Appendix A. Detailed Recommendations

From the broader equity analysis, we provide tailored recommendations for key stakeholders crucial to the success of CCI implementation and future climate investments on a national scale. Our recommendations encompass the California Legislature, which holds the authority to allocate funding from the Greenhouse Gas Reduction Fund (GGRF) and shape CCI through legislation, as well as the California Air Resources Board (CARB). We also extend our insights to the Biden Administration and the White House Council on Environmental Quality (CEQ), aiming to share valuable lessons derived from California’s experience to assist federal actors in the implementation of J40.

In addition, recognizing the subtle yet vital role played by philanthropy in supporting equitable climate investments and the environmental and climate justice ecosystem, we offer recommendations for continued philanthropic engagement and resource allocation, both within and outside of public funding.
RECOMMENDATIONS FOR THE CALIFORNIA LEGISLATURE

1. Create a new funding source exclusively available for use by EJ communities, Disadvantaged Unincorporated Communities (DUCs), and Tribal communities to flexibly address community-identified needs that fall outside the primary scope of CCI goals (e.g., soil remediation, infrastructure, community health, affordable housing development irrelevant to GHG emissions potential).

2. Make GHG reduction and local co-pollutant reduction co-equal goals for CCI.

3. Commit to reliably funding the strongest climate justice programs— in particular, TCC with ample technical assistance funds. As appropriate, consider revisiting and revising the list of programs that receive continuous appropriations from the GGRF year-to-year.

4. Ban the use of GGRF dollars to fund fossil fuel infrastructure and inequitable transition strategies which would apply to dairy digesters for biogas production, natural gas infrastructure, and selected hydrogen projects.

5. Create a community oversight committee to oversee CCI implementation and weigh in on key aspects (e.g., funding appropriations decisions, development of Investment Plans, Funding Guidelines updates, procedural equity, and reporting and accountability around outcomes—including jobs, environmental, and health benefit outcomes).

6. Ban state agencies from requiring waivers of sovereign immunity from Tribal Nations as a requisite for accessing CCI funding.

7. Commission a working group composed of relevant state agencies, subject matter experts, and EJ advocates to identify concrete strategies the state can undertake to minimize adverse impacts from domestic and global mineral mining which are being accelerated as a response to California’s clean energy transition goals.

8. Allow selected CCI programs to fund work upfront instead of through reimbursement to expand program accessibility for under-resourced organizations, particularly nonprofits.

9. Require the Office of Environmental Health Hazard Assessment (OEHHA) to determine whether the environmental, health, and economic conditions which represent components of the CalEnviroScreen score are measurably improving in DACs with each subsequent update of CalEnviroScreen. If GHG co-pollutants are disproportionately increasing in places, task CARB with assessing the role and possible shortcomings of the current cap-and-trade mechanism in contributing to disparate geographic outcomes, and identifying avenues to address these.

10. Create set-asides for programs created by the Inflation Reduction Act (IRA) and the Infrastructure Investment and Jobs Act (IIJA) and future federal climate funding allocations to California to ensure funds land in and benefit priority communities (i.e., those at the frontlines of the climate crisis, low-income, majority POC communities) in California.
RECOMMENDATIONS FOR THE CALIFORNIA AIR RESOURCES BOARD (CARB), WHICH ARE EXPANDED UPON IN THE LONG VERSION OF THIS REPORT

1. Provide CCI funded users with well-organized, up-to-date, sortable information on opportunities and timelines via CCI websites and calendars.

2. Continuously improve CCI reporting and communications, with a focus on communicating outcomes to EJ groups and CBOs on the ground. Improve neighborhood-scale implemented project mapping, data on benefits to Priority Populations, data on funding recipient sector and/or demographics, data on jobs quality, and data on successful CCI-related community benefits agreements or labor agreements.

3. In Funding Guidelines, provide more clarity on how the condition “maximize...where applicable and to the extent feasible” can be met by programs for economic, environmental, and public health co-benefits.

4. Work with the California Labor and Workforce Development Agency to facilitate a transparent process that allows for labor movement advocates’ feedback on the proposed approach to implementing AB 680.93

5. Streamline and update benefits criteria tables to reduce the number of possible benefit types and ensure that awarded projects can still claim that benefits to a community or household still significantly outweigh any potential harms, which must also be named.

6. Coordinate with all other state agencies working on Tribal support activities (e.g., SGC, CEC, OPR) to collect and coordinate feedback received on Tribal needs and customize program delivery to Tribes.

7. Proactively foster dialogue with the Bureau of Indian Affairs (BIA), as many California tribes reside on trust lands associated with the BIA and future projects utilizing GGRF dollars may require close coordination with this federal agency.

8. Host a discussion between program administrators of selected agriculture CCI programs (e.g., Healthy Soils) and staff from the Department of Pesticide Regulation to identify opportunities to integrate pesticide reduction efforts as a co-benefit into existing program guidelines and relevant metrics that could be tracked.

9. On a regular basis, coordinate with state agencies (e.g., SGC) that are working to center DUCs in existing funding programs to identify opportunities to better support DUC communities and to disseminate best practices to other CCI administering agencies.

10. On a regular basis, coordinate with state agencies (e.g., SGC, OPR) that are already fostering partnerships with philanthropy to increase community capacity, support community engagement where the state cannot, and to catalyze programs.
RECOMMENDATIONS FOR THE BIDEN ADMINISTRATION AND THE WHITE HOUSE COUNCIL ON ENVIRONMENTAL QUALITY (CEQ)

1. Create a clear list and calendar of Justice40-covered programs that can be easily interpreted by different user types and is updated on a regular cadence.

2. Develop a definition for “benefits” in collaboration with the White House Environmental Justice Advisory Council (WHEJAC), in the context of delivering “benefits to disadvantaged communities.” Any reported benefits should be reflective of both benefits and potential risks including unintended ones.

3. Create a data tracking mechanism that will be used by all J40-covered programs to track delivery of benefits; release tracking mechanism for public input on included metrics.

4. Create metrics around community engagement to demonstrate the degree to which community members and groups were involved in driving funded projects. Require J40-covered programs to track this metric.

5. Require J40-covered programs to track and report on the primary funding recipient type for all projects (e.g., households, companies, community-based organizations, local governments).

6. Require J40-covered programs to track and report on whether job quality and job creation requirements were included in program guidelines.

7. Release benefits outcomes data from J40-covered programs on a regular cadence that includes information on demographics including race/ethnicity, where possible, and is displayed in a way that helps community understand how investments are flowing to them or not.

8. Solicit public feedback on J40 reporting processes and outcomes on a regular cadence; iteratively improve processes and public reporting.

9. Support efforts like the J40 Accelerator or Greenlining the Block that prioritize community capacity, particularly in Black and Brown communities that are most vulnerable to climate change.

10. Identify possible mechanisms through which to give community members, community-based organizations, as well as the WHEJAC more oversight and decision-making power around how J40-covered programs are designed and implemented.
RECOMMENDATIONS FOR PHILANTHROPY

1. Invest in the long-term strength of member-based organizing institutions who can anchor local collaboratives implementing climate dollars.

2. Invest in the leadership of Indigenous, Black, and Latinx climate justice leaders to ensure that those who are experiencing the most harm are leading the way to solutions.

3. Support regional collaboratives, like EJ Ready in Los Angeles County and Greenlining the Block, to bring together environmental justice and community-based groups to prepare to receive government funds on their terms.

4. While public funding is catalytic, it is rarely enough on its own; the philanthropic sector should finance and fund projects that help close gaps during the planning, pre-development, and implementation phases of using public dollars.

5. When public funds are disbursed on a reimbursement basis, take the financial risk off community organizations by funding projects upfront.

6. Offer financial capacities to receive funding and allocate it to community groups as a way to support community-driven work.

7. Fund opportunities to bring community-based organizations, public agencies, and funders together in a way that uplifts community agency, facilitates relationship building, identifies challenges and barriers around resource delivery, and improves long-term coordination.

8. Fund food, childcare, and participation stipends at community engagement events to supplement these activities where public dollars cannot be used.

9. Fund community and labor coalition building, so that concerns about jobs and community benefits and risks can be addressed concurrently.

10. Fund equity-focused evaluations of climate investments that can contribute to iterative improvements.