FINAL 2026 DESIGNATION OF DISADVANTAGED COMMUNITIES PURSUANT TO SENATE BILL 535 September 2026

I. INTRODUCTION

The California Environmental Protection Agency's (CalEPA) mission is to restore, protect, and enhance California's environment while ensuring public health, environmental quality, and economic vitality. As part of this work, CalEPA is statutorily directed to designated "disadvantaged communities," or DACs. This designation is a longstanding part of California's climate action and our work to reduce greenhouse gas (GHG) emissions, while investing in the communities that need it most.

Senate Bill (SB) 535 (De León, Stats. 2012, ch. 830) mandates that a certain percentage of Cap-and-Invest auction proceeds fund investments in "disadvantaged communities." It charges CalEPA with the responsibility to designate DACs. CalEPA must base designations on "geographic, socioeconomic, public health, and environmental hazard criteria,"[1] but has broad discretion for developing specific criteria and methods for applying those criteria.

It is a longstanding policy of the State for CalEPA to rely upon the California Communities Environmental Health Screening Tool (CalEnviroScreen or CES), a mapping tool developed by the Office of Environmental Health Hazard Assessment (OEHHA), to designate DACs in California. The last update to the DAC designation was in 2022, following the release of CES Version 4.0. On July 1, 2026, OEHHA released a final version of the updated tool, CalEnviroScreen Version 5.0. CalEPA determined that the improvements and updates in Version 5.0 were sufficiently material to warrant new designations of disadvantaged communities, pursuant to SB 535, and issued a Preliminary DAC Designation on July 1, 2026. CalEPA's updated DAC designation, as outlined below, makes updates based on the latest data from CES 5.0.

In this final designation, CalEPA generally defines communities in terms of census tracts and identifies four types of geographic areas as disadvantaged:

1. **Census tracts with the highest 25% of CalEnviroScreen 5.0 overall scores.**
2. **Census tracts with the highest 5% of CalEnviroScreen 5.0 pollution burden scores.**
3. **Census tracts that overlap at least 25% with a 2022 DAC-designated census tract based on CalEnviroScreen 4.0.**
4. **Lands under the control of federally recognized tribes, with updated tribal boundaries data.**[2]

[1] Health & Saf. Code, § 39711, subd. (a).
[2] Some of these tracts of land are not visible in the maps in this document due to the limited

As CalEPA determines the definition of DACs for the purposes of SB 535, it is important to note that it is one part of a larger state strategy to invest in California's most underserved communities. CalEPA recognizes that there are other definitions of disadvantaged communities used in the state, each with different purposes. For example, Proposition 4 (the 2024 Climate Bond) defines "disadvantaged communities" as areas with median household income (MHI) <80% of the area average *or* <80% of statewide MHI,[3] and California Water Code section 79505.5 defines "disadvantaged communities" as areas with an annual MHI <80% of the statewide MHI.[4] Additionally, local governments may have designations of environmental justice communities in the environmental justice element of their general plans[5]. All of these are important definitions with their own purposes. The CalEPA DAC designation does not seek to align with all of the definitions of DACs but rather focuses on meeting the statutory requirements in SB 535 to determine DACs for the purposes of the 25% funding allocation for California Climate Investments programs funded by the Cap-and-Invest Program, and which must include a consideration of geographic, socioeconomic, public health, and environmental hazard criteria.

II. LEGAL BACKGROUND

California administers a suite of measures intended to reduce GHG emissions and air pollution. One of these is the California Air Resources Board's (CARB) Cap-and-Invest Program.

The Cap-and-Invest Program is a market-based system that establishes an annual declining limit – or cap – on about 80% of statewide GHG emissions from the largest polluters ("covered entities") in the state. Covered entities must obtain allowances equal to their emissions. Allowances are purchased at quarterly auctions, which generate proceeds. The state's share of the auction proceeds is deposited into the Greenhouse Gas Reduction Fund (GGRF). The Legislature appropriates the money from the GGRF to programs administered by different state agencies. Any program paid for using money from GGRF is a California Climate Investments program. The Legislature has established a set of requirements for the use of GGRF funds, including that the funds must be used to facilitate GHG emission reductions, benefit disadvantaged communities and low-income communities and households, and maximize other environmental, public health, and economic benefits, where applicable and to the extent feasible.

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granularity of the maps. An interactive map showing all designated disadvantaged lands can be found on CalEPA's DAC Designation 2026 webpage.

[3] Prop. 4 Priorities - CNRA Bond Accountability

[4] Wat. Code, § 79505.5.

[5] Sen. Bill No. 1000 (2015-2016 Reg. Sess.).

In 2012, SB 535 was signed into law establishing initial requirements for minimum funding levels to DACs.[6] Through SB 535 and related legislation, the Legislature has mandated that certain percentages of GGRF funds be invested in DACs. CalEPA is charged with designating such communities.

In 2016, the Legislature passed Assembly Bill (AB) 1550 (Gomez, Stats. 2016, ch. 369), which established the currently applicable minimum funding levels.[7]

Under AB 1550:

- At least 25% of available GGRF funds must be allocated toward DACs.[8]
- At least 5% of available GGRF funds must be allocated toward projects within low-income communities or benefiting low-income households.[9]
- At least 5% must be allocated toward projects within and benefiting low-income communities, or low-income households, that are outside of a CalEPA-defined DAC, but within ½ mile of, a DAC.[10,11]

A. Funding Allocations

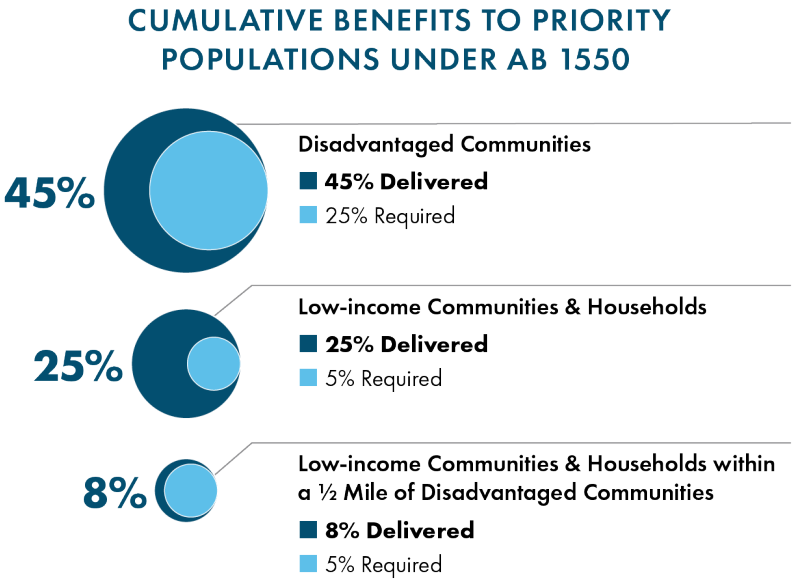
Together, SB 535 and AB 1550 help guide the California Climate Investments program in prioritizing investments to disadvantaged communities and low-income communities and households collectively referred to as priority populations. CARB assists with the implementation of both bills by, among other things, developing resources and guidance for targeting investments towards DACs, low-income communities, and low-income households. These resources include CARB's "Funding Guidelines for Agencies that Administer California Climate Investments," issued December 2, 2024; CARB's California Climate Investments Priority Populations Mapping Tool ; and other priority populations benefit assessment tools to guide demonstration of direct, meaningful, and assured benefits that meet community needs.[12]

In addition to benefiting DACs, significant funding from California Climate Investments is also directly benefiting low-income communities and households and other areas

[6] Sen. Bill No. 535 (2011-2012 Reg. Sess.).
[7] Assem. Bill No. 1550 (2015-2016 Reg. Sess.).
[8] Health & Saf. Code, § 39713, subd. (a).
[9] *Id*., § 39713, subd. (b).
[10] *Id*., § 39713, subd. (c).
[11] The three set-asides for DACs and low-income communities and households are collectively referred to in California Climate Investments programming as "priority population" funding. CARB updated the map of priority population areas upon finalization of the 2022 DAC designations and is available here.
[12] More information on these resources can be found on the California Climate Investments Funding Guidelines Resources webpage.

across the state. Overall, California Climate Investments maintain broad reach to many California populations while also exceeding investment requirements to DACs. As illustrated in the following figure, cumulative funding under AB 1550 as of October 2025 is identified as about 45% benefiting DACs, with about 33% benefiting low-income communities and households, and 22% benefiting other areas.

Figure 1. Cumulative Benefits to Priority Populations Under AB 1550



California Climate Investments support a wide range of communities across the state. For example, investments have funded 100% zero-emission school buses in DACs and low-income communities in the Bay Area, weatherization upgrades for low-income farmworkers in the San Joaquin Valley, and resources to re-introduce fire to an important oak woodland ecosystem in the Hoopa Valley Tribe's homelands.[13] More project examples, including in rural communities, unincorporated communities, and communities not identified as priority populations, are available on the California Climate Investments Project Map.

B. Designation Requirement

Neither AB 1550 nor SB 535 provide a definition for "disadvantaged communities."[14]

[13] "A Clean Ride to School: School Districts Go 100% Zero-Emission," California Climate Investments; "Farmworkers Spread the Word on Life-Changing Weatherization Upgrades," California Climate Investments; and "Hoopa Valley Tribe Brings Fire Back to the Land," California Climate Investments.

[14] By contrast, AB 1550 defines "low-income communities" to mean "census tracts with median

Instead, SB 535 directs CalEPA to "identify disadvantaged communities … based on geographic, socioeconomic, public health, and environmental hazard criteria."[15] It recognizes that these criteria "may include, but are not limited to":

- "Areas disproportionately affected by environmental pollution and other hazards that can lead to negative public health effects, exposure or environmental degradation."[16]

- "Areas with concentrations of people that are of low income, high unemployment, low levels of home ownership, high rent burden, or low levels of educational attainment."[17]

Senate Bill No. 862 (Leno, Stats. 2014, ch. 836) amends Health and Safety Code section 39711 to require CalEPA to hold at least one public workshop before making a DAC designation.[18] Section 39711, subdivision (c) expressly exempts CalEPA's DAC designations from ordinarily applicable Administrative Procedure Act (Gov. Code, § 11340, et seq.) rulemaking requirements.[19]

III. CalEnviroScreen

CalEnviroScreen is a mapping tool developed by OEHHA that brings together environmental, public health, and socioeconomic data to describe cumulative pollution burdens and vulnerabilities in communities throughout the state. CalEnviroScreen compares individual communities, or census tracts, by their pollution levels and community factors that may make residents more vulnerable to pollution. CalEnviroScreen and its underlying model remains a standard for other cumulative impacts mapping tools nationwide.[20]

CalEPA selected CalEnviroScreen as a methodology to determine the first DAC designation in 2014. CalEPA continues to use CalEnviroScreen because it most clearly addresses the requirements in SB 535 that DACs be identified based on geographic, socioeconomic, public health, and environmental hazard criteria. These criteria are

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household incomes at or below 80% 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." (Health & Saf. Code, § 39713, subd. (d)(2).)

[15] *Id.*, § 39711, subd. (a).

[16] *Id.*, § 39711, subd. (a)(1).

[17] *Id.*, § 39711, subd. (a)(2).

[18] *Id.*, § 39711, subd. (b).

[19] *Id.*, § 39711, subd. (c).

[20] National Academies of Sciences, Engineering, and Medicine, *Constructing Valid Geospatial Tools for Environmental Justice* (Washington, DC: The National Academies Press, 2024).

captured in CalEnviroScreen's growing list of 23 pollution burden and population characteristics indicators.

Additionally, CalEnviroScreen offers the advantage of having been subject to extensive public review by community groups, businesses, academic experts, and government agencies across California. To further prioritize community input in government decision-making, CalEnviroScreen 5.0 was developed in partnership with community-based organizations (CBOs) from across the state through a new co-design approach.[21] CalEnviroScreen continues to evolve as a science-based method for identifying impacted communities by considering pollution exposure and its effects, as well as health and socioeconomic status, at the census-tract level.

While CalEnviroScreen was developed through a process separate from that of the DAC designation, CalEnviroScreen is integral to the DAC designation process. The framework for what later became known as CalEnviroScreen existed at the time the Legislature enacted SB 535. CalEPA relied upon versions of the tool in its three previous designation processes – in 2014, 2017, and 2022 – and continues to take it into account for the present designation.

C. CalEnviroScreen Version 5.0

OEHHA released the current version of CalEnviroScreen – Version 5.0 – on July 1, 2026. Version 5.0 materially improves upon Version 4.0 and reflects years of iterative improvement across all versions of the tool.[22] It incorporates the most recent data produced by CalEPA's boards, departments, and offices, the California Health and Human Services Agency, and federal entities. It refines the way certain indicators are calculated and introduces new ones to more precisely account for environmental conditions and a population's vulnerability to environmental pollutants. The most significant updates to CalEnviroScreen 5.0 include:

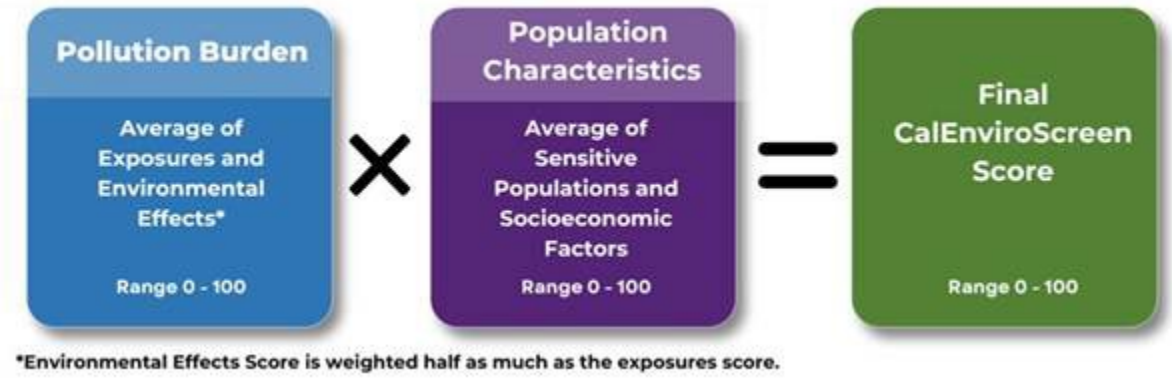
- Co-design process: For the first time, OEHHA partnered with CBOs to update CalEnviroScreen. Through this co-design process, OEHHA partnered with eight CBOs across the state between 2024 and 2025 to ensure that proposed updates in CalEnviroScreen 5.0 reflected community needs and priorities.
- Two new indicators: (1) diabetes prevalence in adults, and (2) small air toxic sites (e.g., gas stations, oil and gas wells, and other sites reporting air toxic releases).
- Improvements to existing indicators: For example, the drinking water contaminants indicator now includes concentration data for six additional PFAS

[21] OEHHA and its eight partner CBOs co-developed proposed updates to CalEnviroScreen 5.0, including two new indicators. For more information on the co-design approach, see OEHHA's report Mapping Local Knowledge and Experiences: Co-designing Proposed Updates to CalEnviroScreen with California Communities (January 2026).
[22] See CalEnviroScreen 5.0 webpage.

("forever") chemicals. OEHHA also introduced an expanded buffer around large facilities within the hazardous waste indicator.

- Updated census tract data: CalEnviroScreen 5.0 uses the most current data, released by the U.S. Census Bureau in 2020, which adds over 1,000 census tracts to the state.

Figure 2. CalEnviroScreen 5.0 Model and Component Scoring



Throughout the public comment period for the draft Version 5.0, which included six statewide and regional workshops, OEHHA received more than 100 public comments from a wide range of stakeholders. Many commenters expressed enthusiasm for the two new indicators (Small Air Toxic Sites and Diabetes Prevalence), while requesting the addition of climate-related and other environmental and socioeconomic indicators. Some commenters, particularly in San Francisco and the greater Bay Area, expressed concern about decreased or lower-than-expected scores for their census tracts between CalEnviroScreen 4.0 and 5.0. These commenters argued that updated scores do not match community conditions and may impact DAC-related funding eligibility.

In response to Bay Area comments about score changes, OEHHA conducted a thorough evaluation of indicator data to address any underlying discrepancies. Through this review, OEHHA made corrections to the Diesel Particulate Matter, Hazardous Waste, PM2.5, and Cleanup Sites indicator data for the entire state, such as accounting for more emissions sources and making scoring method corrections. OEHHA is also committed to developing a strategy for evaluating climate-related data for potential inclusion in Version 6.0, which will involve a careful reevaluation of CalEnviroScreen's overall scoring model and assessment of cumulative impacts. OEHHA's Responses to Major Comments on the CalEnviroScreen 5.0 Draft (2026) explains in detail how OEHHA addressed major comments received.

A detailed explanation of all updates to CalEnviroScreen 5.0, including those described above, and descriptions for all 23 indicators are available in OEHHA's CalEnviroScreen 5.0 Technical Report (July 2026).

IV. DAC DESIGNATION PROCESS

Under SB 535, CalEPA is responsible for designating DACs and to consider geographic, socioeconomic, public health, and environmental hazard criteria. As noted earlier, it is longstanding practice for CalEPA to use CES to make the DAC determination. The present designation marks the fourth that CalEPA has issued under SB 535 and follows OEHHA's release of the updated CES 5.0. This section reviews the previous designations. It also identifies the communities that CalEPA is designating as DACs in the current process.

CalEPA issued the 2026 Preliminary DAC Designation on July 1, 2026. In July 2026, CalEPA held two public workshops and one tribal workshop to receive feedback on the preliminary designation. In addition, CalEPA accepted written public comments in response to the preliminary designation between July 1, and August 14, 2026.[23] A detailed review of the comments received and CalEPA's responses to comments is available in Appendix A of this document.

A. Previous DAC Designations

CalEPA issued previous DAC designations in 2014, 2017, and 2022. In the 2014 designation, CalEPA recognized as disadvantaged the census tracts that received overall scores in the top 25% in what was then the operative version of CalEnviroScreen.[24] In the 2017 designation, CalEPA designated census tracts as disadvantaged based on the same metric. In addition, it designated census tracts that lacked overall CalEnviroScreen scores due to data gaps but scored in the top 5% on the composite Pollution Burden indicator. These thresholds were chosen through a review of related statutes and proxy indicators of disadvantage. They considered extensive public comments.

In the 2022 designation, CalEPA formally designated as DACs the following four categories:

1. Census tracts with highest 25% overall scores in CES.
2. Census tracts with highest 5% pollution burden indicator scores.
3. Census tracts designated in 2017.
4. Lands under the control of federally recognized tribes.[25]

B. 2026 Final Designation

[23] See Appendix A for a detailed review of the comments received and CalEPA's responses.
[24] CalEPA, CalEPA identifies communities targeted for cap-and-trade investments (Oct. 31, 2014).
[25] CalEPA, Final Designation of Disadvantaged Communities Pursuant to Senate Bill 535 (May 2022).

After having reviewed and considered all public comments (see Appendix A), CalEPA is formally designating the following four categories in the Final 2026 DAC Designation:

1. Census tracts with the highest 25% of CalEnviroScreen 5.0 overall scores (2,259 tracts).
2. Census tracts with the highest 5% of CalEnviroScreen 5.0 pollution burden scores (9 tracts).
3. Census tracts that overlap at least 25% with a 2022 DAC-designated census tract based on CalEnviroScreen 4.0 (436 tracts).
4. Lands under the control of federally recognized tribes, with updated tribal boundaries data.

CalEPA's reasoning for designating each of the four categories is described as follows.

1. Census tracts with the highest 25% of CalEnviroScreen 5.0 overall scores.

SB 535 directs CalEPA to identify disadvantaged communities based on geographic, socioeconomic, public health, and environmental hazard criteria, but it does not specify how many communities or what percentage of the population should be included in designations.[26]

In selecting the 25% threshold for the 2014, 2017, and 2022 designations, CalEPA looked toward the circumstances surrounding the enactment of SB 535, other legislation, and studies regarding disadvantaged communities.[27] The reasoning used to select a 25% threshold applies as readily in 2026 as it did in 2014, 2017 and 2022. Data points supporting this determination include:

- In 2023, the California Poverty Measure by the Public Policy Institute of California and the Stanford Center on Poverty and Inequality identified 34.8% of Californians were poor or near poor, and 16.9% were living in or near poverty.[28]
- From 2020 to 2024, 15.3% of Californians aged 25 and over lacked a high school diploma or equivalent.[29]
- From 2021 to 2022, 21% of households in California were severely housing cost burdened, spending more than 50% of their income on housing.[30]

[26] Sen. Bill No. 535 (2011-2012 Reg. Sess.).
[27] For a complete accounting of the various factors used to establish the 25% threshold, see CalEPA's Final 2022 Designation of Disadvantaged Communities.
[28] Sarah Bohn, Caroline Danielson, and Sara Kimberlin, Poverty in California (August 2025).
[29] U.S. Census Bureau, Quick Facts California.
[30] Stanford Center on Poverty and Inequality, California Data Dashboard – Housing.

- As of September 2024, 22% of households in California experienced food insecurity.[31]

While these data points do not represent a complete list of comparative markers, they provide CalEPA with some instruction in determining a practical percentage threshold for disadvantaged communities. CalEPA also must balance the value of being inclusive of the many communities that face pollution burdens and vulnerabilities, with the consideration that an overly broad threshold would dilute the impact of SB 535 and AB 1550 by spreading the designated funding too thinly to provide the benefits needed.

Once again using 25% as a CalEnviroScreen threshold would provide policy continuity and would ensure that approximately a quarter of California census tracts – which, collectively, are home to 9.7 million residents, or 24.8% of the state's population – receive DAC designations.

2. Census tracts with the highest 5% of CalEnviroScreen 5.0 pollution burden scores.

For a relatively small number of census tracts (less than 100 out of 9,106), CalEnviroScreen 5.0 does not offer overall CalEnviroScreen scores due to unavailable or unreliable population data. These census tracts generally reside in areas that are sparsely populated, but some are located adjacent to census tracts that score in the top 25% of CalEnviroScreen scores. In some cases, these census tracts represent some of the most significant pollution point sources in a region. Many of these high pollution census tracts include ports, airports, or heavy industrial areas. For example, some census tracts in heavily industrialized areas might have extremely high pollution burden scores, but because their population is so low, they have no overall CalEnviroScreen 5.0 score. Consistent with previous designations, CalEPA is proposing that the 2026 DAC Designation includes census tracts with no overall CalEnviroScreen score if they are in the highest 5% on CES's Pollution Burden composite score. In CalEnviroScreen 5.0, there are 9 census tracts meeting these criteria out of 73 census tracts without a CalEnviroScreen score. This approach was also taken for the 2017 and 2022 DAC Designations, so choosing to repeat it would align with precedent and include communities that experience high pollution.

3. Census tracts that overlap at least 25% with a 2022 DAC-designated census tract based on CalEnviroScreen 4.0.

CalEPA is proposing to designate as DACs census tracts that were identified in 2022 based on CalEnviroScreen 4.0, regardless of the current CalEnviroScreen 5.0 score. This includes census tracts that were in the highest 25% of overall scores and in the highest 5% of pollution burden scores based on CalEnviroScreen 4.0. Although about 80% of the

[31] California Food Banks, Food Insecurity Data.

highest scoring 25% census tracts remain the same between versions 4.0 and 5.0, CalEPA sees value in ensuring that the communities previously identified as highly burdened continue to be considered disadvantaged and remain eligible for DAC-related funding opportunities.

New census geography used in CalEnviroScreen 5.0 requires additional geographic analysis to inform the carrying over of prior designated census tracts. Because the census tracts used in CalEnviroScreen 4.0 (2010 census geography) and CalEnviroScreen 5.0 (2020 census geography) differ, CalEPA conducted a geographic overlap analysis to understand how the updated tracts relate to each other. Most 2010 census tracts were split into two 2020 tracts, however some 2010 tracts were absorbed into other tracts. There was only a two-census tract difference in number of 2022 DACs between a 15% to 50% overlap. CalEPA determined that a 25% overlap threshold is an appropriate threshold that enables the inclusion of census tracts that have a meaningful overlap with 2022 DAC-designated census tracts based on CES 4.0.

This threshold would carry over an additional 436 tracts that were considered DACs in the 2022 designation. This approach is similar to the approach taken in 2022 to carry over the census tracts that were designated DACs in 2017. In summary, if a 2022 DAC-designated census tract was in CalEnviroScreen 4.0's highest 25% overall scores or highest 5% pollution burden scores and has at least a 25% overlap with a current census tract, that current census tract will be considered a DAC for the new 2026 designation.

4. Lands under the control of federally recognized tribes, with updated tribal boundaries data.

a. Lands under the control of federally recognized tribes.

In the 2022 designation, CalEPA included lands under the control of federally recognized tribes,[32] including, but not necessarily limited to, Federal American Indian Reservations and lands held in trust by the United States for the benefit of American Indian tribes in California (collectively, tribal lands).[33] Data gaps related to tribal nations frequently make it difficult to fully and accurately assess pollution burden and population characteristics of these areas in CalEnviroScreen. Specifically, because of their status as sovereign governments, federally recognized tribes in California are not required to report or make publicly available to the state the types of data used in

[32] "Federally recognized tribes" refers to tribes with Federal recognition status. Such status is provided by the United States to Indians because of their status as Indians. Federally recognized tribes are added to the Bureau of Indian Affairs' list of federally recognized Indian tribes and possess a government-to-government relationship with the United States. Recognition also qualifies Indian tribes for special programs, protection, services, and benefits. (25 C.F.R. § 83.2.)
[33] U.S. Census Bureau, TIGER/Line Geodatabases.

CalEnviroScreen. Additionally, because tribal boundaries may be smaller than or not align with census tracts, CalEnviroScreen may not fully represent conditions on tribal lands. The data used in developing the drinking water quality, pesticide use, solid waste, asthma or cardiovascular disease indicators, for example, are not required to be reported to the state by federally recognized tribes in California. OEHHA has worked with tribes to incorporate additional data into CalEnviroScreen, for example, by including federally regulated tribal drinking water systems, while recognizing that tribes may choose not to share data and that public datasets may not accurately reflect tribal experiences.

In the 2022 designation, CalEPA accounted for such gaps by looking for information outside of CalEnviroScreen. In stakeholder meetings, tribal representatives raised concerns that these data gaps have meant that federally recognized tribes in California have been effectively excluded from California Climate Investments-related funding despite frequently high levels of poverty, health and environmental burden, and increased suicide rates,[34] oftentimes related to the historical violence and deprivation federally recognized tribes in California have endured. For example, recent census data show that the poverty rate on tribal lands in California is nearly double the state average.[35] The justification for inclusion of lands under the control of federally recognized tribes was outlined in the 2022 DAC designation.[36]

CalEPA concluded that the most reasonable way to approach data gaps for specific CalEnviroScreen indicators for tribal lands is to designate lands under the control of federally recognized tribes as DACs. As discussed, these lands and the tribal communities that are located on them reflect "geographic, socioeconomic, public health, and environmental hazard[s]" that would support a DAC designation.[37] CalEPA recognizes the value of accurate and comprehensive data as well as the burden associated with collecting data. Including tribal lands ensures tribes can access eligible investments without requiring tribes to provide additional data or compromise tribal data sovereignty. Therefore, CalEPA is continuing to include federally recognized tribal lands in the 2026 designation. This designation does not mean CalEPA considers Tribes "disadvantaged."

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[34] National Center for Health Statistics (NCHS), Centers for Disease Control and Prevention (CDC), Suicide Rates for Females and Males by Race and Ethnicity: United States, 1999 and 2017 (June 2019).
[35] American Community Survey 2015-2019, showing residents of federally recognized tribal lands in California with a 22% poverty rate, with 43% of residents at 200% of the federal poverty level, versus state averages of 13% poverty rate and 30% of the state below 200% of the federal poverty level.
[36] CalEPA, Final Designation of Disadvantaged Communities Pursuant to Senate Bill 535 (May 2022).
[37] Health & Saf. Code, § 39711, subd. (a).

In addition to inclusion of lands under the control of federally recognized tribes in the current DAC designation framework, CalEPA is redoubling efforts to provide technical assistance and offer consultation to any tribe that believes their lands should be considered in future DAC designation evaluations. Through the consultation process, CalEPA will work with interested tribes to identify and better understand lands under tribal control that may not be reflected in existing datasets.

Federally recognized tribal land representation in the DAC map may not be the most accurate due to additional new land acquisition or incomplete data sources used by CalEPA to establish boundaries. As part of this process, tribes may submit information demonstrating that a particular area of land is under its control. Such information may include documentation or other evidence that provides a reasonable basis for CalEPA to determine, in its discretion, that the tribe has control, stewardship, governance, and/or authority over the land. Information gathered through the consultation process will help CalEPA develop a more comprehensive understanding of lands under tribal control, improve statewide environmental justice screening efforts, and inform consideration of future DAC designations.

Tribal lands are updated on a yearly basis to include additional consultations, usually in the spring. CalEPA will provide updated documentation to the tribe to reflect additional lands once a consultation has taken place, before the DAC map is updated. Tribes interested in participating in the consultation process should contact the CalEPA Deputy Secretary for Intergovernmental Relations at TribalAffairs@calepa.ca.gov.

b. Tribal boundary data.

CalEPA acknowledges that defining tribal land boundaries is a historically sensitive topic to tribes and tribal members, and counterintuitive to how many tribes have lived and worked together since time immemorial. The 2022 DAC designation uses Census data to establish tribal boundaries. Since then, the Bureau of Indian Affairs (BIA) has released a dataset of tribal boundaries that tribal partners proposed for inclusion in the DAC designation. For the 2026 designation, CalEPA is including both the BIA (2024)[38] and Census (2025)[39] tribal boundary data, which would expand the tribal lands boundaries that are currently in the DAC designation. BIA has requested that their boundaries be presented separately in the DAC map from the Census boundaries as "Tribal Boundaries – Bureau of Indian Affairs" and "Tribal Boundaries – US Census," respectively. CalEPA and OEHHA presented this approach to a California interagency tribal lands workgroup, the California Native American Tribal GIS Conference, and to the CalEPA Tribal Advisory Committee, and received feedback from tribal stakeholders in support of using both BIA and Census tribal boundary data. This would mean any current designees of multi-year grants that rely on the DAC designation would not be impacted by incorporating the BIA data.

[38] Bureau of Indian Affairs Tract Viewer, Mapped Lands in Indian Country.
[39] U.S. Census Bureau, TIGER/Line Geodatabases.

In addition, Public Domain Allotments (PDAs) are parcels of land held in the trust by the BIA for descendants of individual allottees following the 1887 Dawes or Allotment Act. As of 2026, over 400 PDAs totaling over 16,000 acres remain across California and are not necessarily associated with specific tribes. For the 2026 final DAC designation, PDAs are not included in the DAC map until further outreach to descendants can be conducted by CalEPA to understand the unique privacy concerns associated with displaying individual allottees' PDAs on the DAC map. CalEPA consulted with five federally recognized tribes who requested to add additional lands under their control to the 2022 DAC designation maps. Tribal lands added as a result of consultation under previous designations remain in the map and are identified as "Tribal Boundaries – Consultations."

Tribes and tribal members whose lands are not eligible to be included as DACs may still be eligible for priority investments from the California Climate Investments program if they meet low-income requirements, are part of a 501(c)(3) nonprofit, or appear on the Native American Heritage Commission List. More information on these programs and requirements can be found in CARB's Funding Workbook for All California Tribes.

V. MAP

An interactive online map showing the 2026 final DAC designations is available online at Disadvantaged Communities (DAC) Designation 2026 | CalEPA.

The California Climate Investments Priority Populations Map is used to determine if a project is located in a priority population area. In addition to DACs, the Priority Populations Map also includes low-income communities statewide and the ½ mile area in which low-income communities and households may neighbor a CalEPA-defined DAC. All low-income households anywhere in the state, regardless of location, are considered priority populations.[40] The updated Priority Populations Map is available online at Priority Populations | California Climate Investments.

VI. CONCLUSION

CalEPA is pleased to publish this updated DAC designation, pursuant to SB 535, which considers the latest and best available data and considers factors related to data unavailability. This designation will go into effect immediately on September 18, 2026, at which point California Climate Investments programs funded through Cap-and-Invest

[40] Assem. Bill No. 1550 defines "low-income communities and households" as those census tracts or households with: 1) MHI at or below 80% of the statewide MHI, or 2) MHI at or below the threshold designated as low-income by the Department of Housing and Community Development's (HCD) State Income Limits (HCD State Income Limits). (See HCD's *Revised 2026 State Income Limits Memorandum* (June 23, 2026).)

auction proceeds will use the designation in making funding decisions. This designation is an important step in ensuring that California Climate Investments yield significant benefits to California's disadvantaged communities, a goal to which the entire California government is committed.

APPENDIX A – RESPONSE TO COMMENTS

CONTENTS

I. OVERVIEW

The California Environmental Protection Agency (CalEPA) released the 2026 Preliminary Disadvantaged Communities (DAC) Designation for public review on July 1, 2026. CalEPA's DAC Designation generally defines communities in terms of census tracts and identifies four types of geographic areas as disadvantaged:

1. Census tracts with the highest 25% of CalEnviroScreen 5.0 overall scores.
2. Census tracts with the highest 5% of CalEnviroScreen 5.0 pollution burden scores.
3. Census tracts that overlap at least 25% with a 2022 DAC-designated census tract based on CalEnviroScreen 4.0.
4. Lands under the control of federally recognized tribes, with updated tribal boundaries data.[41]

CalEPA received nearly 100 total written and verbal public comments on the CalEnviroScreen 5.0 update:

[41] Some of these tracts of land are not visible in the maps in this document due to the limited granularity of the maps. An interactive map showing all designated disadvantaged lands can be found at https://calepa.ca.gov/envjustice/ghginvest/.

- 41 written public comments submitted via email to CalEPA (from July 1, to August 14, 2026); and
- Feedback provided during two public workshops and one tribal workshop, held online. The first public workshop had over 30 people in attendance and set aside 50 minutes for discussion. The second public workshop was attended by nearly 100 people and set aside 50 minutes for breakout room discussions, in which the group split into 3 breakout rooms. The comments shared during the public workshops closely reflect the feedback raised through written public comments.

This document responds to the major themes raised in those comments. For clarity, we organized comments into 6 categories: designation and threshold expansion, local pathways and supplemental data, funding access, requested modifications to CalEnviroScreen, individual indicator scoring, and tribal feedback.

In our responses, we cite individual comment letters and refer to specific examples or suggestions shared where possible. While we worked to reflect the full range of input received, not every comment or suggestion received during the public comment period is cited or addressed in detail.

The final version of the 2026 DAC Designation was released on September 18, 2026. Please visit CalEPA's Disadvantaged Communities (DAC) Designation 2026 webpage to access all DAC Designation resources, including the Final 2026 DAC Designation and Map, fact sheet, data files, and related Priority Populations Map.

II. RESPONSES TO COMMENTS

A. Designation & Threshold Expansion

Summary. Comments expressed interest in expanding the DAC Designation to include more census tracts. Specifically, several commenters requested a series of modifications to the DAC Designation, including 1) an increase in the DAC Designation from the proposed (and current) top 25% of census tracts, to include the top 30%, 35%, or 40%; 2) adding a ½-mile buffer around DAC tracts and counting that ½-mile as DACs themselves, 3) carrying over census tracts that were considered DACs based on CalEnviroScreen 3.0, 4) expanding the DAC Designation to include census tracts with scores in the top 25% of "population" scores, in addition to the top scoring census tracts based on the total composite scores, and 5) adding specific census tracts to the DAC Designation.

The top 25% of "population" scores was suggested by commenters as a method to ensure low-income communities are captured as DACs, and to reflect the various socioeconomic conditions that add burden to communities.

One comment expressed concern about expanding thresholds (e.g., to 30% or 35%), citing that diluting the definition spreads already insufficient funding too thin and away from highest-need communities.

CalEPA Response. In passing Senate Bill (SB) No. 535 (2011-2012 Reg. Sess.), the

Legislature signaled an intent to direct funding toward the "most impacted and disadvantaged communities." It did not, however, provide a bright line rule for distinguishing between communities that are impacted and disadvantaged and those that are "most" impacted and disadvantaged.

CalEPA recognizes the challenges inherent in selecting a numerical threshold and has considered at length the appropriate threshold for this context. In section IV.B.1 of this DAC Designation, CalEPA explains the reasons it identified the census tracts in the top 25% of CalEnviroScreen scores as disadvantaged.

CalEPA must balance the value of being inclusive of the many communities that face pollution burdens and vulnerabilities, with the consideration that an overly broad threshold would dilute the impact of SB 535 by spreading the funding too thin. That is, CalEPA is mindful of the legislative intent animating SB 535 and of the risk that increasing the threshold could ultimately channel Greenhouse Gas Reduction Fund (GGRF) funds away from the "most impacted and disadvantaged communities."

CalEPA is unable to designate specific census tracts as DACs if they do not meet the geographic criteria described in section I of this DAC Designation. It is important to use consistent statewide data to ensure fairness throughout the state.

Additional points in response to the 5 specific requests are as follows:

1. Expand the DAC threshold from 25% to 30%, 35%, or 40%

While CalEPA could in theory expand the threshold – to 30%, 35%, or even 40% – it is not aware of any factors that would render a higher threshold more reasonable than the 25% threshold. For example, CalEPA considered the most recent data for many factors, including the ones listed below, which align closely with a threshold of 25% or lower.

- 16.9% of Californians were living in or near poverty in 2023.
- 15.3% of Californians over the age of 25 lacked a high school diploma or equivalent from 2020 to 2024.
- 21% of California households were severely housing cost burdened from 2021 to 2022.
- 22% of California households experienced food insecurity in 2024.

This justification is explained in further detail in section IV.B.1 of this DAC Designation.

Furthermore, the 25% threshold has already undergone extensive public review and would provide for a measure of policy continuity from previous designations.

2. ½-Mile Buffer

Communities within ½ mile are already recognized as priority populations for GGRF funding eligibility. This was directed in Assembly Bill (AB) No. 1550 (2015-2016 Reg. Sess.), where at least 5% of specific climate investment funds must target low-income communities or households sitting within a ½ mile of a disadvantaged community.

3. Carry over CalEnviroScreen 3.0

Census tracts that were designated as DACs under CalEnviroScreen 3.0 can still be eligible for both California Climate Investments and non-California Climate Investments state funds, even if they are not "priority populations."

With a fixed amount of GGRF funding, it is important to ensure that the communities that are currently most disadvantaged receive prioritization for the funding. The data from CalEnviroScreen 3.0 is now more than 10 years old. As we seek to prioritize the dollars that we have available now, it is important to understand the current conditions on the ground and where investments can make a difference. We recognize the importance of continuity for certain projects, which is why we proposed carrying over the CalEnviroScreen 4.0-eligible tracts, including in the Bay Area.

4. Top 25% population scores

The Legislature previously recognized the importance of prioritizing funding for low-income communities, which is why low-income communities are part of the Priority Populations Map for purposes of implementing the California Climate Investments.

Focusing only on select indicators would deemphasize the cumulative nature of impacts. Therefore, CalEPA has decided to continue to focus on cumulative impacts and socioeconomic indicators of disadvantage, as measured by the CalEnviroScreen overall score and, in particular instances, the Pollution Burden composite score, rather than designate communities as disadvantaged because they have high scores on a single or handful of indicators. CalEPA concludes that this focus on cumulative impacts better furthers the Legislature's directive that CalEPA develop criteria for identifying and directing GGRF funds to the most disadvantaged communities.

5. Designation of Specific Census Tracts as Disadvantaged Communities

As CalEPA designates DACs on a statewide basis, we must develop criteria that are objective and applicable across California. The CalEPA DAC Designation was designed to provide consistency in scoring and determination of DACs statewide. Therefore, we will not be modifying designations of individual census tracts in response to comments. However, in review of the specific census tracts of note, we do wish to remind commenters and the public (as noted in section V in this DAC Designation) that for purposes of GGRF, priority populations include DACs, low-income communities, low-income communities within a ½-mile of DACs, and low-income households statewide.

Using CalEnviroScreen 5.0 and the other objective criteria underlying the Final 2026 DAC Designations provides CalEPA with a reasonable, uniform approach that ensure fairness and consistency across the state.

B. Local Pathways & Supplemental Data

Summary. Commenters requested a process allowing local governments to submit supplemental data or local income surveys. Commenters also requested recognition of local designations (e.g., Senate Bill No. 1000 (2015-2016 Reg. Sess.) Environmental Justice elements and Assembly Bill No. 617 (2017-2018 Reg. Sess.) Community Emissions Reduction Programs (CERP) communities).

CalEPA Response. As noted in the above designation, CalEPA's designation of DACs is for specific use cases. Other determinations, such as Environmental Justice Elements in General Plans or AB 617 CERP community designations, have their own specific purposes for guiding policy changes and investments. The DAC Designation does not seek to align with all the definitions of DACs but rather is focused on meeting the statutory requirements in SB 535 to determine DACs for the purposes of the 25% funding prioritization for programs funded by California Climate Investments.

Using CalEnviroScreen 5.0 and the other objective criteria underlying the Final 2026 DAC Designation provides CalEPA with a uniform approach across the state. This approach is reasonable and ensures consistency.

C. Funding Access

Summary. Commenters expressed concern that their communities would not be able to access funding unless they receive a CalEPA DAC designation.

CalEPA Response. The CalEPA DAC Designation defines the disadvantaged communities included within the broader definition of priority populations for California Climate Investments programs. Priority populations also include low-income communities statewide, the ½ mile area in which low-income communities and households may neighbor CalEPA-defined DACs, and all low-income households anywhere in the state, regardless of location. The Priority Populations Map is used to determine if a project is located in a priority population. The updated Priority Populations Map is available online at Priority Populations — California Climate Investments. While the CalEPA DAC Designation defines the DACs included within the broader definition of priority populations for California Climate Investments programs, it is worth noting that only 16 of 124 programs (or 13%) have a very high DAC investment concentration, i.e., directed at least 85% of their funding to DACs. Only 4% of total California Climate Investments funding and less than 1% of projects come from these 16 programs. This finding is consistent across different levels of DAC concentration, i.e., programs directing at least 70% of their funding to communities with a CalEPA DAC designation account for less than 10% of total GGRF funding.

D. Requested Modifications to CalEnviroScreen

Summary. Several commenters suggested that OEHHA should modify CalEnviroScreen to account for additional indicators or to weigh current indicators differently. Several commenters requested that CES use census block-level data rather than statewide census tract boundaries and specifically accounting for rural and unincorporated communities, voicing concerns that smaller communities get overlooked by large census tract data. Commenters also requested more localized data be incorporated into CalEnviroScreen. Multiple comments urged CalEPA to incorporate climate change, sea-level rise (SLR), flooding, and extreme heat indicators into future versions of CalEnviroScreen, noting the use of similar data in other state tools such as the Vulnerable Communities Platform. Commenters also shared that CalEnviroScreen should properly account for local environmental hazards (indoor air, pesticides, wildfire PM2.5, lead risk, drinking water records, radioactive pollutants), and separate out coarse particulate matter (PM10).

CalEPA Response. As noted in section III.C in this DAC Designation, in response to Bay Area comments about score changes, OEHHA conducted a thorough evaluation of indicator data to address any underlying discrepancies. OEHHA provided a response to comments on CalEnviroScreen 5.0 and addressed calls for additional CalEnviroScreen indicators as well as the incorporation of climate indicators into CalEnviroScreen. During review of the draft CalEnviroScreen 5.0 OEHHA made corrections to the Diesel Particulate Matter, Hazardous Waste, PM2.5, and Cleanup Sites indicator data for the entire state, such as accounting for more emissions sources and making scoring method corrections. OEHHA committed to developing a strategy for evaluating climate-related data for potential inclusion in CalEnviroScreen 6.0, which will involve a careful reevaluation of CalEnviroScreen's overall scoring model and assessment of cumulative impacts.

Regarding the use of alternate geographic boundaries, or incorporating select localized data like unincorporated areas in CalEnviroScreen, OEHHA has addressed this in previous responses to comments on CalEnviroScreen as well as in a 2025 published paper discussing the balancing act of making tradeoffs while creating cumulative impacts mapping tools.[42] While smaller geographies like census block level data may allow for more fine-grained data in certain areas, they often experience greater challenges related to data quality and wider margins of error than census tracts. OEHHA recognizes that a tradeoff in a statewide relative ranking tool like CalEnviroScreen is that it is limited in its ability to reflect highly localized conditions within a census tract.

CalEPA does not have additional responses in this DAC Designation or Appendix to comments substantively focused on the CalEnviroScreen tool.

E. Individual Indicator Scoring

Summary. Commenters requested CalEPA supplement the criteria in the DAC Designation by adding Census tracts that have high scores on individual indicators, and others recommended that CalEPA move away entirely from composite scores toward individual indicator scoring (e.g., the previous federal administration's Climate & Economic Justice Screening Tool).

Commenters suggested that CalEPA also consider that such individual scores could be useful for designating DACs on a program basis (i.e., a high housing burden score would make a community a DAC for the purposes of affordable housing funding).

CalEPA Response. SB 535 aims to direct funds toward improving public health, quality of life, and economic opportunity in California's "most burdened communities" while reducing pollution that causes climate change. CalEPA believes that it is reasonable to interpret "most burdened communities" as those communities that experience the greatest number of cumulative impacts. OEHHA has configured CalEnviroScreen to account for CalEPA's working definition of cumulative impacts, which it defines to mean exposures and public health or environmental effects from all sources of pollution

[42] Ranjbar, K., Varner, Z., Slocombe, A., Bangia, K., & August, L, Balancing Act: Trade-Offs in Developing Cumulative Impacts Mapping Tools (Environmental Justice, 2026).

in a geographic area. The methodology of CalEnviroScreen is consistent with recommendations provided in the National Academies' report State-of-the-Science and the Future of Cumulative Impact Assessment.[43]

Focusing only on select indicators would deemphasize the cumulative nature of impacts. Therefore, CalEPA has decided to continue to focus on cumulative impacts and socioeconomic indicators of disadvantage, as measured by the CalEnviroScreen overall score and, in particular instances, the Pollution Burden composite score, rather than designate communities as disadvantaged because they have high scores on a single or handful of indicators. CalEPA concludes that this focus on cumulative impacts better furthers the Legislature's directive that CalEPA develop criteria for identifying and directing GGRF funds to the most disadvantaged communities. CalEPA reiterates that programs administering GGRF funds are not required to focus solely on CalEPA-designated disadvantaged communities. Aside from the targets set out in statute, program administrators have flexibility to focus their initiatives on the communities best served by their particular focus. Further, CARB's priority populations benefit assessment tools, which are used to help decide if a project benefits a priority population, allow project applicants to support project applications and priority populations benefits claims by confirming that the project will reduce the impacts of at least one of the factors or indicators contributing to a census tract's CalEnviroScreen score, so long as that indicator is at or above the 75th percentile.

Regarding program-specific designations, CalEPA interprets SB 535 as directing it to issue a single designation for the purpose of allocating GGRF funds. CalEPA does not interpret the legislation as authorizing it to issue program-specific designations. DAC minimums apply across California Climate Investments portfolio, and individual programs may have additional statutory direction or otherwise focus on the communities most appropriate to each program.

F. Tribal Feedback

Summary. During the tribal workshop held on July 15th, 2026, participants shared feedback on the Preliminary 2026 DAC Designation. Comments focused on several themes: the accuracy and currency of tribal boundary data, including concerns that the Bureau of Indian Affairs (BIA) data is not regularly updated and may not reflect recently acquired lands or allotments held in trust; barriers tribes face in accessing state funding programs, including limited capacity among smaller tribes, the geographic concentration of state meetings in Sacramento, and requirements to provide limited waivers of sovereign immunity as a condition of participation in some programs; the need for ongoing process to update tribal boundaries outside of CalEnviroScreen update cycles; environmental and health concerns not fully captured by CalEnviroScreen, such as wildfire evacuation risks, exposure to hazards from nearby industrial activity, and the protection of culturally sensitive and sacred sites; and the importance of CalEPA providing technical assistance to tribes navigating the consultation and DAC Designation processes.

[43] National Academies of Sciences, Engineering, and Medicine, State-of-the-Science and the Future of Cumulative Impact Assessment (2025).

Participants also expressed support for the use of multiple data layers (Census data, BIA data, and lands identified through consultation) to more comprehensively capture tribal lands in the DAC Designation.

CalEPA Response. CalEPA appreciates the feedback shared during the tribal workshop and recognizes the unique circumstances and data challenges facing California's tribal communities.

As described in section I above, the 2026 DAC Designation continues to include lands under the control of federally recognized tribes. For this designation, CalEPA is using updated tribal boundary data from the BIA, layered with updated Census data and lands identified through government-to-government consultation. This multi-layered approach is intended to more accurately and comprehensively reflect tribal lands, including lands that may not appear in any single data source.

CalEPA acknowledges that BIA data may not always be current and that tribes may have acquired new lands or hold allotments in trust that are not yet reflected in available datasets. To address this, CalEPA has opened a consultation process (available to all California Native American tribes) through which tribes can submit documentation to ensure their lands are accurately represented in the DAC Designation. Tribes are encouraged to review the current maps and, where boundaries are inaccurate or incomplete, to request consultation through the CalEPA Tribal Affairs email TribalAffairs@calepa.ca.gov.

In response to concerns about the frequency of updates, tribal boundary updates can be made before the next CalEnviroScreen update. Tribes may reach out to CalEPA's Tribal Affairs Office to request boundary updates on an ongoing basis, and CalEPA can provide documentation confirming current parcels in the interim. CalEPA recognizes the value of communicating this as an ongoing process and will work to make this information accessible on its website.

CalEPA also heard concerns about barriers to funding access for tribes, including limited staff and financial capacity among smaller tribes, the logistical burden of attending meetings held primarily in Sacramento, and challenges related to limited waivers of sovereign immunity and matching fund requirements in some grant programs. While these barriers extend beyond the scope of the DAC Designation itself, CalEPA is committed to reducing barriers to tribal participation in state processes. CalEPA intends to provide technical assistance to tribes engaging in the consultation and designation process, including support with GIS information, flexibility in the types of documentation accepted, and a collaborative, non-burdensome approach.

Regarding environmental and public health issues raised by workshop participants, including wildfire evacuation risks, exposure to nearby industrial hazards, and the protection of sacred sites, CalEPA notes that CalEnviroScreen is a statewide cumulative impacts screening tool and may not capture all localized conditions within a given area. CalEPA encourages tribes to raise specific environmental and public health concerns through the consultation process so they can be considered in the broader context of the designation and related CalEPA efforts.

III. **COMMENT LETTERS**

The full list of written public comment letters received is available online at Disadvantaged Communities (DAC) Designation 2026 | CalEPA.