June 7, 2010

Mr. Kevin Kennedy

Office of Climate Change

California Air Resources Board

1001 I Street

Sacramento, CA 95814

RE: Greenhouse Gas Cap-and-Trade Regulation: Ensuring an Equitable and Sustainable Implementation for California’s Workers and Residents

Dear Mr. Kennedy,

We thank you and your staff for the detailed update on the status of the Cap-and-Trade Regulation on May 17, 2010, and for providing us with an opportunity to share our feedback.

Green For All is a national organization working to build an inclusive green economy strong enough to lift all people out of poverty. Our organization proudly works with leaders in civil rights, faith, labor, environmental, and community groups in shaping and winning green jobs legislation at the federal, state, and local levels across the country. We are submitting comments because California’s cap-and-trade program will have significant impact on the future of our nation.

California’s policies directly affect policymakers in other states and at the federal level. California’s adoption of low-emission vehicle standards, for example, has led to other states and the U.S. legislature adopting similar policies. Indeed, President Obama has announced federal support for California’s stringent standards and noted that the federal government would set national standards modeled after California.

California’s leadership in clean energy now has heightened significance as federal legislators now debate climate legislation. As such, we urge you to keep California as the national leader on issues related to climate change. We believe the following provisions are important steps towards that end:

**Invest allowance revenues into programs supporting renewable energy, energy efficiency, and low-income consumers.** California should build upon and learn from the Regional Greenhouse Gas Initiative (RGGI) by investing proceeds generated from allowances into programs that reduce greenhouse gas emissions, increase investments into in-state renewable energy and green jobs, and help low-income consumers mitigate potential price increases and meet needs through the Community Benefits Fund (as discussed below). In particular, it is essential that these funds be invested in renewable energy projects in California to ensure that our state’s economy and workers benefit from our environmental leadership.

**Move the Community Benefits Fund to the “tier one” category of allowance value flow.** Climate change threatens all people, but it is impoverished communities who suffer the most. From heat-related deaths to floods, lost jobs and air pollution, low income communities and communities of color are the first to be devastated when climate disaster strikes.[[1]](#footnote-1) The Community Benefits Fund will ensure that communities most vulnerable to climate change will receive the needed programs to reduce greenhouse gas emissions, water and energy efficiency, and provide programs to protect against the rising dangers of climate change.[[2]](#footnote-2) By capitalizing the Fund, public support for AB 32 will also increase.

**Include California’s workforce as “impacted stakeholders” in developing the cap and trade program.** Pursuant to California’s Health and Safety Code Sec. 3857(b)(3), the Board must “maximize additional environmental and economic benefits” in the implementation of market-based compliance mechanisms.[[3]](#footnote-3) We ask that the ARB consider California’s workforce in weighing the various programmatic options for cap and trade. For example, in the American Clean Energy and Security Act (ACES), the House of Representatives added provisions (1) allowing the Secretaries of Labor and Energy to target employment and training opportunities in green construction to workers and communities who traditionally have had little access to career-track jobs with high-road contractors in the building trades; and (2) providing funds to training workers facing obstacles to employment for career-track jobs. California may look to include similar provisions into its AB 32 programs. This ensures that communities most harmed by climate change will be able to benefit from the economic and environmental gains that AB 32 aims to provide.

Thank you for considering these comments. Please feel free to contact me directly if you have any questions or would like to discuss further ideas on how to ensure low-income communities are protected in climate change mitigation programs. I can be reached at [vivian@greenforall.org](mailto:Vivian@greenforall.org) or (510) 271-9830.

Sincerely,

Vivian Chang

Green For All

1. *See* Manuel Pastor, et al.  *Minding the Climate Gap: What’s at Stake if California’s Climate* *Law isn’t Done Right and Right Away*. April, 2010. [↑](#footnote-ref-1)
2. Assembly Bill 1405 (De Leon). Community Benefits Fund. [↑](#footnote-ref-2)
3. California Health and Safety Code § 38570(b)(3). [↑](#footnote-ref-3)