



# Air Resources Board



**Matthew Rodriguez**  
Secretary for  
Environmental Protection

**Mary D. Nichols, Chair**  
1001 I Street • P.O. Box 2815  
Sacramento, California 95812 • [www.arb.ca.gov](http://www.arb.ca.gov)

**Edmund G. Brown Jr.**  
Governor

August 4, 2017

## **Cap-and-Trade Auction Proceeds Community Meetings on the California Air Resources Board's Funding Guidelines for Agencies that Administer California Climate Investments**

You are invited to participate in a series of community meetings and a statewide webcast later this month to provide input on the draft updates to the California Air Resources Board's (CARB or Board) *Funding Guidelines for Agencies that Administer California Climate Investments* (Funding Guidelines). California Climate Investments is a statewide initiative that puts billions of Cap-and-Trade dollars to work reducing greenhouse gas emissions, strengthening the economy, and improving public health and the environment—particularly in disadvantaged communities.

We welcome your participation in these community meetings and any written comments you may provide. This input helps inform administering agencies in the design and implementation of their California Climate Investments programs. CARB staff will consider the feedback from these meetings and written comments in the development of the Proposed Update to the Funding Guidelines, to be considered for approval by the Board following a public hearing in Fall 2017. The draft Funding Guidelines are available at: [www.arb.ca.gov/ccifundingguidelines](http://www.arb.ca.gov/ccifundingguidelines).

The recent enactment of Assembly Bill 398 (Garcia, Chapter 135, Statutes of 2017) and Assembly Bill 617 (Garcia, Chapter 136, Statutes of 2017) combats air pollution at the neighborhood level, and helps California achieve its ambitious climate goals by providing direction on a post-2020 Cap-and-Trade Program. Assembly Bill 398 also identifies a list of priorities for the Legislature to consider for future appropriations from the Greenhouse Gas Reduction Fund (GGRF or Fund). Upcoming legislative action on expenditure of GGRF monies may necessitate conforming changes to CARB's Funding Guidelines. CARB staff is releasing the draft Funding Guidelines now to provide guidance to agencies already administering California Climate Investments from prior appropriations, and to solicit public input on the new requirements to fulfill Assembly Bill 1550 (Gomez, Chapter 369, Statutes of 2016). CARB staff will update the draft Funding Guidelines as needed to implement any future direction from the Legislature.

*The energy challenge facing California is real. Every Californian needs to take immediate action to reduce energy consumption. For a list of simple ways you can reduce demand and cut your energy costs, see our website: <http://www.arb.ca.gov>.*

California Environmental Protection Agency

The meetings will be held on the following dates at these locations:

<b>Date and Time</b>	<b>Community Meeting Location</b>
Tuesday, August 22, 2017 <b>6 pm – 8 pm</b>	<b>Fresno - Community Meeting</b> Cecil C. Hinton Community Center 2385 S. Fairview Avenue, Fresno, California 93706
Wednesday, August 23, 2017 <b>6 pm – 8 pm</b>	<b>Los Angeles - Community Meeting</b> Holman United Methodist Church 3320 W Adams Boulevard, Los Angeles, California 90018
Monday, August 28, 2017 <b>6 pm – 8 pm</b>	<b>Oakland - Community Meeting</b> Elihu Harris Building 1515 Clay Street, Oakland, California 94612
Thursday, August 31, 2017 <b>10 am – 12 pm</b>	<b>Sacramento - Workshop and Webcast</b> CalEPA Headquarters, Sierra Hearing Room 1001 I Street, Sacramento, California 95814  A live webcast of the Sacramento meeting will be available at: <a href="https://video.calepa.ca.gov/">https://video.calepa.ca.gov/</a>

The meetings will begin with a welcome and brief overview of the draft updates to the Funding Guidelines, and then transition into multiple breakout sessions for participants to discuss their views and raise questions with staff. We will offer Spanish interpretation and translation of the overview materials.

The draft Funding Guidelines include updated provisions to incorporate the legislative requirements of Assembly Bill 1550 for disadvantaged communities, low-income communities, and low-income households. In addition, the draft Funding Guidelines include revisions to reflect “lessons learned” and feedback received from stakeholders during initial program implementation, such as improvements on reporting and transparency.

The draft Funding Guidelines are intended to help administering agencies in the initial set-up of their programs and to provide consistency in designing and implementing California Climate Investments programs that meet the State’s statutory and policy objectives for appropriations from the Fund.

**Background:**

**California Climate Investments:** The State proceeds from the Cap-and-Trade Program (title 17, California Code of Regulations, section 95800 et seq.) provide an

opportunity for California to invest in climate action, with an emphasis on our most disadvantaged and low-income communities.

The GGRF holds the State's portion of auction proceeds, generated by California's Cap-and-Trade Program. The Governor and Legislature determine which State agencies and programs will receive appropriations from this Fund to invest in projects that reduce greenhouse gases. Over a dozen State agencies administer the Fund programs and each agency is responsible for its own program. To learn more about California Climate Investments, visit [www.caclimateinvestments.ca.gov](http://www.caclimateinvestments.ca.gov).

**ARB Funding Guidelines:** State law also requires CARB to develop guidance for all State agencies that receive appropriations from the GGRF, including guidance on reporting, quantification methods, and maximizing benefits to disadvantaged communities. In 2015, CARB staff released the Funding Guidelines, followed by a Supplement document in 2016, to provide direction for agencies with September 2016 budget appropriations. The passage of Assembly Bill 1550 modifies the existing Senate Bill 535 (De León, Chapter 830, Statutes of 2012) investment requirements for disadvantaged communities, and provides new funding targets for low-income communities and low-income households. As a result, CARB must update the Funding Guidelines to reflect the new requirements.

In February 2017, the California Environmental Protection Agency (CalEPA) and CARB staff jointly held three community meetings and a statewide webinar to discuss how to identify disadvantaged and low-income communities, and how to assess whether projects benefit individuals living in these communities.

In April 2017, after considering input, CalEPA identified the list of disadvantaged and low-income community census tracts for the purposes of Assembly Bill 1550 investments. For more information, see [www.calepa.ca.gov/EnvJustice/GHGInvest](http://www.calepa.ca.gov/EnvJustice/GHGInvest). CARB staff has also considered the comments received from the community meetings in the development of the draft Funding Guidelines.

### **Next Steps:**

**Submitting or Viewing Written Comments:** Written comments on the draft Funding Guidelines update will be accepted through September 15, 2017 via electronic submittal at: [https://www.arb.ca.gov/lispub/comm2/bcsubform.php?listname=draftguidelines-ws&comm\\_period=1](https://www.arb.ca.gov/lispub/comm2/bcsubform.php?listname=draftguidelines-ws&comm_period=1).

Comments can be viewed at:  
<https://www.arb.ca.gov/lispub/comm2/bccommlog.php?listname=draftguidelines-ws>.

Following the community meetings and public comment period, CARB staff will update and release a Proposed Update to the Funding Guidelines. In Fall 2017, the Board will

hear public testimony on the Proposed Update to the Funding Guidelines and consider approval of the Funding Guidelines.

**Notices for Future Meetings and Materials:** If you would like to receive notices of future meetings and the availability of materials, please sign up for the list serve at: [http://www.arb.ca.gov/listserv/listserv\\_ind.php?listname=auctionproceeds](http://www.arb.ca.gov/listserv/listserv_ind.php?listname=auctionproceeds).

**Special Accommodation:** Consistent with California Government Code Section 7296.2, special accommodation or language needs may be provided for any of the following:

- An interpreter to be available at the meeting
- Documents made available in an alternate format or another language
- A disability-related reasonable accommodation

To request these special accommodations or language needs, please contact Ms. Ann Beegan at (916) 324-3333 or email at [ann.beegan@arb.ca.gov](mailto:ann.beegan@arb.ca.gov) as soon as possible, but no later than 5 business days before the scheduled meeting. TTY/TDD/Speech to Speech users may dial 711 for the California Relay Service.

Consecuente con la sección 7296.2 del Código de Gobierno de California, una acomodación especial o necesidades lingüísticas pueden ser suministradas para cualquiera de los siguientes:

- Un intérprete que esté disponible en la audiencia
- Documentos disponibles en un formato alternativo u otro idioma
- Una acomodación razonable relacionados con una incapacidad

Para solicitar estas comodidades especiales o necesidades de otro idioma, favor de contactar a Stephen Cutts al (916) 323-1603 o [scutts@arb.ca.gov](mailto:scutts@arb.ca.gov) lo más pronto posible, pero no menos de 5 días de trabajo antes de la junta programada. TTY/TDD/Personas que necesiten este servicio pueden marcar el 711 para el Servicio de Retransmisión de Mensajes de California.

**Questions:** If you have any questions on the logistics of the community meetings, please contact Dr. Charanya Varadarajan at (916) 322-1223 or email at [charanya.varadarajan@arb.ca.gov](mailto:charanya.varadarajan@arb.ca.gov).