RCRC
RURAL COUNTY REPRESENTATIVES OF CALIFORNIA

December 15, 2016

Mr. Richard Corey, Executive Officer
California Air Resources Board
1001 I St.
Sacramento, CA 95812

RE: 2030 Target Scoping Plan Update Discussion Draft

Dear Mr. Corey:

The Rural County Representatives of California (RCRC) is an association of thirty-five California counties and the RCRC Board of Directors is comprised of elected supervisors from each of those member counties. RCRC member counties are tasked with a variety of decision-making responsibilities related to land use and development in rural California communities and are challenged with environmental stewardship, economic vitality, and social equity at the local level. We appreciate this opportunity to comment on the 2030 Target Scoping Plan Update Discussion Draft (Discussion Draft).

Natural and Working Lands

Much of California's forested lands are located within RCRC member counties including more than 70 percent of the lands managed by the USDA Forest Service (USFS). RCRC has long urged the State to address the escalating wildfire problem, particularly as temperatures rise and amplify the need for better forest management practices on both state and federal lands. Now, many rural forested counties are also grappling with the compounded risk of high severity wildfire due to the 102 million dead trees resulting from drought-induced tree mortality since 2010, a staggering 62 million of which have died since October 2015 when Governor Brown issued his Emergency Proclamation on Tree Mortality.

RCRC acknowledges the good work the State is doing on the Forest Carbon Plan to address the long term carbon storage and emission goals from California's natural and working lands. We also appreciate the robust discussion in the Discussion Draft on options for enhancing carbon sequestration and resilience through management and restoration of California's forested lands. Our State's forest lands are overstocked and therefore more susceptible to high severity wildfire, and remain in desperate need of a more substantial management and restoration program—particularly those managed by the USFS. With a full 20 percent of California's 100

1215 K Street, Suite 1650, Sacramento, CA 95814 | www.rcrcnet.org | 916.447.4806 | Fax: 916.448.3154

million acres of land managed by the USFS, and the budgeting practice of “fire borrowing” effectively halting the ability of the USFS to increase the pace and scale of its management and restoration activities, RCRC has long believed that the only path to healthy, more resilient forests in California is to implement programs that intensify management activities across jurisdictional borders throughout the State’s forest lands.

To that end, RCRC would support a more aggressive management scenario as discussed on pages 63-65 of the Discussion Draft. Figure II-2 on page 65 clearly suggests that a higher level of management and restoration on the State’s forested lands, including national forests, would ultimately yield a greater increase in carbon sequestration by improving the overall health of the forests and decreasing the risk of high severity wildfire. The Discussion Draft acknowledges that such a scenario would necessitate additional coordination with federal partners, something that we have always deemed essential for the health of California’s forest lands. State, federal, and local governments are already coordinating to tackle the challenges presented by the current tree mortality disaster, and while we acknowledge that coordination on climate change policy with federal partners may present its own unique barriers, the need to manage the forests for greater health and resilience is a universal concern.

RCRC also supports the Discussion Draft’s recommendations to diversify and increase biomass utilization pathways. We recognize the need to establish methods to dispose of excess biomass waste from forest management and restoration treatments and agricultural operations in ways that minimize greenhouse gas (GHG) and black carbon emissions. RCRC is a proponent of clean biomass utilization infrastructure, and appreciates ARB’s commitment to innovating and developing biomass utilization pathways.

Finally, while RCRC appreciates that there is finally a set date to complete the GHG emissions inventory for natural and working lands, we are somewhat disappointed that it is still two years in the future. RCRC and its member counties have been asking for this inventory since Assembly Bill 32 became law in 2006, and we feel it is long overdue.

Waste Management

Reducing methane emissions from landfills has been the subject of GHG emissions reductions since ARB’s Landfill Methane Control Measure, which was an early action measure from Assembly Bill 32. More recently, with the adoption of Assembly Bill 1826 (Chesbro, 2014), a commitment was made to divert commercial organics from landfills beginning in 2016, phasing implementation through 2019, with the goal of reaching 50 percent organic diversion from landfills in 2020. RCRC worked with the author’s office, CalRecycle, and stakeholders to craft legislation that was feasible and reasonable, and supported the legislation. This legislation was enacted to help the state meet the statewide goal of 75 percent diversion of solid waste from landfills and would also serve to decrease additional methane emissions from landfills.

RCRC fully supports the goals to reduce GHGs in the solid waste sector, as outlined on page 73 of the Discussion Draft. We are also pleased the Discussion Draft reinforced the goals in AB 1826 and SB 1383 for the 50 percent of commercial organic diversion from landfills by 2020 and 75% by 2025, and maintains the ultimate goal of 40 percent reduction in methane emissions from the solid waste sector by 2030, as indicated on page 74. RCRC strongly recommends that the emphasis to meet the goals be on providing incentives and addressing challenges and issues associated with construction of the necessary infrastructure needs in California as stated on page 75, and hope this emphasis is prioritized over additional mandatory programs.

Our member counties are committed to implementation of programs that will reduce GHG emissions to the extent they are economically feasible. Our rural counties face additional challenges with the organic processing facility infrastructure in that current technology and the economies of scale often make their construction infeasible.

<u>Cap-and-Trade Program vs. Carbon Tax</u>

RCRC does not have official policy on the continuation of the Cap-and-Trade Program versus the establishment of a carbon tax to achieve future GHG emissions reductions goals. However, we do encourage ARB to remain thoughtful about whether the Greenhouse Gas Reduction Fund has been allocated in an equitable, valuable, and cost-effective manner to this point. We recognize that ARB has little influence over how GGRF dollars are spent once those funds are collected. However, since the Cap-and-Trade Program funds were first made available in the 2014-15 Budget year, the State has been utilizing the majority of funds for projects that focus more on co-benefits than on actual GHG emissions reductions, and has been hesitant to fund the very program types that have been shown to be the most cost effective such as waste diversion and forest health projects. In fact, the Legislature did not allocate the 40 percent in discretionary GGRF funds at all in 2015-16, and subsequently allocated the vast majority of the GGRF funds in the 2016-17 State Budget to programs that were among the least cost effective yet most beneficial to urban and suburban areas.

Furthermore, we continue to believe that GGRF spending policies have disproportionately impacted rural communities in the wake of Senate Bill 535 (De León) due to what we believe is a flawed interpretation of the bill by CalEPA. SB 535 clearly states (bold and underline added for emphasis):

> "The California Environmental Protection Agency shall identify disadvantaged communities for investment opportunities related to this chapter. These communities shall be identified based on geographic, socioeconomic, public

> health, and environmental hazard criteria, and may include, but are not limited to, **<u>either</u>** of the following:
>
> (a) Areas disproportionately affected by environmental pollution and other hazards that can lead to negative public health effects, exposure, or environmental degradation.
>
> (b) Areas with concentrations of people that are of low income, high unemployment, low levels of homeownership, high rent burden, sensitive populations, or low levels of educational attainment."

Instead of following the letter of the law, CalEPA has instead adopted a methodology that necessitates both categories and inequitably weighs factors that favor urban areas. The mandated use of the CalEnviroScreen tool to identify disadvantaged communities (DACs) entirely excludes half of all California counties from receiving any of those earmarked funds. Most of the twenty-nine excluded counties are RCRC members, many of which have among the lowest median household incomes (MHIs) and highest unemployment rates in the State. For example, both Lake County and Modoc County have countywide MHIs that are less than 60 percent of the statewide MHI, yet neither county has any communities that are considered disadvantaged under CalEPA's current methodology. Once the currently proposed CalEnviroScreen 3.0 update is approved, a full thirty counties will be excluded from CalEPA's DAC definition.

Without qualifying as DACs, it is extremely difficult for most rural communities to compete with urban and suburban communities for the remaining funds due to the higher cost of completing projects in remote, rural areas. The result has been rural citizens indirectly paying into the program, but receiving little to no actual benefit from the proceeds. While we appreciate discussion in the most recently adopted Cap-and-Trade Investment Plan of increasing rural participation in the Program, we have seen little progress and heard little discussion in the months that have followed. Regardless of how GGRF funds are collected, whether by Cap-and-Trade or a carbon tax, RCRC would recommend a review and modification of the way DACs are defined that is faithful to the letter of SB 535 so that disadvantaged rural communities can also benefit from the funds.

Finally, while RCRC appreciates the opportunity to comment on the Discussion Draft, a 14-day comment period during the holiday season is woefully inadequate to give meaningful input on such a complex draft. While we understand there will be a longer comment period for the January Proposed 2030 Target Scoping Plan, RCRC is concerned that there will not be adequate time to fully consider and incorporate concerns and recommendations submitted during this comment period into that January proposal.

RCRC appreciates your consideration of our comments. If you should have any questions or would like to discuss our comments further, please contact me at (916) 447-4806 or sheaton@rcrcnet.org.

Sincerely,

STACI HEATON
Regulatory Affairs Advocate

cc: Mary Nichols, Chair, California Air Resources Board
Edie Chang, Deputy Executive Officer, California Air Resources Board
Matthew Rodriquez, Secretary, California Environmental Protection Agency
Claire Jahns, Assistant Secretary, California Natural Resources Agency
RCRC Board of Directors