

# IEMAC Environmental Justice Report

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## Context

California faces intensifying risks from climate change, including more intense forest fires, coastal erosion, prolonged droughts, and more frequent episodes of extreme heat. It is imperative that California take aggressive action to reduce greenhouse gas emissions, and to protect the public against significant climate change related damages. At the same time, it is critical to ensure that new environmental regulations improve conditions in marginalized communities that are disproportionately exposed to local pollution and associated health risks.

Local pollution and global climate change pose related but distinct policy challenges. Climate-related damages from greenhouse gases do not depend on the location of GHG emissions. In contrast, emissions of pollutants such as nitrogen oxides, and toxics are associated with localized health and environmental damages. Although GHG emissions and emissions of local pollutants are correlated, a reduction in point source GHGs need not imply a reduction in local pollution. In sum, these are fundamentally different problems that are best addressed using coordinated – but distinct- policy responses.

When California's cap-and-trade program for GHGs was extended under the auspices of AB398, a companion bill (AB 617) was passed to reduce criteria air pollutants and toxic air pollutants from stationary sources. In other words, rather than trying to use climate change policies to deliver local air quality improvements, AB617 is designed to tackle these local problems directly. As the state pursues aggressive climate action, it is critical that the state simultaneously make progress on improving air quality in marginalized communities through policies like AB 617.

CalEPA staff are to be commended for their thoughtful and deliberate approach to addressing these very complex issues. We also recognize and commend the leadership within the environmental justice (EJ) movement for elevating the concerns of disadvantaged communities within the context of climate action. Since the passage of AB 32 in 2006, the environmental justice advocates and community leaders have grown in influence. That influence is reflected in governance changes ensuring that these communities can participate more directly and substantively in how California addresses climate change and local air pollution challenges.

To date, there have been some notable governance changes:

- The California Air Resources Board has expanded to include two voting members with experience on environmental justice issues.
- The Legislature through AB 197 now has two appointments to the California Air Resources Board that are non-voting members but can continue to provide legislative oversight on concerns raised by environmental justice communities before the Board.
- CARB has created the role of Assistant Executive Officer for Environmental Justice primarily responsible for coordinating with and representing the interests of environmental justice communities on behalf of the agency.
- In 2015, the agency recommissioned the Environmental Justice Advisory Committee (EJAC), which is comprised of community leaders and experts on environmental justice issues.

CARB staff should continue to proactively include community leaders in the regulatory process through public workshops held in environmental justice communities, increased transparency with public reporting of data, and willingness to adjust outreach efforts to ensure cultural relevance and competency.

### **What Does it Mean to Prioritize Local Air Quality Concerns?**

While the policy response to climate change is the focus of this committee, it is important to recognize related concerns about local air quality in vulnerable communities. To that end, the 2017 Scoping Plan includes a strong acknowledgement that climate action can only be considered fair and equitable if climate change policy choices take into careful consideration the pre-existing inequities across California communities.

Economists favor market-based climate change policies (such as cap-and-trade programs) because they harness market forces to seek out the least costly GHG abatement options. Environmental justice advocates have been quick to point out, however, that the least cost climate change mitigation solutions need not be equity-maximizing. How, then, should GHG policies be designed with equity concerns in mind?

First, pursuit of the state's GHG reduction goals must not detract from efforts to improve local air quality.

The passage and subsequent implementation of AB 197 and AB 617 provides an opportunity for the agency and the state to deliver on their commitment to improve local air quality. A first step is to identify neighborhoods where toxic and local criteria pollutants are exacerbating poor health outcomes. CalEnviro Screen, a tool that aides the state in identifying hot spots in communities across the state, is being designed for the purpose of targeting investments and encouraging collaborative action with local communities. With the support and backing of the Board, increased local monitoring and real time data collection, fair and equitable action on local air quality problems can be catalyzed throughout the state. Workshops are ongoing to engage communities on best practices and planning, as well as develop relationships with local leaders that will lead to truly identifying the sources of concerns, and addressing those concerns in a targeted way that produces the intended outcomes.

Second, the successful implementation of AB 617 will require substantial funding and a well supported, dedicated staff.

The GHG cap and trade program generates revenues through the sale of tradable emissions permits. A portion of these revenues are used to improve health and economic opportunity in disadvantaged communities. For example, climate credits and low-income energy assistance are used to mitigate the impacts of climate policies on the energy bills of low income customers. Going forward, some of these revenues can and should be used to ensure that efforts to reduce local pollution in EJ communities receive the level of support required to be successful.

In sum, AB 617 presents a real step forward in addressing the social needs that run parallel to air quality challenges. This committee recommends that staff continue the robust engagement with community leaders, ensuring information materials are culturally relevant, and maintain transparency of timelines, goals, and information. At the same time, the agency will need to manage expectations as the policy reaches those communities identified in the first round of

funding. This can create a trust gap as environmental justice communities often have low expectations and anticipate minimal attention and effort from the agency.

### **EJAC Recommendations**

During the Scoping Plan process, the EJAC offered a series of recommendations that were to be considered for analysis by CARB staff. Ultimately, there were some stark differences between the EJAC [recommendations](#) on which tools the state should adopt to meet its emissions goals and the policies that were adopted. However, staff and Board support of the committee, and a transparent discussion of the recommendations offered, helped to build trust, even in the presence of these differences and disagreements.

In general, we support the guiding principles of equity, partnership, and coordination that the EJAC has been advocating for. Due to the time constraints, however, the IEMAC was unable to consider all of the specific EJAC recommendations in light of the recent regulatory amendments.

One specific concern raised by EJ communities that will certainly require further consideration pertains to “Direct Environmental Benefits” (DEBs). EJ communities have long held that offsets, while ensuring compliance for industries can be reached at the most cost-effective way, export California benefits and do nothing to mitigate toxic hotspots in vulnerable communities. As noted above, the potential tension between the pursuit of cost effective climate change mitigation and concerns about local environmental quality is a core concern of EJ communities. When climate change policies incentivize carbon mitigation outside of California, it will be critical to demonstrate that this mitigation is not detracting from progress on environmental quality improvements in EJ communities.

### **Conclusion**

While differences remain between CARB’s positions and the concerns of some environmental justice leaders in how air quality and GHG reductions are addressed, it is crucial that CARB continue to engage with and support air quality improvements within environmental justice communities. Trust is earned, and CARB continues to take the necessary steps to build that trust with communities who have historically not played a direct role in creation and implementation of regulations.

The recommendations of the EJAC, while not accepted completely, demonstrate that people are paying close attention to the decisions that CARB is making and want to be a part of the solution. The general recommendation of this committee is that CARB should continue to be transparent and consistent in engaging with the EJ community. CARB should seriously consider EJAC analysis and recommendations and respond without prejudice.