

AMENDED IN ASSEMBLY APRIL 10, 2025

AMENDED IN ASSEMBLY APRIL 7, 2025

CALIFORNIA LEGISLATURE—2025–26 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1243**

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**Introduced by Assembly Member Addis**

**(Coauthors: Assembly Members Connolly, Garcia, Haney, Kalra,  
Pellerin, Rogers, Schultz, and Ward)**

**(Coauthors: Senators Allen, Gonzalez, Menjivar, Stern, and Wiener)**

February 21, 2025

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An act to add Part 4.8 (commencing with Section 71370) to Division 34 of the Public Resources Code, relating to climate change, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 1243, as amended, Addis. Polluters Pay Climate Superfund Act of 2025.

The California Global Warming Solutions Act of 2006, until January 1, 2031, authorizes the State Air Resources Board to adopt a regulation establishing a system of market-based declining aggregate emissions limits for sources or categories of sources that emit greenhouse gases (market-based compliance mechanism) that meets certain requirements. Existing law establishes the Greenhouse Gas Reduction Fund and requires all moneys, except for fines and penalties, collected by the state board from the auction or sales of allowances as a part of a market-based compliance mechanism to be deposited into the fund and requires the Legislature to appropriate moneys in the fund for the purpose of reducing greenhouse gas emissions in the state, as provided.

Existing law, the California Climate Crisis Act, declares that it is the policy of the state both to achieve net-zero greenhouse gas emissions as soon as possible, but no later than 2045, and achieve and maintain net-negative greenhouse gas emissions thereafter, and to ensure that by 2045, statewide anthropogenic greenhouse gas emissions are reduced to at least 85% below the 1990 levels.

This bill would enact the Polluters Pay Climate Superfund Act of 2025 and would establish the Polluters Pay Climate Superfund Program to be administered by the California Environmental Protection Agency to require fossil fuel polluters to pay their fair share of the damage caused by greenhouse gases released into the atmosphere during the covered period, which the bill would define as the time period between the 1990 and 2024 calendar years, inclusive, resulting from the extraction, production, refining, sale, or combustion of fossil fuels or petroleum products, to relieve a portion of the burden to address cost borne by current and future California taxpayers. The bill would require the agency, within 90 days of the effective date of the act, to determine and publish a list of responsible parties, which the bill would define as an entity with a majority ownership interest in a business engaged in extracting or refining fossil fuels that, during the covered period, did business in the state or otherwise had sufficient contact with the state, and is determined by the agency to be responsible for more than 1,000,000,000 metric tons of covered fossil fuel emissions, as defined, in aggregate globally, during the covered period.

This bill would require the agency, within one year of the effective date of the act, to conduct and complete a climate cost study to, among other things, quantify the total damage amount, which the bill would define as all past and future climate harms and damages to the state from January 1, 1990, through December 31, 2045, inclusive. The bill would require the agency to update the climate cost study, not less frequently than every 5 years, through January 1, 2045, as provided. The bill would require the agency, within 60 days of the completion of the climate cost study, to determine and assess, as provided, a cost recovery demand for each responsible party listed, which represents the responsible party's proportionate share of the total damage amount. The bill would require responsible parties to pay their cost recovery demand, as provided. The bill would require the collected cost recovery demands to be deposited in the Polluters Pay Climate Superfund, which the bill would create in the State Treasury. The bill would, upon appropriation by the Legislature, require moneys in the ~~Polluters Pay~~

Climate Superfund *fund* be expended for, among other things, qualifying expenditures, which the bill would define to include expenditures for projects and programs to mitigate, adapt, or respond to the damages and costs caused to the state from climate change. *The bill would require all interest earned on moneys that have been deposited into the fund to be retained in the fund for use in implementing the program.* The bill would require the agency to determine the initial implementation costs for the act, as provided, and would require the agency to assess an amount allocated equitably among responsible parties to cover those costs.

This bill would require the Director of Finance, within 45 days of the effective date of the act, to perform an initial assessment of the reasonable and appropriate initial implementation costs that will be incurred by the agency.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote:  $\frac{2}{3}$ . Appropriation: no. Fiscal committee: yes.  
 State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. This act shall be known, and may be cited, as the
- 2 Polluters Pay Climate Superfund Act of 2025.
- 3 SEC. 2. (a) The Legislature finds and declares all of the
- 4 following:
- 5 (1) Climate change, resulting primarily from the combustion of
- 6 fossil fuels, is an immediate, grave threat to the people,
- 7 communities, biodiversity, environment, and economy of the state.
- 8 (2) Severe consequences of climate change, including rising
- 9 sea levels, increasing temperatures, intensifying droughts, wildfires,
- 10 flooding, heat waves, loss of biodiversity, and other climate
- 11 change-driven ecosystem threats and extreme weather events, have
- 12 already materialized, are costing Californians billions of dollars,
- 13 and constitute an emergency for the state, which must now take
- 14 urgent action to prevent further damages, protect California
- 15 residents and communities, and transition to clean renewable
- 16 energy.
- 17 (3) Californians, especially California’s most vulnerable
- 18 populations, low-income communities and communities of color,
- 19 children, and the elderly, are harmed by the climate emergency

1 and climate-related costs, including escalating costs of utilities,  
 2 housing, health care, and insurance.

3 (4) The state must develop and implement protective measures  
 4 to counteract the adverse effects of climate change.

5 (5) Protective measures necessary to mitigate climate change,  
 6 adapt to the adverse effects of climate change, and expedite the  
 7 transition away from fossil fuels will require significant new  
 8 investment.

9 (6) Peer-reviewed research has determined with great accuracy  
 10 the share of carbon dioxide and methane released into the  
 11 atmosphere by the operations and products of specific fossil fuel  
 12 companies.

13 (7) *Existing accounting of climate damage costs is known to be*  
 14 *significantly undercounted because scientific modeling to calculate*  
 15 *damage amounts is conservative by design and continually being*  
 16 *refined, and because certain damages are difficult to monetize,*  
 17 *including impacts to culture, health, and communities.*

18 (8) *The fees imposed by this act represent only a subset of the*  
 19 *extraordinary costs from climate-driven harms currently borne by*  
 20 *state, local, and tribal governments and California residents.*

21 (9) *The legislative purposes of the fees and the act are designed*  
 22 *to have a meaningful impact on the burden borne by taxpayers*  
 23 *while being justly and fairly proportional to a fraction of actual*  
 24 *historic emissions by the fossil fuel industry. This industry, despite*  
 25 *its massive profits of \$2,800,000,000 per day for the last 50 years,*  
 26 *has thus far externalized its pollution costs on state, local, and*  
 27 *tribal governments and California residents.*

28 ~~(7)~~

29 (10) The fossil fuel industry should now contribute its fair share  
 30 to government expenditures to protect the state from climate  
 31 disaster.

32 (b) In enacting this act, it is not the intent of the Legislature for  
 33 either of the following:

34 (1) For the act to be a determination of fault.

35 (2) For the act to have any impact on the ability of any person  
 36 or entity to hold polluters accountable for harms caused.

37 (c) *It is the intent of the Legislature for this act, the program*  
 38 *created by this act, and the programs and projects funded by this*  
 39 *act to benefit disadvantaged communities and to do no harm to*  
 40 *these communities.*

1 SEC. 3. Part 4.8 (commencing with Section 71370) is added  
2 to Division 34 of the Public Resources Code, to read:

3  
4 PART 4.8. POLLUTERS PAY CLIMATE SUPERFUND ACT  
5 OF 2025  
6

7 CHAPTER 1. DEFINITIONS  
8

9 71370. For purposes of this part, the following definitions  
10 apply:

11 (a) “Agency” means the California Environmental Protection  
12 Agency.

13 (b) “Annual payment date” means the date, as determined by  
14 the agency, not later than October 1 of each calendar year, by  
15 which a responsible party shall pay its cost recovery demand.

16 (c) “Climate cost study” means a study conducted pursuant to  
17 Section 71371.3.

18 (d) “Cost recovery demand” means a charge assessed against a  
19 responsible party for compensatory cost recovery payments, as  
20 determined pursuant to Section 71371.4.

21 (e) “Costs” means direct and indirect costs in current dollars to  
22 the state, local and tribal governments, and California residents  
23 incurred and projected to be incurred into the future to prepare for,  
24 prevent, adapt, or respond to the damages and harms associated  
25 with the impacts of covered fossil fuel emissions.

26 (f) “Covered fossil fuel emissions” means the *total* quantity of  
27 greenhouse gases released into the atmosphere during the covered  
28 period, expressed in metric tons of carbon dioxide equivalent,  
29 attributable to the extraction, production, refining, sale, or  
30 combustion, including by third parties, of fossil fuels or petroleum  
31 products.

32 (g) “Covered period” means the time period between January  
33 1, 1990, and December 31, 2024, inclusive.

34 (h) “Fossil fuel” means coal, crude oil, petroleum products, or  
35 fuel gases, or their byproducts.

36 (i) “Fuel gas” includes, but is not limited to, methane, natural  
37 gas, liquefied natural gas, and manufactured fuel gas.

38 (j) “Fund” means the Polluters Pay *Climate* Superfund  
39 established pursuant to Section 71372.

1 (k) “Greenhouse gas” has the same meaning as set forth in  
2 Section 38505 of the Health and Safety Code.

3 (l) “Notice of cost recovery demand” means a written or  
4 electronic communication informing a responsible party of the  
5 amount of cost recovery demand due, payable to the fund.

6 (m) “Petroleum products” means a liquid hydrocarbon at  
7 atmospheric temperature and pressure that is the product of the  
8 fractionation, distillation, or other refining or processing of crude  
9 oil and that is used as, useable as, or may be refined as, a fuel or  
10 fuel blendstock, including, but not limited to, gasoline, diesel fuel,  
11 aviation fuel, bunker fuel, and renewable fuels containing more  
12 than 5 percent petroleum products.

13 (n) “Program” means the Polluters Pay Climate Superfund  
14 Program established pursuant to Section 71371.

15 (o) (1) “Qualifying expenditures” means expenditures for  
16 projects and programs within the state to mitigate, adapt, or respond  
17 to the damages and harms from climate change, as well as ongoing  
18 operation and maintenance for those projects or programs that  
19 satisfy the regulations adopted pursuant to Section 71373.2.

20 (2) Qualifying expenditures shall include all reasonable costs  
21 incurred by the agency and other public agencies for administering  
22 and implementing projects or programs financed by the fund.  
23 Administrative costs shall not exceed 10 percent for any project  
24 or program financed by the fund.

25 (3) Qualifying expenditures shall include expenditures for  
26 projects and programs that mitigate or adapt to climate change and  
27 its impact to the state, local and tribal governments, and California  
28 residents. Qualifying expenditures *may* include, but are not limited  
29 to, investments in any of the following:

30 (A) Community disaster preparedness, response, and recovery,  
31 ~~that includes~~ *including, but not limited to*, any of the following:

32 (i) Hardening of structures in existing, at-risk, and recovering  
33 communities.

34 (ii) Evacuation planning and design.

35 (iii) Postdisaster soil and water remediation.

36 (iv) Emergency housing, health, *transportation*, and medical  
37 response.

38 (v) Sustainable community planning and infrastructure,  
39 including community resilience centers, affordable infill housing,  
40 and public services funding to support emergency services and

1 disaster ~~response~~: *response, including support for local and tribal*  
2 *governments and public agency operational continuity during and*  
3 *after climate-related events.*

4 (B) Energy efficiency and resiliency, including, *but not limited*  
5 *to, climate-resilient schools, electric school buses, vehicle-to-grid*  
6 *bidirectionality, microgrids, community solar, accelerating the*  
7 *transition to clean energy sources, building and infrastructure*  
8 *decarbonization, and maintaining, enhancing, and expanding*  
9 *zero-emission infrastructure, including public transit, or building*  
10 ~~and infrastructure decarbonization~~: *transit operations, to increase*  
11 *ridership and transition to zero-emission fleets.*

12 (C) Green workforce ~~development and development~~, job  
13 training, and support for first responders and essential workers  
14 ~~during responding to~~ climate disasters, and financial support  
15 programs for workers whose livelihoods are impacted by climate  
16 change.

17 (D) Regenerative agricultural practices.

18 (E) Natural system protections, such as preservation or  
19 nonextractive restoration of shrublands, forests, grasslands, deserts,  
20 or riparian areas, ~~or groundwater recharge or recharge~~, storage,  
21 or instream flow projects.

22 (p) “Responsible party” means an entity, including, but not  
23 limited to, an individual, trustee, agent, partnership, association,  
24 corporation, or other legal organization, including a foreign nation,  
25 that satisfies all of the following conditions:

26 (1) (A) The entity holds or held a majority ownership interest  
27 in a business engaged in extracting or refining fossil fuels during  
28 the covered period or is a successor in interest to the entity.

29 (B) For ~~purpose~~ *purposes* of subparagraph (A), entities in a  
30 commonly controlled group, as defined in Section 25105 of the  
31 Revenue and Taxation Code, shall be treated as a single entity for  
32 purposes of this subdivision and shall be jointly and severally liable  
33 for the payment of any cost recovery demand owed by any entity  
34 in the commonly controlled group.

35 (2) During any part of the covered period, the entity did business  
36 in the state or otherwise had sufficient contacts with the state to  
37 give the state jurisdiction over the entity pursuant to Section 410.10  
38 of the Code of Civil Procedure.

39 (3) The agency determines that more than ~~one billion~~  
40 *1,000,000,000* metric tons of covered fossil fuel emissions, in

1 aggregate globally, are attributable to the entity during the covered  
2 period.

3 (q) “Total damage amount” means the costs determined by the  
4 agency in its climate cost study of past and future climate damages  
5 and harms from January 1, 1990, up to, and including, December  
6 31, 2045, attributable to covered fossil fuel emissions.

7

## 8 CHAPTER 2. POLLUTERS PAY CLIMATE SUPERFUND PROGRAM

9

10 71371. (a) There is hereby established the Polluters Pay  
11 Climate Superfund Program to be administered by the agency.

12 (b) The purpose of the program is to require fossil fuel polluters  
13 to pay their fair share of the damage caused by covered fossil fuel  
14 emissions, thereby relieving a portion of the burden to address  
15 costs otherwise borne by current and future California taxpayers.

16 71371.1. (a) A responsible party, as determined by the agency  
17 pursuant to Section 71371.2, shall be strictly liable for a cost  
18 recovery demand.

19 (b) Beginning January 1, 2026, each responsible party shall pay  
20 to the agency its cost recovery demand established pursuant to  
21 Section 71371.4.

22 71371.2. Within 90 days of the effective date of this part, the  
23 agency shall determine and publish on its internet website a list of  
24 responsible parties subject to this part. The agency may update the  
25 list from time to time, as appropriate.

26 71371.3. (a) The agency shall conduct or commission a climate  
27 cost study and the study shall be completed within one year of the  
28 effective date of this part.

29 (b) The climate cost study shall include, at a minimum, an  
30 evaluation of all of the following:

31 (1) (A) The cost-driving effects of covered fossil fuel emissions  
32 on the state, local and tribal governments, and California residents,  
33 including effects on public health and safety, biodiversity and  
34 ecosystems, agriculture and food systems, water, wildfire, the built  
35 environment, economic development, and any other effects that  
36 may be relevant.

37 (B) The evaluation shall be based on a review of existing best  
38 peer-reviewed and publicly available science on climate impacts  
39 and costs, including climate attribution science and methodologies,  
40 California’s Fourth Climate Change Assessment, information

1 available from California’s ongoing Fifth Climate Change  
2 Assessment, and any future relevant assessments.

3 (C) Climate impacts, including, but not limited to, extreme  
4 weather events, such as heat waves, droughts, and flooding, sea  
5 level rise, air and water temperature shifts, changes in wildfire,  
6 such as to area burned, smoke, air quality, and damage to  
7 communities, and related economic impacts, such as agricultural  
8 and food system costs, health costs, housing insurability,  
9 affordability, and access, shall be considered in the evaluation.

10 (2) A calculation of the costs incurred since January 1, 1990,  
11 and projected to be incurred into the future up to, and including,  
12 December 31, 2045, within the state for effects identified under  
13 paragraph (1).

14 (3) A list to identify potential harms and impacts incurred since  
15 January 1, 1990, and projected to be incurred into the future up  
16 to, and including, December 31, 2045, within the state attributable  
17 to covered fossil fuel emissions, that are not yet quantifiable using  
18 current best available scientific methodologies, for consideration  
19 in future updates as science and quantification methods evolve.

20 (4) A calculation of the total damage amount.

21 (5) An assessment of potential qualifying expenditures meeting  
22 the requirements of Section 71371.6.

23 (6) *An analysis of climate impacts to local and tribal government*  
24 *budgets, including, but not limited to, increased costs for*  
25 *infrastructure maintenance, emergency services, natural disaster*  
26 *recovery, and public health, and how potential qualifying*  
27 *expenditures could be used to offset those costs.*

28 (c) The agency shall update the climate cost study using the  
29 best publicly available peer-reviewed science, data, and  
30 methodology, not less frequently than every five years, through  
31 January 1, 2045.

32 (d) The agency shall, in accordance with Section 9795 of the  
33 Government Code, submit to the Legislature the climate cost study  
34 and update.

35 71371.4. (a) Within 60 days of the completion of the climate  
36 cost study, the agency shall determine and assess a cost recovery  
37 demand upon each responsible party by doing all of the following:

38 (1) Quantify covered fossil fuel emissions attributable to each  
39 responsible party based on publicly reported data on the operations  
40 and production of the fossil fuel industry and the best available

1 and most up-to-date Intergovernmental Panel on Climate Change  
2 emissions factors for greenhouse gas inventories.

3 (2) Establish the proportionate share percentage of each  
4 responsible party as equal to the ratio of the responsible party's  
5 covered fossil fuel emissions to covered fossil fuel emissions  
6 globally.

7 (3) Establish a cost recovery demand for each responsible party  
8 in an amount equal to the proportionate share percentage of the  
9 responsible party as determined pursuant to paragraph (2)  
10 multiplied by the total damage amount determined pursuant to the  
11 climate study or its update prepared pursuant to Section 71371.3.

12 (b) Within 60 days of an update of the climate cost study, the  
13 agency shall update and adjust, as necessary, the quantification  
14 and determinations made pursuant to subdivision (a).

15 (c) (1) The notice of cost recovery demand shall inform the  
16 responsible party of its obligation to remit the cost recovery  
17 demand, or any adjustment to the cost recovery demand, in full,  
18 on or before the annual payment date of the calendar year in which  
19 the notice is issued or the next calendar year if the provided notice  
20 is issued less than 60 days before the annual payment date.

21 (2) A responsible party may elect to pay its cost recovery  
22 demand in 20 installments by providing written notice of its  
23 election and submission of at least 10 percent of the cost recovery  
24 demand on or before the annual payment date of the calendar year  
25 in which the initial notice is issued or the next calendar year if the  
26 notice is issued less than 60 days before the annual payment date.  
27 The remaining balance shall be paid in equal installments that are  
28 due on or before the annual payment of each calendar year after  
29 the initial payment.

30 (3) The unpaid balance of all remaining installments shall  
31 become due immediately if any of the following occurs:

32 (A) The responsible party fails to pay any installment by the  
33 due date pursuant to this subdivision.

34 (B) Except as provided in paragraph (4), there is a liquidation  
35 or sale of substantially all the assets of the responsible party.

36 (C) The responsible party ceases to do business.

37 (4) In the case of a sale of substantially all the assets of a  
38 responsible party, the remaining installments shall not become due  
39 immediately if the buyer enters into an agreement with the agency  
40 under which the buyer assumes liability for the remaining

1 installments due under paragraph (2) in the same manner as if the  
2 buyer was the responsible party.

3 (5) If an update to the climate cost study results in an adjustment  
4 to the responsible party's cost recovery demand, the agency shall,  
5 within 60 days, issue a revised written notice of cost recovery  
6 demand notifying the responsible party of the adjusted payment  
7 due.

8 (6) Payment of the cost recovery demand may be stayed by the  
9 agency or a court pending administrative or judicial resolution, as  
10 applicable, of a challenge filed under Section 71371.5.

11 71371.5. (a) The agency shall establish procedures for an entity  
12 to challenge its designation as a responsible party under Section  
13 71371.2 or its cost recovery demand established pursuant to Section  
14 71371.4.

15 (b) The agency may adjust a responsible party's cost recovery  
16 demand if the responsible party establishes, to the satisfaction of  
17 the agency, both of the following:

18 (1) A portion of its cost recovery demand amount is attributable  
19 to fossil fuel extracted by another responsible party.

20 (2) The fossil fuel extracted by the other responsible party was  
21 accounted for when the agency determined the cost recovery  
22 demand amount for the other responsible party.

23 (c) This section does not limit a real party's right to seek judicial  
24 review of a determination made by the agency, except that no civil  
25 action shall be maintained under this part unless it is commenced  
26 within 30 days after the claim accrued.

27 71371.6. The agency shall establish funding criteria and  
28 guidelines in accordance with the climate cost study for programs  
29 and projects that are eligible as qualifying expenditures funded  
30 from moneys collected pursuant to this chapter.

31 71371.7. Until December 31, 2045, every five years after the  
32 effective date of this part, the Legislative Analyst's Office shall  
33 conduct an independent evaluation of the Polluters Pay Climate  
34 Superfund Program to be provided to the Governor, the President  
35 pro Tempore of the Senate, and the Speaker of the Assembly. The  
36 purpose of this evaluation shall be to determine the effectiveness  
37 of the program in achieving its purposes as described in this chapter  
38 and to provide recommendations for improving program  
39 administration.

CHAPTER 3. POLLUTERS PAY CLIMATE SUPERFUND

1  
2  
3 71372. (a) There is hereby established the Polluters Pay  
4 Climate Superfund in the State Treasury. Moneys in the fund shall,  
5 upon appropriation by the Legislature, be used to implement the  
6 program pursuant to Chapter 2 (commencing with Section 71371),  
7 including qualifying expenditures, and to reimburse any  
8 outstanding loan made from other funds used to finance the initial  
9 costs of the agency’s activities in implementing this part. Moneys  
10 in the fund shall not be expended for any purposes not specified  
11 in this part.

12 (b) Moneys collected pursuant to Chapter 2 (commencing with  
13 Section 71371) or Chapter 4 (commencing with Section 71373)  
14 shall be deposited into the fund.

15 (c) *All interest earned on the moneys that have been deposited*  
16 *into the fund shall be retained in the fund for use in implementing*  
17 *the Polluters Pay Climate Superfund Program.*

18 71372.1. Moneys in the fund shall be expended on qualifying  
19 expenditures in accordance with the findings of the climate cost  
20 study and updates to the study and guidelines and criteria  
21 established pursuant to Section 71371.6 so that both of the  
22 following occur:

23 (a) Not less than 40 percent of the moneys are expended for  
24 projects and programs that directly benefit disadvantaged  
25 communities, as defined by the ~~agency~~, *agency pursuant to Section*  
26 *39711 of the Health and Safety Code*, facing climate impacts.

27 (b) Programs and projects funded by the fund include the  
28 assessment and implementation of strategies to increase  
29 employment opportunities and improve job quality.

30 71372.2. *If any expenditure of moneys from the fund for any*  
31 *project or program is determined by a court to be inconsistent*  
32 *with law, the funding for the remaining projects or programs shall*  
33 *be severable and shall not be affected by the determination.*

34

CHAPTER 4. MISCELLANEOUS PROVISIONS

35

36  
37 71373. Within 45 days of the effective date of this part, the  
38 Director of Finance shall perform an initial assessment of the  
39 reasonable and appropriate initial implementation costs as  
40 described in Section 71373.3.

1 71373.1. In implementing this part, the agency shall conduct  
2 regular consultations with the Integrated Climate Adaptation and  
3 Resiliency Program, the State Air Resources Board and the  
4 Environmental Justice Advisory Committee of that state board,  
5 the State Water Resources Control Board, the Natural Resources  
6 Agency, the State Energy Resources Conservation and  
7 Development Commission, the Office of Emergency Services, the  
8 Strategic Growth Council, the State Department of Public Health,  
9 the Office of Environmental Health Hazard Assessment, the  
10 California Coastal Commission, the Public Utilities Commission,  
11 the Attorney General, and other appropriate public agencies and  
12 nongovernmental entities.

13 71373.2. (a) Within 180 days of the effective date of this part,  
14 the agency shall adopt all regulations, including those establishing  
15 requirements for projects and programs eligible for funding from  
16 the fund, necessary to carry out this part.

17 (b) The agency may prescribe, adopt, and enforce any  
18 emergency regulations as necessary to implement, administer, and  
19 enforce its duties under this part. Emergency regulations prescribed,  
20 adopted, or enforced pursuant to this part shall be adopted in  
21 accordance with Chapter 3.5 (commencing with Section 11340)  
22 of Part 1 of Division 3 of Title 2 of the Government Code, and,  
23 for purposes of that chapter, including Sections 11349.1 and  
24 11349.6 of the Government Code, the adoption of the regulation  
25 is an emergency and shall be considered by the Office of  
26 Administrative Law as necessary for the immediate preservation  
27 of the public peace, health and safety, and general welfare.  
28 Notwithstanding any other law, the emergency regulations adopted  
29 by the California Environmental Protection Agency may remain  
30 in effect for two years from adoption.

31 71373.3. (a) Within 120 days of the effective date of this part,  
32 the agency shall determine the initial implementation costs,  
33 including the costs of the initial climate cost study, the development  
34 and adoption of regulations to implement this part, and other  
35 appropriate initial program implementation costs.

36 (b) The agency shall equitably assess a charge on the responsible  
37 parties for the full amount of the agency's initial implementation  
38 costs determined pursuant to subdivision (a). The agency shall  
39 notify responsible parties of the charge.

1 (c) Within 60 days of the notification, each responsible party  
2 shall remit the charge to the agency for deposit into the fund.

3 (d) A responsible party's payment of the charge may be stayed  
4 by the agency or a court pending administrative or judicial  
5 resolution, as applicable, of a challenge filed under Section  
6 71371.5.

7 71373.4. The agency and the Attorney General shall have the  
8 authority to enforce the requirements of this part and to assess fees  
9 for late payments of cost recovery demands pursuant to Chapter  
10 2 (commencing with Section 71371) or the charge assessed under  
11 Section 71373.3. The late fees shall accrue daily, assessed at the  
12 rate of 10 percent per annum, on amounts remaining due.

13 71373.5. The Secretary of State shall have the authority to  
14 revoke or suspend the business license of a responsible party that  
15 fails to comply with this part.

16 71373.6. (a) This part does not do either of the following:

17 (1) Relieve the liability of an entity for damages resulting from  
18 climate change, as provided by law.

19 (2) Preempt, displace, or restrict any rights or remedies of a  
20 person, the state, units of local government, or tribal government  
21 under law relating to a past, present, or future allegation of any of  
22 the following:

23 (A) Deception concerning the effects of fossil fuels on climate  
24 change.

25 (B) Damage or injury resulting from the role of fossil fuels in  
26 contributing to climate change.

27 (C) Failure to avoid damage or injury related to climate change,  
28 including claims for nuisance, trespass, battery, design defect,  
29 negligence, failure to warn, or deceptive or unfair practices and  
30 claims for injunctive, declaratory, monetary, or other relief.

31 (b) This part does not preempt or supersede any state law or  
32 local ordinance, regulation, policy, or program, including, but not  
33 limited to, those that do any of the following:

34 (1) Limit, set, or enforce standards for emissions of greenhouse  
35 gases.

36 (2) Monitor, report, or keep records of emissions of greenhouse  
37 gases.

38 (3) Collect revenue through fees or levy taxes.

39 (4) Conduct or support investigations.

1 71373.7. The remedies provided in this part are in addition to  
 2 other remedies provided by law. This part does not limit a party’s  
 3 right, including the agency, other governmental bodies, or private  
 4 individuals, from pursuing civil action or other remedies provided  
 5 by law, or to capture additional costs not recovered by this part.

6 71374. The provisions of this part are severable. If any  
 7 provision of this part or its application is held invalid, that  
 8 invalidity shall not affect other provisions or applications that can  
 9 be given effect without the invalid provision or application.

10 SEC. 4. This act is an urgency statute necessary for the  
 11 immediate preservation of the public peace, health, or safety within  
 12 the meaning of Article IV of the California Constitution and shall  
 13 go into immediate effect. The facts constituting the necessity are:

14 To fund and implement measures to address the immediate,  
 15 ongoing threats to public safety, and the health and welfare of the  
 16 people, the environment, and the State of California from climate  
 17 change, it is necessary for this act to take effect immediately.

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20 **REVISIONS:**

21 **Heading—Lines 2 and 3.**

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