



RURAL COUNTY REPRESENTATIVES
OF CALIFORNIA

July 17, 2017

The Honorable Eduardo Garcia
Member, California State Assembly
State Capitol, Room 4140
Sacramento, CA 95814

The Honorable Cristina Garcia
Member, California State Assembly
State Capitol, Room 2013
Sacramento, CA 95814

RE: Assembly Bill 398 and Assembly Bill 617 – SUPPORT IF AMENDED

Dear Assembly Members Eduardo Garcia and Cristina Garcia:

On behalf of the Rural County Representatives of California (RCRC), I am writing to express our position of “Support if Amended” for Assembly Bill 398 (Eduardo Garcia) and Assembly Bill 617 (Cristina Garcia), which would collectively extend and set the parameters for the State’s Cap-and-Trade auction and associated air quality monitoring program.

RCRC is an association of thirty-five rural California counties, and the RCRC Board of Directors is comprised of elected supervisors from those member counties. Historically, RCRC has declined to take a position on Cap-and-Trade as a concept. While we remain neutral on much of the policy contained in the package, RCRC has three specific issue areas we would like to see addressed as the measures move forward.

State Responsibility Area Fees

First, RCRC appreciates the inclusion of a repeal of the State Responsibility Area (SRA) fee in AB 398, along with the backfill of the associated funds from the Greenhouse Gas Reduction Fund (GGRF) through 2030. RCRC has long-opposed the imposition of any type of fee upon resident/structure owners whose property lies within the SRA. The SRA was never intended to serve as a tax base – rather, the creation of the SRA is to protect the resource value of the lands within it. In addition, the entire State benefits from wildfire prevention programs, particularly since wildfires constitute a significant source of greenhouse gas (GHG) emissions, and studies predict that wildfire emissions will increase by as much as 24 percent over 1961-1990 levels in the next thirty years.¹ The 2013 Rim Fire alone burned 257,000 acres and is estimated to have generated 11.3 million metric tons of greenhouse gas emissions in the span of two months. This is equivalent to the annual emissions from 2.3 million cars.² The California Air Resources Board

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>.

(ARB) estimates that wildfires contribute more than half of California's annual black carbon emissions, a number that will continue to increase as the State's forests continue to burn.³ Addressing fire prevention through the Cap-and-Trade package is wholly appropriate, and RCRC supports the SRA fee repeal and backfill from the GGRF.

Disadvantaged Communities

RCRC continues to advocate on behalf of California's rural low-income communities for greater consideration in allocation of GGRF and other grant funding programs. One way to ensure these communities are more equitably considered is to expand the definition of "disadvantaged communities" (DACs) used to satisfy Senate Bill 535 (de León, 2012). The current definition allows the California Environmental Protection Agency to utilize its California Environmental Health Screening Tool (CalEnviroScreen) to score communities based on a combination of pollution and socioeconomic factors. By utilizing CalEnviroScreen, which was not developed for use in this type of application, the definition effectively denies thirty California counties any chance to see those earmarked funds used for projects benefiting their communities. Many of the excluded counties contain forested communities that are severely socioeconomically disadvantaged and considered DACs under other definitions. Rural communities also generally have fewer resources to compete against urban and suburban projects for the remaining funds not reserved for DACs. The result has been citizens living in these rural areas receiving little State investment from a program that should benefit Californians statewide.

Greater cause for concern is the growing trend of allocating an even larger portion of the fund to DACs as defined by CalEnviroScreen than what was required in SB 535. The Governor's January proposed Cap-and-Trade Expenditure Plan invested nearly 50 percent of the GGRF in DACs, which leaves little room for investment in low-income, rural communities dealing with such climate-related issues as wildfire and tree mortality—profound climate change factors that are not considered in CalEnviroScreen. RCRC has great concerns with the increased use of the CalEnviroScreen DAC definition in legislative measures that establish grants and other programs that have no connection to the GGRF or air quality, and the tremendous impact that could have on the competitive ability of California's low-income, rural communities.

For the sake of statewide equity, RCRC advances for your consideration of including the following language amending section 39711 of the Health and Safety Code:

39711(a) 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, or environmental hazard criteria, and may include, but are not limited to, any of the following:

(1) Areas disproportionately affected by environmental pollution and other hazards that can led to negative public health effects, exposure, or environmental degradation.

³ California Air Resources Board. (2015) Draft Short-Lived Climate Pollutant Reduction Strategy, Appendix A: California SLCP Emissions. Retrieved from <http://www.arb.ca.gov/cc/shortlived/2015appendixa.pdf>.

(2) 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.

(3) Areas identified by the California Environmental Protection Agency as containing predominantly low income households. For purposes of this section, "low-income households" are those with household incomes at or below 80 percent of the statewide median income or with median household incomes at or below the threshold designated as low income by the Department of Housing and Community Developments' list of state income limits adopted pursuant to Section 50093.

(4) Areas consisting of census tracts with median household incomes at or below 80 percent of the statewide median income or with median household incomes at or below the threshold designated as low income by the Department of Housing and Community Development's list of state income limits adopted pursuant to Section 50093.

(b) The California Environmental Protection Agency shall hold at least on public workshop prior to the identification of disadvantaged communities pursuant to this section.

(c) Chapter 3.5 (commencing with Section 11340) of the Part 1 Division 3 of Title 2 of the Government Code does not apply to the identification of disadvantaged communities pursuant this section.

Healthy Forests

Finally, RCRC believes that it is imperative to California's greenhouse gas emissions reductions goals that the State commit to a significant investment in the health of our forests. In addition to California's yearly wildfire season, which has increased significantly in severity and acreage burned over the past two decades, investments in forest health and restoration projects from the GGRF are even more vital in light of the current tree mortality emergency, where pest infestation has resulted in massive tree die-off in some of California's most critical forested areas. The tree mortality problem is so urgent that Governor Brown issued an Emergency Proclamation in October 2015 to implement actions to mitigate the impacts of the pest infestation. At that time, the USDA Forest Service estimated that 22 million trees in California were already dead, with tens of millions of additional trees in danger of succumbing to the infestation. In twenty months' time, we have seen 80 million more trees die off in our forests, and the University of California Berkeley estimates that this catastrophic mortality event has already eliminated nine percent of the State's live vegetation carbon storage.⁴ Without significant investment in the management of both the already-dead trees and the remaining healthy forested lands, the mortality will continue to spread and the dead trees will ultimately exacerbate the State's GHG emissions in one of several ways: they will either contribute to high-severity wildfire emissions; remain in the forests and continue to decay; or be piled and burned due to lack of sufficient climate-friendly infrastructure such as biomass facilities.

⁴ Battles, John. "Adaptation on Natural and Working Lands." California Climate Change Symposium. Sacramento, CA. 25 Jan. 2017

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The State's forested lands also provide the vital co-benefit of protecting the quality and quantity of our State's water supply, which largely originates in our forested watersheds. In fact, sixty percent of California's developed water supply originates in the Sierras alone⁵, making investments in forest health even more crucial as we face uncertain precipitation conditions from year-to-year due to our changing climate. The health of our forests is also essential to maintaining wildlife habitat and providing urban residents with recreational opportunities not available in their own communities. And while we have had high levels of precipitation this year, it can take several years for forests to recover from severe drought conditions like what we have seen in California, especially when we have no guarantee from year-to-year that drought conditions will not return due to our changing climate.

For these reasons, we believe it is not only appropriate, but essential that significant GGRF investments be made in our State's forests and forested watersheds. While we understand no funding plan has been proposed, RCRC would recommend a permanent allocation of at least 5 percent of the GGRF to healthy forests, excluding urban forestry/urban greening, which is consistent with the Governor's 2016-17 proposed January Cap-and-Trade Expenditure Plan.

If you should have any questions or concerns regarding RCRC's position on AB 398 and AB 617 or our proposed amendments, please do not hesitate to contact me at sheaton@rcrcnet.org or (916) 447-4806.

Sincerely,



STACI HEATON
Regulatory Affairs Advocate

cc: Members of the State Assembly
Members of the State Senate
Ms. Catalina Hayes-Bautista, Deputy Legislative Secretary, Office of Governor
Edmund G. Brown
RCRC Board of Directors

⁵ Sierra Nevada Conservancy. (2013) Sierra Nevada Water Facts [Fact Sheet]. Retrieved from <http://www.sierranevada.ca.gov/our-region/ca-primary-watershed/factsheets/nov2013waterfactsheet.pdf>.