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February 21, 2017

Air Resources Board  
California Environmental Protection Agency

**RE: Community Input on AB 1550 Implementation** (submitted via electronic comment log: [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))

To Whom It May Concern:

Sierra Business Council (SBC) is a non-profit network of more than 4,000 business, local government and community partners working to foster vibrant, livable communities in the Sierra Nevada. We appreciate the opportunity to comment on the implementation of SB 535 and AB 1550 regarding the distribution of GGRF funds to benefit disadvantaged and low-income communities in California.

Our biggest concern around implementation of SB 535 and AB 1550 is the number of Californians in-need who are being left out – left out of the decision-making regarding how funds get spent, left out of the opportunity to help improve statewide conditions, and left out of the public health, economic and community sustainability benefits that come from reducing GHG and other emissions in rural areas.

Our hope is to increase appropriate GGRF investment in rural regions, use these programs to prove benefit and help to lift rural people out of poverty, and work together with state agencies to overcome policy and statutory barriers that are keeping rural people from meaningfully engaging in the state’s climate change mitigation and adaptation efforts

We see a number of barriers to overcome before we can collectively achieve these goals. These include:

1. A CES Tool that undercounts rural impacts, such as environmental exposures (local sources, secondary effects from urban areas), climate risks, and other indicators of relative disadvantage that affect sensitivity and vulnerability, especially in our forested communities;
2. The small portion of GGRF funding that has gone to rural areas (using the Sierra as an example, this region has received only 2% of GGRF spending, yet the area covers 1/4 of the state’s land mass and supplies 60% of the state’s developed water);
3. An ongoing emphasis on CalEnviroScreen-defined DACs over low-income or other indicators (AB 1550 tried to address this issue with a separate and additional allocation of GGRF funds to low-income communities; but the original amount was reduced to 10% and half of that was then limited to low-income communities within a half mile of CES-defined DACs);

4. An out-of-sequence development process for state policies, plans and emission reduction targets, especially within the forest sector, leading to the forest sector losing out on competitive GGRF funding opportunities in the first two rounds;
5. The low level of capacity-building and lack of technical assistance in rural regions to support project development and application preparation for GGRF and other state funding sources, leading to a loss of confidence among rural local governments about the value of engaging in the process.

We recommend the following suggested solutions as ways of beginning to overcome these barriers:

#### Short-Term

1. Where practical, use upcoming program guideline development to create rural setasides within each program – modelled on the RIPA program in AHSC – to provide a “floor” of investment dedicated to projects in rural regions.

#### Benefits:

- All projects would obviously have to meet GHG emission reduction mandates and further the goals of AB 32 and SB 32;
- Criteria could be adjusted to accommodate differences in project types between rural and non-rural areas;
- Allows for “like” projects to compete against one another instead of against very different projects;
- If there aren’t enough high-scoring rural projects, the setaside funding could revert to non-rural pots;
- Would serve to incentivize capacity-building and emission reduction project development in areas that have not been well-served under the GGRF funding;
- Would help agencies meet the additional program goals of investing in and maximizing benefits to low-income communities and households, and maximizing economic, environmental, and public health benefits.

#### Medium-Term

2. Develop a better understanding among state agencies of issues affecting rural forested regions of the state and use that understanding to amend or add metrics to existing DAC standards.
3. Alternatively, create a regional approach to overcoming barriers in recognition of the distinctions between different parts of the state (eg. “one size does not fit all”), where emission reduction goals, low-income/DAC identification, funding distribution, and technical assistance/capacity-building strategies are developed on a regional basis – perhaps in conjunction with the regional carbon plans called for in the Forest Carbon Plan draft.
4. Develop a rural technical assistance program – using agency and partner expertise – to provide much-needed capacity-building for rural regions (separate from the technical assistance already flowing to DAC regions) across all appropriate GGRF funding sources.

Longer-Term

5. Facilitate an ongoing dialogue in California about rural needs and issues, as we have proposed in previous comments and meetings. Without such a dialogue, rural regions will continue to be alienated and will remain less likely to support the policies and programs necessary to meet statewide goals.
6. Support work within regions to prove the need for investment – data that is necessary as background for development of future C&T/GGRF legislation and policy guidance.
7. Work to better align and synchronize policy development processes for future updates so that component elements are finalized and approved and can be used to update the larger, overarching plans such as the Scoping Plan or the 3-year Investment Plan.

SBC looks forward to working with ARB, CALEPA and OEHHA to overcome these barriers and help rural communities throughout the state better engage in climate mitigation and adaptation efforts to meet statewide goals.

All best,

A handwritten signature in black ink that reads "Kerri J. Timmer". The signature is written in a cursive, flowing style with a long horizontal line extending to the right.

Kerri Timmer  
Government Affairs Director