

**\*\*FLOOR ALERT\*\***

July 17, 2017

TO: Members of the California State Legislature  
FROM: Amy Mmagu, Policy Advocate   
SUBJECT: **ACA 1 (MAYES): GREENHOUSE GAS REDUCTION RESERVE FUND  
SUPPORT – AS AMENDED JULY 14, 2017**

The California Chamber of Commerce is pleased to **SUPPORT ACA 1 (Mayes)** as amended July 14, 2017.

This measure is an important element of the overall cap-and-trade package to ensure accountability over the spending of revenues to the Greenhouse Gas Reduction Fund. The cap-and-trade extension measure, AB 398, will authorize the collection of billions of dollars in new revenues for state climate change and other programs.

**ACA 1** will establish a legislative “check-up” in 2024, providing an opportunity to review (1) expenditures from the fund since 2020, (2) the commitment to regulatory and tax reforms enacted in AB 398, and (3) the effectiveness of the overall state program in reducing greenhouse gases (GHGs) and minimizing the effect on the California economy. The Legislature will enforce this check-up by requiring that any appropriations that year be approved by a two-thirds supermajority of the Legislature.

Recent legislation to mandate economy-wide GHG reductions will have profound effects on the California economy and on individual businesses. **ACA 1** will provide the Legislature with a mid-term opportunity to gauge the overall effectiveness of this ambitious program.

For these reasons, we are pleased to **SUPPORT ACA 1 (Mayes)**.

cc: The Honorable Chad Mayes  
Catalina Hayes-Bautista, Office of the Governor  
Senate Republican Caucus  
Assembly Republican Caucus  
District Office, Members, California State Legislature

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