

January 12, 2017

Community Meetings Investment of Cap-and-Trade Auction Proceeds to Benefit Disadvantaged and Low-income Communities

You are invited to participate in community meetings to discuss use of Cap-and-Trade auction proceeds to fund projects that reduce greenhouse gases in disadvantaged and low-income communities to implement Senate Bill (SB) 535 (De León, Statutes of 2012) and Assembly Bill (AB) 1550 (Gomez, Statutes of 2016). There are two key questions now: how to identify these communities and how to assess whether projects benefit individuals living in these communities. The California Environmental Protection Agency (CalEPA) and Air Resources Board (ARB) staff are hosting the following meetings to share our initial thinking and seek your input.

Date and Time	Community Meeting Location
Wednesday, February 1, 2017 6 pm – 8 pm	Fresno Cecil C. Hinton Community Center 2385 S. Fairview Avenue Fresno, CA 93706
Thursday, February 2, 2017 6 pm – 8 pm	Los Angeles Junipero Serra Building 320 W. 4th Street Los Angeles, CA 90013
Monday, February 6, 2017 6 pm – 8 pm	Oakland Elihu Harris Building 1515 Clay Street Oakland, CA 94612
Tuesday, February 7, 2017 2 pm – 4 pm	Webinar Additional information will be available at: https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/upcomingevents.htm .

We plan to structure the meetings to begin with a welcome and brief overview of the issues at hand, then convene multiple breakout sessions in a “World Café” style for participants to discuss their views and raise questions with staff from the State agencies. We will offer Spanish interpretation and translation of the materials at several of the World Café sessions.

During the week of January 23, 2017, CalEPA and ARB will post the following concept documents for discussion at the community meetings and for written public comment:

- A discussion document on identifying disadvantaged communities under SB 535 for use in programs funded beginning in the 2017-18 budget year at: <http://www.calepa.ca.gov/EnvJustice/GHGInvest/>.
- A concept paper on implementation of AB 1550, including identification of low income communities and households, as well as the key questions to assess which projects would meet the investment targets at: <https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/upcomingevents.htm>.
- A summary of other significant updates being developed for inclusion in ARB's Funding Guidelines for Agencies that Administer California Climate Investments at: <https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/upcomingevents.htm>.

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. These investments are financing programs and projects that further the objectives of Assembly Bill 32, the California Global Warming Solutions Act of 2006 (Nunez, Statutes of 2006), by reducing greenhouse gas emissions in the State; delivering benefits to disadvantaged and low-income communities; and maximizing, where feasible, economic, health, and environmental co-benefits.

The Greenhouse Gas Reduction Fund 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. Greenhouse Gas Reduction Fund programs are administered by over a dozen State agencies and each agency is responsible for administering its own program. To learn more about the agencies and their programs, please visit www.arb.ca.gov/auctionproceeds.

SB 535 and AB 1550: SB 535 directs the Secretary for Environmental Protection to identify disadvantaged communities for investment of Cap-and-Trade auction proceeds. AB 1550 requires that a minimum of 25 percent of the proceeds be invested in projects that are located within and benefiting individuals living in disadvantaged communities. CalEPA plans to use the latest version of the CalEnviroScreen tool to inform the identification of disadvantaged communities. The Office of Environmental Health Hazard Assessment recently released CalEnviroScreen Version 3.0, which ranks communities based on numerous indicators that reflect pollution burdens and population characteristics, at <http://oehha.ca.gov/calenviroscreen/report/calenviroscreen-30>.

Additionally, AB 1550 requires a minimum of 5 percent of funds be invested in projects that benefit low-income households or communities statewide; and another 5 percent to projects that benefit low-income households or communities that are within a ½ mile of disadvantaged communities.

ARB Funding Guidelines: State law also requires ARB to develop guidance for all State agencies that receive appropriations from the Greenhouse Gas Reduction Fund, including guidance on reporting, quantification methods, and maximizing benefits to disadvantaged communities. ARB released the most recent Funding Guidelines in December 2015. The passage of AB 1550 modifies the existing SB 535 Greenhouse Gas Reduction Fund investment requirements for disadvantaged communities, and provides new funding targets for low-income households and low-income communities. As a result, ARB must update the Funding Guidelines to reflect the new requirements.

Written Comments: We also welcome written comments on both of these topics from February 1, 2017 to February 20, 2017 via electronic submittal at: [https://www.arb.ca.gov/lispub/comm2/bcsubform.php?listname=ab1550meetings-
ws&comm_period=1](https://www.arb.ca.gov/lispub/comm2/bcsubform.php?listname=ab1550meetings-
ws&comm_period=1).

Notices for Future Meetings and Materials: If you would like to receive notices of future meetings and the availability of materials on these subjects, please sign up for both the list serves at: <https://agency.calepa.ca.gov/Listservs/ListSubscribe.asp?LID=16> and 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 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 alterno 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 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 workshops, please contact Ms. Charanya Varadarajan at charanya.varadarajan@arb.ca.gov or (916) 322-1223.