



THIRTY-FOURTH CALIFORNIA STATE SENATE DISTRICT

SENATOR LOU CORREA

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CORREA HOLDS HEARING ON MERITS OF A CALIFORNIA-MEXICO “CAP AND TRADE” PARTNERSHIP

SACRAMENTO – State Senator Lou Correa (D-Orange County) convened his first informational hearing as Chair of the Senate Select Committee on California-Mexico Cooperation on May 2 in Sacramento to discuss cap and trade opportunities between California and Mexico.

The hearing, which coincided with the 3rd Annual California-Mexico Advocacy Day, included testimony from expert witnesses representing state government and private sector interests who shared technical and financial perspectives on potential benefits of a cross-border cap and trade program between California and Mexico.

“I am particularly impressed with the depth of knowledge that was shared by our presenters”, said Correa. “A cap-and-trade partnership between California and Mexico is not only a logical arrangement, but it allows the best characteristics of both government and private enterprise to design a national – and international – model for cooperation”, he added.

Cap and trade is a market-based regulatory system aimed at reducing carbon emissions by setting an overall limit (cap) and then letting companies buy and sell (trade) pollution permits, or allowances, among themselves.

In 2006, then-Governor Schwarzenegger signed into law the landmark California Global Warming Solutions Act, also known as AB32. This groundbreaking Act required California to develop and implement a plan to reduce GHG emissions, including a cap and trade program that links with other regional jurisdictions.

More recently, Mexico’s Congress and Senate overwhelmingly passed its own version of AB 32, which is expected to be signed by Mexico’s President, Felipe Calderón.

The May 2 Select Committee hearing sought to build on the growing momentum for partnership between California and Mexico to reduce carbon emissions, which Correa believes has the potential to serve as an international model for cooperation.

“The passage of the California Global Warming Solutions Act in 2006 and the more recent climate initiatives underway in Mexico offer a unique and exciting opportunity”, said Correa. “I look forward to continuing to work with all participants in smoothing the path toward this inevitable partnership.

A follow-up hearing on a possible cap and trade partnership with Mexico will be held later this summer, at which time the new groundbreaking legislation in Mexico will be reviewed, and its potential for creating workable partnerships between the two regions further explored.

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Senator Correa represents the 34th District, which includes the cities of Anaheim, Buena Park, Fullerton, Garden Grove, Santa Ana, Stanton and Westminster.
