



METROPOLITAN
TRANSPORTATION
COMMISSION

Agenda Item 3a

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Memorandum

TO: Legislation Committee

DATE: April 3, 2015

FR: Executive Director

W. I. 1131

RE: AB 156 / AB 1176 (Perea), AB 1336 (Salas), SB 760 (Mendoza): Disadvantaged Communities: Cap and Trade Funding

Background

These four bills each seek to dedicate additional Cap and Trade funding to areas designated by the California Environmental Protection Agency as “disadvantaged communities” (DACs).

- AB 156 requires the Air Resources Board to establish a “comprehensive technical assistance program” funded with Cap and Trade revenue to assist disadvantaged communities seeking funds from this program. Funds for this technical assistance program would be redirected from the overall Greenhouse Gas Reduction Fund (GGRF) — the GHG auction allowance revenue fund.
- AB 1176 requires that 50 percent of funds available in the Alternative and Renewable Fuel and Vehicle Technology Program and the Air Quality Improvement Program — separate programs administered by the California Energy Commission and the California Air Resources Board, respectively, be allocated to DACs. In addition, AB 1176 requires \$35 million in Cap and Trade Funds to be used to create a new Advanced Low-Carbon Diesel Fuels Access Program, of which 50 percent of the funds would be required to benefit or be located within DACs.
- AB 1336 increases the share of GGRF moneys to be allocated to projects that provide benefits to disadvantaged communities from 25 percent to 40 percent.
- SB 760 requires the Strategic Growth Council to develop and implement the Disadvantaged Communities Enhancement Program to award grants to DACs to facilitate projects for community enhancement improvements that reduce GHG emissions. The bill authorizes the Legislature to make unspecified appropriations from the GGRF to fund the program.

Recommendation: Oppose

Discussion

As you know, regional agency staff have numerous concerns with the methodology, known as CalEnviroScreen (CES 2.0), that CalEPA has used to identify DACs. CES 2.0 bears no relationship with local and regional transportation and land use priority setting and ignores dozens of very low-income census tracts in the Bay Area that were identified as communities of concern by MTC’s Equity Analysis Report conducted as part of Plan Bay Area. In light of this, we recommend opposing these bills which assign more greenhouse gas allowance revenue on the basis of a flawed methodology.

Known Positions

AB 156

Support

Leadership Council for Environment &
Justice
Valley Clean Air Now
Fresno Chamber of Commerce

Oppose

Bay Area Air Quality
Management District

AB 1176

Support

Propel Fuels (sponsor)

Oppose

Bay Area Air Quality
Management District

AB 1336

Support

None on file

Oppose

None on file

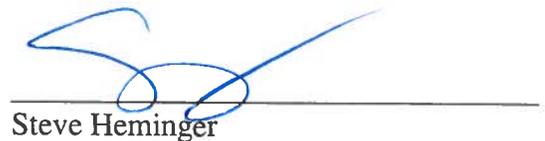
SB 760

Support

Watershed Conservation Authority

Oppose

None on file



Steve Heminger

SH: RL

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