Mary Nichols, Chair California Air Resources Board 1001 I Street Sacramento, CA 95814



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## RE: Comments Submitted for Public Consultation on Investment of Cap-and-Trade Auction Proceeds

Dear Chairperson Nichols,

We appreciate this opportunity to offer our comments on the California Air Resources Board ("CARB") Plan for Investment of Cap-and-Trade Auction Proceeds. For over twenty years, Global Green USA ("Global Green") has been a national leader in advocating for smart solutions to global warming including green building for affordable housing and schools.

Global Green championed the inclusion of Section 38565 in the California Global Warming Solutions Act of 2006 ("AB 32"). We are now pleased to support the full implementation of Section 38565 and urge CARB to allocate a minimum of 30% of the auction revenue to disadvantaged communities, specifically to enable implementation of energy efficiency and green building strategies in affordable housing and schools. These efforts will reduce greenhouse gas ("GHG") emissions and ensure a safe, healthy environment in which to live, learn, work, and grow.

Section 38565 of AB 32 directs CARB,

"where applicable and to the extent feasible, [to] direct public and private investment toward the most disadvantaged communities in California and provide an opportunity for small businesses, schools, affordable housing associations, and other community institutions to participate in and benefit from statewide efforts to reduce greenhouse gas emissions."

We urge CARB to consider not only the mandate to direct investment towards disadvantaged communities, but also to adequately consider the latter part of this provision that focuses on ensuring that certain community institutions participate and share in the benefits of statewide efforts to reduce GHG emissions.

Our work to enhance life for low-income communities while protecting the environment has shown that energy efficiency and green building investments pay significant dividends. These investments provide financial relief for people living at or below poverty levels, they result in reductions in water and energy usage that translate into significant GHG reductions and they allow low-income communities to directly benefit from laws like AB 32 that often leave those communities behind. These investments are also good public policy as many, if not all, affordable housing developments and schools have significant public investment.

We believe that in order to empower our low-income communities to become an integral part of the solution to climate change they need to be able to see the direct impact (and benefits) of GHG reductions. The unprecedented challenge of reducing global warming pollution needs to be a democratic effort involving all communities and Global Green's Climate Solutions for Communities Initiative promotes community empowerment in the fight to mitigate climate change.



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CARB previously acknowledged in the AB 32 Scoping Plan adopted in December 2008 that "[m]any of the potential uses of revenue would help CARB implement the community benefit section of the AB 32 (HSC §38565)." We urge CARB to view the auction revenue generated from the cap-and-trade program as a source of revenue that will help CARB implement this community benefit section of AB 32 and we urge CARB to adequately consider the needs of schools and affordable housing.

In addition to affordable housing, implementing energy efficiency and green building strategies in schools provides the following benefits:

- Operating costs for energy and water in a green school can be reduced by 20% to 40%, allowing more money to be used for teacher salaries, textbooks, and computers.
- Reductions in carbon dioxide emissions can be achieved. In Los Angeles alone, building 34 new green schools would reduce 94,000 tons of CO2—the equivalent of eliminating more than 15,000 cars from the road every year, or planting more than 280,000 trees.
- Reductions in energy bills can be achieved by using Energy Star appliances, low-E windows, radiant barrier roofing, tankless water heaters, and hydronic heating.

These strategies are applicable in any school district but for low-income communities that are particularly cash-strapped, the impact is even greater.

We appreciate your attention to our concerns and urge your support for an equitable portion of allowance revenue to be allocated to these areas.

Sincerely,

Mary Luévano

Policy and Legislative Affairs Director

Global Green USA