headquarters in San Antonio, and Occidental Petroleum, in Los Angeles.

Technology leaders said Monday they expect large Silicon Valley firms to help defeat the measure.

"We and our membership will vigorously oppose efforts by out-of-state Texas oil companies to weaken our economy and gut our environmental laws for their own profit," said Carl Guardino, CEO of the Silicon Valley Leadership Group, which represents major tech companies.

Among the opponents of the measure so far are Google, Applied Materials, Solaria, Serious Materials, the Sierra Club and the League of Women Voters.

Guardino said the global warming law is driving demand for clean technology and renewable energy, which helps Silicon Valley.

"The data is clear," he said. "From 1995 to 2008, California jobs grew by 13 percent while clean and green jobs in California grew by 36 percent."

Duran said that not everyone benefits from those jobs.

"There will be a few," he said. "But there are only so many jobs installing solar panels."

Duran said he agrees "with the goals of AB32 in concept" but with the state's unemployment rate at 12.6 percent, now is the wrong time to increase regulations.

Guardino countered that when Silicon Valley tech workers are doing well, the money trickles across the whole economy.

Other business leaders said the ballot measure is reasonable.

"We believe that the California Jobs Initiative is a common-sense approach to AB32 implementation," said John Kabateck, executive director of the California Federation of Independent Business. "It will not repeal the law, nor will it interfere with the environmental protections already afforded by other air and water quality laws, which are already the strictest in the nation."

Political leaders joined the debate Monday.

George Shultz, secretary of state in the Reagan administration, announced he has agreed to be co-chairman of Californians for Clean Energy and Jobs, the campaign seeking to keep AB32 in place.

"This misguided proposition will seriously harm our effort to encourage the growing entrepreneurial ventures that hold the promise of important change toward cleaner energy," he said.

"I see our dependence on foreign oil as one of the greatest threats to national security."

Sen. Dianne Feinstein, D-Calif., agreed.

"I strongly support keeping Assembly Bill 32 in place. I do not support any proposition to suspend it," Feinstein said Monday. "California has become a pacesetter with respect to global warming and it is critical -because the state is so big — that we continue in that role."

Schwarzenegger was more blunt.

"The effort to suspend AB32 is the work of greedy oil companies who want to keep polluting in our state and making profits," Schwarzenegger said.

But Anita Mangels, a spokeswoman for the campaign seeking to overturn the law, disagreed.

"The companies he is slandering are companies that, regardless of where they are headquartered, employ thousands of Californians and pay millions of dollars in taxes," she said. "They are fighting to protect those jobs."