



## FOR IMMEDIATE RELEASE

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## Senate Introduces Bold Vision for Equitable Carbon Pricing Policy

**Sacramento, CA | May 2, 2017** — The California Environmental Justice Alliance, Asian Pacific Environmental Network, Center on Race, Poverty & the Environment, and Leadership Council for Justice and Accountability are pleased to see such a bold vision for a more equitable, effective carbon pricing program in California released today through SB 775. We thank Senator Wieckowski and Senate pro Tem de León for their leadership.

The current cap and trade system has significant environmental justice flaws that our members, our alliance and leading researchers have highlighted for many years. Pollution from large greenhouse gas emitting facilities disproportionately impacts people of color. More than half of the greenhouse gas sources covered under cap and trade, including 15 of 20 refineries in the state, are located in or within one-half mile of a disadvantaged community. These facilities do not just release carbon dioxide; their emissions are strongly correlated with a range of pollutants that harm health and quality of life. Current features of cap and trade, like offsets and an oversupply of allowances, allow facilities to comply with legal requirements without actually reducing the pollution coming out of their smokestacks. Additionally, they artificially depress the price of carbon, to the detriment of all Californians and the planet's ecosystems.

The recent amendments to SB 775 address many of these core issues by returning the focus of California climate policy to our fundamental regulatory programs and closing loopholes for corporate climate polluters. The pricing approach outlined in the bill (creating a "price collar") creates more market certainty and will allow for a more reliable stream of investments in environmental justice communities, as well as needed infrastructure investments. Other program design components, such as eliminating offsets and allowance banking, are long overdue.

We look forward to more robust discussions on the revenue investment options outlined in SB 775 or other vehicles. CEJA supports a dividend as a way to directly reduce costs to low-income households. An effective and equitable dividend program targets those households most impacted by rising energy costs, and is complemented by broader investments needed to address the disproportionate impacts of climate change in our most vulnerable communities.

We encourage the Senate to work closely with Assembly Members Garcia, Holden and Garcia, who have outlined a path towards addressing critical air quality issues that are related to cap and trade. By joining this bill with AB 378, the legislature can set the path for a more comprehensive approach to climate policy that acknowledges and addresses inequitable health burdens in low-income communities and communities of color. As the process moves forward, CEJA remains clear that any final legislation must include specific, effective provisions to achieve direct emission reductions and limit trading in environmental justice communities.

SB 775 is a much needed addition to the statewide conversation on how to meet the challenge of climate change. With a hostile administration in Washington D.C., we look to our legislature for aggressive climate solutions that reduce pollution and lift up communities most impacted, which will set the tone for climate action across the country. The next phase California's climate leadership and innovation depends on placing environmental justice principles at the core of climate policy. We look forward to working with all offices in the coming weeks to create the best possible outcomes for all Californians and the climate.

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**California Environmental Justice Alliance** is a statewide, community-led alliance that works to achieve environmental justice by advancing policy solutions. We unite the powerful local organizing of our members in the communities most impacted by environmental hazards – low-income communities and communities of color – to create comprehensive opportunities for change at a statewide level. We build the power of communities across California to create policies that will alleviate poverty and pollution. Together, we are growing the statewide movement for environmental health and social justice.  
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