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June 22, 2012

Mary Nichols, Chairman
California Air Resources Board
1001 I Street
Sacramento, CA 95814

Dear Chairman Nichols and members of the Board:

On behalf of the American Lung Association in California, I am writing to provide further comment on the investment of AB 32 Cap and Trade auction revenue.

The American Lung Association in California has been a strong supporter of AB 32 implementation and we believe that all AB 32 programs, including Cap and Trade, must be successful if we are to protect against the worst impacts of climate change. We believe that the investment of Cap and Trade auction revenue provides a critical opportunity to further the goals of AB 32, especially in terms of improving air quality and public health.

Despite decades of critical clean air leadership, Californians continue to suffer some of the most polluted air in the United States. Innovative programs to reduce emissions must continue to receive the full support of the state and the investment of Cap and Trade auction revenues represents a key way to further that goal. Continuing California's clean air leadership is vital to public health locally and globally as other jurisdictions look for successful models to reduce harmful pollutants.

As discussed at the May 29th public hearing, and noted in a joint comment letters submitted with our colleagues in the environmental and land use planning communities, we believe that all Cap and Trade auction revenue investments should support AB 32 goals and reduce greenhouse gas emissions.

We believe that those investments should be prioritized to maximize the goals of AB 32, especially to maximize benefits to public health, disadvantaged communities, our environment, the clean energy economy and to reducing the impacts of climate change. Specific investments that follow these criteria and priorities should:

- Promote public health benefits and achievement of state and federal clean air standards
- Protect and prepare communities most vulnerable to public health impacts related to climate change
- Support sustainable land use, affordable transit-oriented housing, clean passenger vehicles, transit and freight transportation
- Advance renewable energy and energy efficiency technologies, including water efficiency
- Increase biological carbon sequestration and reduce emissions from natural and working landscapes through restoration and conservation
- Reduce waste while increasing California-based manufacturing associated with low-carbon recycled content goods

- Ensure investments in identified disadvantaged communities as required by AB 32

Thank you again for the opportunity to participate in the workshop and to offer these comments for your consideration. We look forward to working with you and your staff to ensure that AB 32 auction revenue investment advances the goals of climate and public health protection.

Sincerely,

A handwritten signature in black ink that reads "Bonnie Holmes-Gen". The script is fluid and cursive, with the first name "Bonnie" being more prominent and the last name "Holmes-Gen" following in a similar style.

Bonnie Holmes-Gen
Executive Director for Air Quality and Health
American Lung Association in California