

November 25, 2008

Mary Nichols, Chairperson California Air Resources Board 1001 "I" Street P.O. Box 2815 Sacramento, CA 95812

Telephone 916.327-7500 Facsimile 916.441.5507

Re: Final Draft AB 32 Scoping Plan

Dear Chairperson Nichols,

On behalf of the California State Association of Counties (CSAC), we appreciate the opportunity to provide comments on the California Air Resources Board (CARB) Final AB 32 Draft Scoping Plan (Scoping Plan). CSAC recognizes the tremendous effort required to develop such a comprehensive statewide plan, and we appreciate the public outreach efforts that CARB staff has made.

Counties Address Climate Change

In November 2007, the CSAC Board of Directors voted unanimously to adopt a climate change policy, including specific guidelines regarding nine different sectors affected by climate change. Recognizing the need for local action, CSAC created a Climate Change Task Force that is charged with tackling this critical issue and helping local governments get the information they need to be able to address climate change in their respective communities.

As mentioned in our previous comments on the Scoping Plan, counties are taking action to address this important issue. Local governments recognize the dramatic impact that climate change will have on our society and the need for immediate action to reduce California's greenhouse gas (GHG) emissions. As noted in the Scoping Plan, local governments are demonstrating leadership at the local level by addressing climate change and creating innovative programs that tackle GHG emissions reductions in their respective communities. One-third of California's counties have publically committed to reducing their GHG emissions either through ICLEI: Local Governments for Sustainability, the California Climate Action Registry (CCAR), or through the "Cool Counties" Initiative. These communities are leading the way, developing creative programs for climate protection that best suit the unique characteristics of their communities.

Funding Climate Change Activities

Critical to this issue is finding the resources local governments need to be able to carry out efforts to address global warming. The economic crisis facing America is also dramatically impacting local government. Traditionally steady county revenue sources, such as property and sales tax, are dwindling and the financial crisis is causing the demand for county services to climb significantly. Critical revenue shortfalls are causing counties to make significant cut backs and making any new programs extremely difficult to take on and carry out. Additionally, CSAC recognizes the potential for fiscal impacts on all levels of government as a result of climate change, i.e. sea level rise, flooding, water shortages and other varied and numerous consequences. In order to effectively address global warming in California, it is imperative that resources are made available to local governments to carry out the important work that this critical issue requires. In particular, financial assistance must be made available to local government for the "up front" costs associated with GHG reduction programs and strategies. Local agencies will also be looking to the state for technical assistance, which will necessitate investment in educational and outreach programs.

CSAC supports the use of grants, loans, incentives and revenue-raising authority to assist local governments with the implementation of climate change response activities and GHG reduction strategies. Furthermore, CSAC supports additional funding mechanisms, aside from gas taxes, for the transportation network, such as congestion pricing, mitigation fees, and user-based fees, which go hand-in-hand with addressing climate change. CSAC supports a diverse financing strategy to address GHG emissions reductions across all sectors, so long as existing funding levels are maintained with historical shares of current funding ensured for counties (i.e. state and federal gas tax increases, etc.) for the transportation system.

Voluntary Local Government 15% GHG Reductions

As mentioned, one-third of California counties have already committed to reducing their GHG emissions. CSAC appreciates the Scoping Plan's recognition of these efforts and the avoidance of mandatory reductions. CSAC urges CARB to adhere to this flexible approach to addressing climate change, recognizing that a one size fits all approach is not appropriate for California's large number of diverse communities. CSAC also calls for special consideration for environmental justice issues, disadvantaged communities, and rural areas that do not have the ability to address these initiatives without adequate support and assistance.

Land Use, Transportation and Regional Targets

CSAC is pleased that the Scoping Plan intends to achieve the reduction in GHG emissions from the transportation and land use sectors via implementation of SB 375 (Chapter 728, Statutes of 2008) by Senator Darrell Steinberg. CSAC worked very closely with Senator Steinberg and a multitude of other stakeholders to craft SB 375 in a manner that allows for a regional approach to achieve the GHG emissions reductions targets that contains significant and robust processes for local government and public input into the entire process from CARB setting the targets to the Metropolitan Planning Organizations (MPOs) developing the plans to achieve them. The bill also contains meaningful CEQA reform for specified infill and mixed-use projects. Partnership, cooperation, and collaboration at all levels of government is the only way in which we will achieve our mutual goal – to reduce GHG emissions statewide.

Another critical component to SB 375 important to retain as we strive towards achieving the GHG targets is the rural sustainability element that recognizes the rural contribution towards reducing GHGs. More specifically, the bill requires regional transportation agencies to consider financial incentives for cities and counties that have resource areas or farmland, for the purposes of, for example, transportation investments for the preservation and safety of the city street or county road system, farm to market, and interconnectivity transportation needs. An MPO or county transportation agency shall also consider financial assistance for counties to address countywide service responsibilities in counties that contribute towards the GHG emissions reductions targets by implementing policies for growth to occur within their cities.

CSAC also supports the move from two to five million metric tons of CO2 equivalent (MMTCO2E) for the regional transportation related GHG emissions reductions target. We believe this is a reasonable goal based on input and sound research from regional planning agencies and the University of California, Berkeley. Furthermore, because the law allows for adjustments to the targets in the future, this initial goal can be viewed as a good starting point that can be adjusted as needed once SB 375 implementation is underway. It is critical given the uncertain economic times and fiscal constraints faced by all levels of government that CARB set realistic and achievable emissions reductions targets. We strongly urge CARB to retain the five MMTCO2E target for the transportation and land use sectors and any increase from this amount should be supported by the necessary economic feasibility data and research.

We also urge CARB to support financial and technical assistance to local governments to develop and update modeling capabilities for better land use and resource planning as well as for the development, adoption, and implementation of general plans, general plan elements, and specific plans which assist in meeting the regional targets set forth in SB 375 and the State's AB 32 climate change goals. While SB 732 (Chapter 729, Statutes of 2008), also by Senator Steinberg, sets forth implementation criteria for allocating the \$90 million for planning loans and grants contained in Proposition 84, the needs of local governments and regional agencies is far greater than this.

As previously mentioned, CSAC supports the recommendation to allow for congestion pricing strategies as a way to both manage congestion on our streets and highways and to raise severely needed revenues for improvements to the transportation network that assists in GHG emissions reductions such as for transit, bike, and pedestrian infrastructure. Furthermore, CSAC believes that regional and local governments should have a greater ability to raise revenue at the regional and local levels, such as through a reduced voter threshold for the imposition of a countywide sales tax measure for transportation purposes.

Finally, CSAC still maintains that funding at an increased level for maintenance and preservation programs for the existing transportation network is still a vital element in order to meet AB 32 goals. The Scoping Plan asserts that public transit will play an important role in reducing GHG emissions. While we understand the focus on supporting various transportation alternatives to the vehicle as a means for GHG emissions reductions, we also stress the importance of supporting a dedicated and increased funding source for the preservation of the existing transportation system, especially local streets and roads, as this system serves as the transit right-of-way and is critical to a seamless, efficient, multi-modal transportation system.

High Speed Rail

CSAC supports the High Speed Rail (HSR) system, not only for the benefits to the overall transportation network and the movement of people, but also for the significant environmental benefits, including decreased energy consumption, improved air quality, reduced land consumption, and fewer impacts overall on sensitive habitat and water resources. The HSR system is a critical piece of any solution crafted to reduce GHGs in California.

Forestry

Catastrophic wildfires have burned approximately 1.24 million acres in California this year - the most on record since 1970. Not only have these fires dramatically impacted the lives of many Californians, the environmental impacts have been devastating as well. CSAC strongly believes that effective forest management practices will help reduce the risk of such catastrophic wildfires, and will greatly reduce the amount of carbon emissions and particulate matter released into the atmosphere. CSAC supports sustainable forestry practices through the existing regulatory process, and encourages continued reforestation and active forest management on both public and private timberlands.

CSAC believes that it is imperative that adequate funding be provided to support the management of forest land owned and managed by the federal government in California in order to ensure the reduction of wildfires. Given the impact of fires on GHG's and air quality, it is imperative that the Scoping Plan, and any follow-up implementation measures, place a stronger emphasis on effective fuels management of all lands in California, and acknowledge that the federal government must take a more active role to manage forest service lands and help reduce the risk of catastrophic fires.

CSAC has worked with CARB in the development of their Forestry Protocols and supports efforts to quantify reductions in GHG emissions from forest projects. CSAC supports responsible optimum forest management practices that ensure continued carbon sequestration in the forest, provide wood fiber for biomass-based products and carbon-neutral biomass fuels, and protect the ecological values of the forest in a balanced way.

Recycling/ Waste Management

CSAC recognizes that significant GHG reductions can be made from turning waste into resources and increasing waste diversion from landfills. However, as mentioned previously, this issue requires financial assistance to help local governments carry out additional recycling and diversion programs. The obstacles to siting new recycling facilities, in particular compost facilities, must also be recognized. We also believe that the State's recycling rate would increase significantly if the commercial sector were incentivized to increase their recycling activity.

In addition, CSAC strongly supports the concept of extended producer responsibility, specifically a framework approach that shifts the financial and physical responsibility from local government to those benefiting economically from the sale of the products they produce. This approach will help divert waste from landfills and drive manufacturers to design products that are more durable, easier to repair and recycle, and less toxic to our environment.

Energy

CSAC recognizes that reducing energy consumption is an important way to reduce GHG emissions and supports green building programs that encourage the use of sustainable building practices, incorporating energy efficiency and conservation technologies into state and local facilities. CSAC supports the State's development of a Green Building Standards Code.

We also see the long-term benefits of the Governor's Million Solar Roofs Program, which sets the goal of installing 3, 000 megawatts of new, solar-electric systems by 2017

through a ratepayer-financed incentive program. CSAC supports establishing incentives that will encourage the development and use of alternative energy sources, such as wind, solar, biomass, hydropower, and geothermal resources. Counties also support promoting the timely development of new infrastructure, such as new electric transmission, needed to facilitate renewable energy development. Such efforts will lead to the state realizing its goal of having 33% of its electricity supply come from renewable sources by 2020.

CSAC urges the California Energy Commission and CARB to collaborate with local governments in the development of a model ordinance for the siting of renewable energy projects. We believe that this type of guidance will facilitate the siting of such facilities, some of which involve new technologies/systems that may be unfamiliar to local agencies.

Water

CSAC recognizes that climate change has the potential to seriously impact California's water supply. CSAC continues to assert that adequate management of water supply cannot be accomplished without effective administration of both surface and ground water resources within counties, including the effective management of forestlands and watershed basins. CSAC supports water conservation efforts, including reuse of domestic and industrial wastewater, reuse of agriculture water, groundwater recharge, and economic incentives to invest in equipment that promotes efficiency.

Agriculture

CSAC supports State efforts to develop a dairy digester protocol to document GHG emissions reductions from dairy farms. CSAC also supports State efforts to develop guidelines through a public process to improve and identify cost-effective strateiges for nitrous oxide emissions reductions and additional research and analysis of carbon sequestration opportunities within agriculture.

Finally, CSAC would like to emphasize the fact that many local agencies are in the process of developing, or have already initiated, climate change related programs. CSAC supports the inclusion of these programs into the larger GHG reduction framework and supports acknowledgement and credit given for these local efforts. In order for all communities to tackle the problem of global warming, financial resources must be made available to local governments.

Thank you for the continued opportunity to play an active role in this process. Should you have any questions or need additional information regarding our comments, please do not hesitate to contact DeAnn Baker at (916) 327-7500 ext. 509 or dbaker@counties.org, or Karen Keene at (916) 327-7500 ext. 511, or kkeene@counties.org.

Sincerely,

100 a Baker

DeAnn Baker Legislative Representative California State Association of Counties

Karen Keene

Karen Keene Legislative Representative California State Association of Counties

CSAC Comments on Final Draft Scoping Plan