RESOLUTION NUMBER R- 316331

DATE OF FINAL PASSAGE JUL 18 2025

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO SUPPORTING CALIFORNIA SENATE BILL 684 AND ASSEMBLY BILL 1243 RELATING TO POLLUTERS PAY CLIMATE SUPERFUND ACT OF 2025 FOR THE 2025-2026 CALIFORNIA LEGISLATURE REGULAR SESSION.

RECITALS

The Council of the City of San Diego (Council) adopts this Resolution based on the following:

- A. California is experiencing the harmful effects of climate change, including an increase in extreme heat events, drought, floods, wildfire, sea level rise, and more. The number of significant weather catastrophes has more than tripled over the past 40 years. These climate change effects are expected to continue and worsen until global greenhouse gases (GHG) created by fossil fuel emissions, including carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, and nitrogen trifluoride, are significantly reduced.
- B. The consequences of climate change come with a huge price tag that is only increasing. A February 2025 report estimates the costs of property damage alone from the 2025 Los Angeles wildfires to be between \$28 to \$53.8 billion. Estimates that include additional damages, including loss of life, healthcare, business disruptions, and other economic impacts from the wildfires is estimated to be in the \$250 billion to \$275 billion range. There is also a human cost to climate change, including effects on physical health, mental health, food security, and more. These human costs are difficult to quantify but are immense.
- C. San Diego is not immune to climate change effects. San Diego is particularly vulnerable to sea level rise and erosion, wildfires, and flooding. Over 1,000 individuals lost their

homes during catastrophic flooding worsened by climate change in January 2024, which caused an estimated \$31 million in damages.

- D. Major fossil fuel companies that extract or refine fossil fuels, leading to the emission of billions of tons of GHG while generating billions of dollars in profits, know their products drive climate change and climate-related weather catastrophes.
- E. State legislation introduced by Senator Caroline Menjivar and Assemblymember Dawn Addis, Senate Bill 684 (S.B. 684) and Assembly Bill 1243 (A.B. 1243), respectively, tasks the California Environmental Protection Agency (CalEPA) with conducting a comprehensive climate cost study to determine the total damage amount caused to the state by covered fossil fuel emissions between 1990 and 2045. CalEPA will then identify responsible fossil fuel companies (Responsible Parties), who will be assessed a cost recovery demand proportional to the state's climate change damages. The Responsible Parties will be required to pay the assessed cost recovery amount over 20-year annual installments after an initial 10 percent payment in the first year. If a Responsible Party misses a payment, they must pay all remaining installments immediately, sell or liquidate their assets (unless the buyer assumes liability for payment), or cease doing business. The funds collected by CalEPA will be deposited in a dedicated state treasury fund and used to finance projects aimed at mitigating and adapting to climate impacts, with a mandate that at least 40 percent of the funds be expended to directly benefit disadvantaged communities facing climate impacts.
- F. S.B. 684 and A.B. 1243 seek to redirect the financial burden of paying for the effects of climate change from California's taxpayers by tapping into a small fraction of the Responsible Parties' profits and collecting their share of the financial burden.

G. The states of New York and Vermont have enacted similar Climate Superfunds

Acts.

H. In April 2025, the City and County of San Francisco unanimously passed a

resolution in support of S.B. 684 and A.B. 1243.

I. The Office of the City Attorney prepared this Resolution based on the information

provided by City staff, with the understanding that this information is complete and accurate.

ACTION ITEMS

Be it resolved by the Council of the City of San Diego:

1. The Council declares its full support for S.B. 684 and A.B. 1243, which seek to

enact the Polluters Pay Climate Superfund Act of 2025.

2. The Council requests the City's Government Affairs Department staff transmit

this Resolution to the City's state lobbyists and other appropriate individuals to ensure this

Resolution is received by state representatives and made part of the official record of support for

S.B. 684 and A.B. 1243.

APPROVED: HEATHER FERBERT, City Attorney

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David J. Karlin

Senior Deputy City Attorney

DJK:cm:amt

May 28, 2025

Or.Dept: Council District 1

Doc. No. 4105667

I certify tha	t the Council of the City of San D	iego adopted this Resolution at a meeting held on
		DIANA J.S. FUENTES City Clerk
		By Knystell Medina Deputy City Olerk
Approved:	7 (date) 25	TODD GLORIA, Mayor
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Vetoed: _	(date)	TODD GLORIA, Mayor

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Councilmembers	Yeas	Nays	Not Present	Recused	
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Jennifer Campbell	<u> </u>				-
Stephen Whitburn	\square				•
Henry L. Foster III	Ĭ				
Marni von Wilpert			\mathbb{Z}		
Kent Lee	\square				
Raul A. Campillo	Ź				
Vivian Moreno					
Sean Elo-Rivera					
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