



RURAL COUNTY REPRESENTATIVES
OF CALIFORNIA

August 27, 2015

Ms. Shelby Livingston
Chief, Climate Investments Branch, Policy Section
California Air Resources Board
1001 I St.
Sacramento, CA 95812

RE: Cap and Trade Auction Proceeds Second Investment Plan Draft Concept Paper

Dear Ms. Livingston:

The Rural County Representatives of California (RCRC) is an association of thirty-four rural California counties and the RCRC Board of Directors is comprised of elected supervisors from each of those member counties. Our 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 Cap and Trade Auction Proceeds Second Investment Plan Draft Concept Paper (Concept Paper).

RCRC fully supports the idea of the State providing additional funding opportunities from the Greenhouse Gas Reduction Fund (GGRF) for rural communities as outlined in Section III.H. of the Concept Paper. Rural communities face many challenges accessing GGRFs due to the use of the CalEnviroScreen tool to identify disadvantaged communities (DACs) for distribution of cap and trade auction proceeds. The use of CalEnviroScreen to define DACs effectively denies twenty-nine counties any chance to see those earmarked funds used for projects benefiting their communities. Many of these counties contain forested communities that are considered DACs, some severely disadvantaged, under other widely-recognized definitions used by the State, including the definition in Section 75005 of the Public Resources Code. Rural communities also generally have fewer resources to compete against urban and suburban projects for the remaining funds not reserved for DACs, all but insuring that citizens living in rural California will receive little benefit from cap and trade proceeds in the near term. While additional rural funding programs won't solve the fundamental flaws in CalEnviroScreen, those opportunities will at least help insure that rural

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communities, whether socioeconomically disadvantaged or not, will have the opportunity to compete for GGRFs. RCRC would be happy to assist the Air Resources Board (ARB) in the development of such a program as you prepare the draft Investment Plan.

RCRC also supports the enhanced funding focus on natural and working lands, particularly forest lands. Due to decades of mismanagement of our forests, California has experienced increased forest fires both in terms of acreage and intensity over the years. Changing climate and severe drought conditions have exacerbated California's wildfire risk considerably over the past several years, and studies predict that wildfire emissions will increase by as much as twenty-four percent over 1961-1990 levels in the next thirty years.¹ We also know that the USDA Forest Service (USFS) now annually exhausts its entire fire suppression budget early in the fire season, forcing the agency to "borrow" funds from other programs such as forest management and fuels treatment to pay for fire suppression. RCRC feels that wildfire prevention projects on both state and national forest lands, such as fuels treatment, forest management, and biomass infrastructure projects, would result in significant emissions reductions benefits in the near term and yield the co-benefits of protecting wildlife and watershed health.

The 2013 Rim Fire burned 257,000 acres and is estimated to have generated 11.3 million metric tons of greenhouse gas emissions. This is equivalent to the annual emissions from 2.3 million cars.² RCRC believes that emissions from fires, such as the Rim Fire, could be mitigated or even completely prevented through cooperative efforts between the State and the USFS to increase the pace and scale of forest management and fuels treatment projects on the national forests. Projects such as the cooperative endeavor between the State and the USFS to mitigate the damage from the 2014 King Fire are good examples of efforts that could and should be funded with cap and trade dollars and should be prioritized in the Investment Plan.

RCRC also believes that including funding for state subventions of the Williamson Act program in the Investment Plan has great potential to prevent conversion and preserve carbon sequestration on active agricultural lands. The Williamson Act, if funded, could prove a vital tool in preserving agricultural lands and maintaining or even boosting carbon sequestration potential without having to create a brand new program to achieve the same results. While counties are still honoring current contracts, there are a number of counties considering termination of their Williamson Act contracts absent state funding for the program due to fiscal pressures on

¹ Matthew D. Hurteau, Anthony L. Westerling, Christine Wiedinmyer, and Benjamin P. Bryant, "Projected Effects of Climate and Development on California Wildfire Emissions through 2100," *Environmental Science & Technology* 2014, 48, 2298-2304 DOI: dx.doi.org/10.1021/es4050133

² Sierra Nevada Conservancy. (2014). The Rim Fire: Why investing in forest health equals investing in the health of California [Fact Sheet]. Retrieved from <http://www.sierranevada.ca.gov/factsheets/10.31rimfirefactsheet.pdf>.

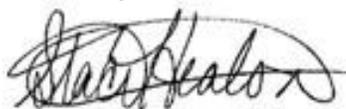
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their General Fund Budget for public safety and other needed programs in the county. RCRC asks that you consider Williamson Act subvention funding as part of the State's cap and trade funding priorities to help preserve carbon sequestration on California's agricultural lands.

In 2014, Assembly Bill 1826 (Chesbro) was enacted, creating a new mandatory statewide organics program. This program establishes a phased expansion of organic recycling for businesses and multi-family residential dwellings beginning in 2016. RCRC thoroughly concurs with the draft Concept Paper that meeting the State's waste diversion and utilization goals "will require a significantly larger investment in infrastructure to support resource recovery from organic waste, including production of various forms of energy, compost, and other soil amendments." This investment is particularly critical to provide the necessary capacity for processing the organic waste stream diverted from landfills in order to meet the 75 percent recycling and composting goal by 2020.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Staci Heaton", with a stylized flourish at the end.

STACI HEATON
Regulatory Affairs Advocate

cc: Mary Nichols, Chair, California Air Resources Board
Richard Corey, Executive Director, California Air Resources Board
RCRC Board of Directors