

**California Assembly Committee on Natural Resources  
April 4, 2016**

**Alvaro S. Sanchez  
Director, Environmental Equity  
The Greenlining Institute  
1918 University Avenue 2nd Floor  
Berkeley, CA 94704  
alvaros@greenlining.org**

Dear Members of the Committee,

Thank you for allowing me to provide a few comments in support of AB 1550. My name is Alvaro Sanchez, I'm the Environmental Equity Director at the Greenlining Institute. The Greenlining Institute is a 23 year old policy, research, organizing, and leadership institute working for racial and economic justice. The Environmental Equity team works to create a world in which all communities have clean air and water and where one's life expectancy is not determined by zip code, race or income. We do this by working on:

- Climate investments in disadvantaged communities
- The roll out of electric cars and trucks across the state
- Creating an inclusive clean energy economy
- And
- Promoting integrated, neighborhood scale approaches to sustainability

Greenlining's support of AB 1550 comes from our belief that the most impacted communities in California deserve equitable investment to combat climate change and poverty. AB 1550's approach to climate investments recognizes both the need to focus our clean energy dollars in California's disadvantaged communities at a rate commensurate to the actual need identified by the state and better targets benefits to low-income households both inside and outside of disadvantaged communities.

AB 1550 is seeking to make adjustments that cements the progress achieved by Climate Investments thus far, particularly the recent finding that 39% of implemented dollars are located in disadvantaged communities. By raising the floor of investments in disadvantaged communities to 25%, AB 1550 keeps California Climate Investments on the solid path it has started with.

AB 1550 is also addressing a key equity issue that has been identified through the course of early implementation. Currently, Greenhouse Gas Reduction Fund programs do not have policy requirements to target benefits to low-income households. This means that the term "benefit" is met by wide ranging definitions that do not always ensure equitable investment that benefit the most in need. For example, electric vehicle rebates going to households of any income currently count towards benefiting disadvantaged communities as long as the vehicle resides in a zip code that contains a disadvantaged community census tract. AB 1550 ensures that the benefit is clearly targeted at low-income households in or outside a disadvantaged community census tract.

In addition, many low-income households that could benefit from programs like low-income weatherization and solar, low-carbon transportation, affordable housing, enhanced public transit, forestry and urban greening but are not within a disadvantaged community are essentially locked out of participating in this important program. I am sure we all want to extend this program to as many Californian's as we can and AB 1550 will do just that.

We have heard concerns that AB 1550 will make it more difficult for implementing agencies to administer their Greenhouse Gas Reduction Fund programs. Our analysis does not support that concern. As shown in the Department of Finance report to the legislature more than 39% of implemented dollars are going to projects located in disadvantaged communities, 14% higher than the new floor set by AB 1550. We also know from staff at the California Air Resources Board and other agencies that they want to go further in targeting investment to those most in need. I believe this aligns with AB 1550 by pushing the Greenhouse Gas Reduction Fund programs to prioritize investments in disadvantaged communities.

For the low-income category we believe that AB 1550 targets benefits in a much better way. Several programs that already target benefits to low-income households such as low-income weatherization and solar will be able to service populations that are literally across the street from a disadvantaged community census tract but that currently cannot be served. It will also allow programs like Affordable Housing and Sustainable Communities to invest in non-disadvantaged communities while still serving a most at need population. Thus making it easier to place housing near jobs and school centers and not only building housing in distressed communities. Proposed new programs like Transformative Climate Communities and free transit passes for low-income populations will easily meet the low-income household requirement while some existing programs with minor adjustment to their guidelines will also be able to meet the requirement.

To be clear, AB 1550 does not require that each Greenhouse Gas Reduction Fund program meet the investment requirements. Just as SB 535 currently requires that the targets be met by the Greenhouse Gas Reduction Fund as a whole, AB 1550 applies to the entire fund, not each program individually. As is the case currently some programs are better suited to meet AB 1550 requirements. The adjustments target investments in a much better way and we do not believe that AB 1550 will have a negative impact on programs that currently do not meet the requirements set by SB 535. All programs are working collectively to reach our climate targets and I believe we have worked with and gained the support from our colleagues in the natural resources community as well as in the transit community by addressing concerns that AB 1550 will negatively impact those programs.

In closing I would like to share that this issue was identified as the number one policy priority of the SB 535 Coalition, a grouping of over 200 organizations spread across the State. You have in your package a support letter for AB 1550 from the SB 535 Coalition signed by over 60 organizations with many more expected to join in the following weeks.

Something amazing is happening in California and we are setting the example for fighting climate change and poverty at the same time. I believe AB 1550 supporters see what's happening and want us to do more to green up the communities that light up red and ensure we are not leaving out deserving communities in the process. This is the type of policy that the nation looks at California to lead on and the reason why we are seen as leaders on climate change across the world.

I encourage you to vote in favor of AB 1550 and look forward to answering any questions.

Thank you.