

**The Florida Senate**  
**PROFESSIONAL STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT**

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: Environmental Preservation and Conservation Committee

BILL: SB 2446

INTRODUCER: Senator Saunders

SUBJECT: Climate Change

DATE: March 23, 2007

REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Branning	Kiger	EP	<b>Favorable</b>
2.			CU	
3.			GA	
4.				
5.				
6.				

**I. Summary:**

This bill creates the Florida Climate Action Partnership for the purpose of making policy recommendations concerning global warming. Provides for membership of the partnership. Requires the partnership to hold public hearings. Requires the partnership to develop a comprehensive Florida Climate Mitigation Action Plan. Provides for staffing of the partnership by the Executive Office of the Governor. Requires the partnership to provide a list of policy recommendations to the Governor and the Legislature and to submit a final report which includes the Florida Mitigation Action Plan. Provides for expiration of the partnership. Provides an appropriation.

**II. Present Situation:**

In February 2002, the U.S. government announced a comprehensive strategy to reduce the greenhouse gas intensity of the American economy by 18 percent over the 10-year period from 2002 to 2012. Greenhouse gas intensity measures the ratio of greenhouse gas emissions to economic output. Meeting this commitment will prevent the release of more than 100 million metric tons of carbon-equivalent emissions to the atmosphere annually by 2012 and more than 500 million metric tons cumulatively between 2002 and 2012.<sup>1</sup>

In October 2005, the National Oceanic and Atmospheric Administration (NOAA) created the Climate Program Office which incorporates the Office of Global Programs, the Arctic Research Office, the Climate Observations and Services Program, and coordinates climate activities across NOAA. According to NOAA, U.S. and global annual temperatures are now approximately 1.0

<sup>1</sup> <http://epa.gov/climatechange/policy/index.html>

degree Fahrenheit warmer than at the start of the 20<sup>th</sup> century, and the rate of warming has accelerated over the past 30 years. The past 9 years have been among the 25 warmest years on record for the contiguous U.S.

Recognizing the problem of potential global climate change, the World Meteorological Organization (WMO) and the United Nations Environment Program (UNEP) established the Intergovernmental Panel on Climate Change (IPCC) in 1988. It is open to all members of the UN and WMO. The role of the IPCC is to assess on a comprehensive, objective, open and transparent basis the scientific, technical and socio-economic information relevant to understanding the scientific basis of risk of human-induced climate change, its potential impacts and options for adaptation and mitigation. The IPCC does not carry out research nor does it monitor climate related data or other relevant parameters. It bases its assessment mainly on peer reviewed and published scientific/technical literature. Its role, organization, participation and general procedures are laid down in the "**Principles Governing IPCC Work**".<sup>2</sup> In a report issued in February, 2007, the IPCC issued a 21-page report for policymakers, in which the group of climate experts unanimously linked – with “90 percent” certainty – the increase of average global temperatures since the mid-20<sup>th</sup> century to the increase of manmade greenhouse gases in the atmosphere.

According to a briefing paper which is part of a series entitled *Climate Change 101: Understanding and Responding to Global Climate Change* (published by the Pew Center on Global Climate Change and the Pew Center on the States<sup>3</sup>), 28 states have adopted climate action plans detailing the steps their states can take to reduce their contributions to climate change. In addition, 12 states have statewide emission targets.

The United States Climate Action Partnership, formed in 2006, is an alliance of major businesses and leading climate and environmental groups that have come together to call on the federal government to enact legislation requiring significant reductions of greenhouse gas emissions.<sup>4</sup> The group produced a set of principles and recommendations to guide the formulation of a regulated economy-wide, market-driven approach to climate protection. The alliance includes the following:

- Alcoa
- BP America
- Caterpillar Inc.
- Duke Energy
- DuPont
- FPL Group
- General Electric
- Lehman Brothers

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<sup>2</sup> <http://www.ipcc.ch/about/about.htm>

<sup>3</sup> The Pew Center on Global Climate Changes is a nonprofit, nonpartisan, independent organization dedicated to providing credible information, straight answers, and innovative solutions in the effort to address global climate change ([www.pewclimate.org](http://www.pewclimate.org)). The Pew Center on the States is a division of the Pew Charitable Trusts. ([www.centeronthestates.org](http://www.centeronthestates.org))

<sup>4</sup> <http://www.us-cap.org/about/index.asp>

- PG&E Corporation
- PNM Resources
- Environmental Defense
- Natural Resources Defense Council
- Pew Center on Global Climate Change
- World Resources Institute

In 2006, the Legislature enacted ch. 2006-230, Laws of Florida, the Florida Renewable Energy Technologies and Energy Efficiency Act. This act created the Florida Energy Commission. The commission must file an annual report to the President of the Senate and the Speaker of the House of Representatives. In its initial report due December 31, 2007, the commission must, among other things:

- Recommend consensus-based public-involvement processes that evaluate greenhouse gas emissions in this state and make recommendations regarding related economic, energy, and environmental benefits; and
- Recommend steps and a schedule for the development of a comprehensive state climate action plan with greenhouse gas reduction through a public-involvement process, including transportation and land use; power generation; residential, commercial, and industrial activities; waste management; agriculture and forestry; emissions-reporting systems; and public education.

### **III. Effect of Proposed Changes:**

This bill would create the Florida Climate Action Partnership to serve as the catalyst for facilitating a cooperative dialogue about what needs to be done within our state to comply with proposed federal limits that would lower carbon emissions in the atmosphere over time. The partnership shall seek partners from all sectors and levels of state industry, academia, and government to be part of this effort. Those sectors include, but are not limited to, residential users; commercial users; industry and manufacturing; the tourism and hospitality industry; agriculture; the transportation industry; the construction industry; the ports and shipping industry; marine industries; and others.

The partnership shall seek to identify and create incentives for technology innovation, take advantage of economic opportunities for the state as part of the effort to find new sources of energy, and seek private-sector solutions and market-based mechanisms to help solve problems related to reducing carbon emissions. To that effect, the partnership shall identify a range of opportunities to reduce carbon emissions in all sectors of Florida's economy, including the trading of carbon emission credits and the creation of offsets for energy savings.

The partnership is to be composed of 25 members:

- The Governor, who shall serve as the chair;
- The President of the Senate;
- The Speaker of the House of Representatives;
- The Commissioner of Agriculture and Consumer Services;
- The Chief Financial Officer;
- Eight members appointed by the Governor;

- Five members appointed by the President of the Senate, one of whom shall be the Chair of the Senate Committee on Environmental Preservation and Conservation;
- Five members appointed by the Speaker of the House of Representatives, one of whom shall be the Chair of the House Committee on Environmental Preservation; and
- Two members appointed by the Commissioner of Agriculture and Consumer Services.

Members appointed to the partnership must occupy positions of leadership within their respective fields.

Partnership members serve without compensation, but are entitled to reimbursement for per diem and travel expenses. The expenses of the Governor's representatives and nonlegislative members shall be borne by the Executive Office of the Governor.

The partnership must hold a minimum of four public meetings throughout the state.

The goal of the partnership is to develop a comprehensive Florida Climate Mitigation Action Plan that includes a full range of policy recommendations addressing all state economic sectors, as well as recommendations for meeting short- and long-term greenhouse gas-reduction goals. The plan must be fact based and developed through a statewide stakeholder consensus process. In developing plan recommendations, the partnership shall consider the findings of a statewide inventory and forecast of energy use and greenhouse gas emissions, by sector, from all sources. The bill further provides that the partnership shall develop policy recommendations that address certain specified items.

The partnership is to be staffed by the Executive Office of the Governor.

The partnership must provide a list of policy recommendations to the Governor and the Legislature by February 1, 2008. A final report which includes the Florida Climate Mitigation Action Plan shall be submitted no later than October 1, 2008.

Unless renewed by the Legislature, the partnership is dissolved December 31, 2008.

The bill appropriates \$500,000 from the General Revenue Fund to fund the activities of the Florida Climate Action Partnership.

#### **IV. Constitutional Issues:**

##### **A. Municipality/County Mandates Restrictions:**

The committee substitute does not require cities and counties to expend funds or limit their authority to raise revenue or receive state-shared revenues as specified by s.18, Art. VII, State Constitution.

##### **B. Public Records/Open Meetings Issues:**

None.

C. Trust Funds Restrictions:

None.

**V. Economic Impact and Fiscal Note:**

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

The impacts to the private sector are contingent upon the recommendations provided by the partnership in its Florida Climate Mitigation Action Plan.

C. Government Sector Impact:

The bill appropriates \$500,000 from the General Revenue Fund to support the activities of the Florida Climate Action Partnership. The Executive Office of the Governor is responsible for staffing the partnership and supporting the expenses of the Governor's appointees and other nonlegislative members.

**VI. Technical Deficiencies:**

The bill provides an appropriation but does not specify where the funds are to be deposited.

**VII. Related Issues:**

None.



## **VIII. Summary of Amendments:**

None.

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This Senate Professional Staff Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

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