



March 15, 2017

The Honorable Cristina Garcia
Chair, Assembly Natural Resources Committee
State Capitol, Room 2013
Sacramento, CA 95814

Re: AB 378 (C. Garcia/Holden/E. Garcia) Post-2020 Climate Policy - SUPPORT

Dear Assemblymember Garcia:

On behalf of the Natural Resources Defense Council (NRDC), which has 2.4 million members and activists, 400,000 of whom are Californians, we write to express support for your bill, AB 378, which would specifically authorize the Air Resources Board to extend a market-based mechanism beyond 2020 as a complement to the suite of direct measures and performance-based standards that anchor California's climate plan.

Facing the global challenge of climate change, California has long approached its climate initiatives with the goal of catalyzing broader action by setting an example for others to follow. Increasingly, the markings of California climate policy can be seen around the world. Delegations to Sacramento from the world's largest economies, including China, have learned from California's experience and taken home best practices in developing emissions reporting, monitoring and reduction programs at scale. California's Clean Cars standards are followed by 12 other states, covering more than 113 million residents and roughly 35% of the U.S. passenger vehicle market. And by leveraging the size of its market, California is able to affect change well beyond its borders through policies such as setting efficiency standards for consumer products that both reduce emissions and household utility bills.

For California to lead by example, however, it must prioritize the state's most vulnerable communities. According to the Air Resources Board's most recent report to the Legislature, half of the cap-and-trade proceeds generated from pricing carbon pollution are funding emissions reduction projects that benefit disadvantaged communities. Those investments have attracted over \$4.5 billion in matching private capital, resulting in over \$5 leveraged for every dollar invested. For communities across California, those investments are a powerful driver of change that the Legislature should ensure continue.

Yet millions of Californians, particularly in low-income communities and communities of color, continue to suffer from some of the worst air quality in the country. Last year, AB 197 (E. Garcia) took a major step toward addressing these inequities by laying the groundwork to bring California's climate and air quality programs into closer alignment. But more opportunities remain. We accordingly support AB 378's direction to ARB to ensure that all of California's

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climate policies promote air quality and public health goals and to account for the full costs associated with emitting greenhouse gases in developing the most effective and equitable mix of measures to achieve the state's 2030 greenhouse gas reduction goal.

Thank you for considering our views.

Sincerely,



Victoria Rome
California Legislative Director



Alex Jackson
Legal Director, California Climate Project

Cc: Assemblymember Eduardo Garcia
Assemblymember Chris Holden