

AMENDED IN SENATE AUGUST 19, 2016

AMENDED IN SENATE AUGUST 16, 2016

AMENDED IN SENATE AUGUST 2, 2016

AMENDED IN ASSEMBLY MAY 31, 2016

AMENDED IN ASSEMBLY APRIL 20, 2016

AMENDED IN ASSEMBLY APRIL 12, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

## ASSEMBLY BILL

**No. 2722**

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**Introduced by Assembly Member Burke**

February 19, 2016

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An act to add Part 4 (commencing with Section 75240) to Division 44 of the Public Resources Code, relating to greenhouse gases.

### LEGISLATIVE COUNSEL'S DIGEST

AB 2722, as amended, Burke. Transformative Climate Communities Program.

The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. ~~The state board is required to adopt a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions level in 1990 to be achieved by 2020. The act authorizes the state board to include the use of market-based compliance mechanisms. Existing law requires all moneys, except for fines and penalties, collected by the state board as part of a market-based compliance mechanism to be~~

*deposited in the Greenhouse Gas Reduction Fund and to be available upon appropriation.*

Existing law establishes the Strategic Growth Council, which consists of the heads of various state agencies and certain other members, and requires the council to identify and review activities and funding programs that may be coordinated to improve air and water quality, improve natural resource protection, increase the availability of affordable housing, improve transportation, meet the goals of the California Global Warming Solutions Act of 2006, encourage sustainable land use planning, and revitalize urban and community centers in a sustainable manner.

This bill would create the Transformative Climate Communities Program, to be administered by the council. The bill would require the ~~council, in coordination with the California Environmental Protection Agency Assistant Secretary for Environmental Justice and Tribal Affairs,~~ *council* to award competitive grants to specified eligible entities for the development ~~and implementation of neighborhood-level~~ *transformative climate community plans, and projects that implement plans, plans that contribute to the reduction of include greenhouse gas emissions of greenhouse gases and demonstrate potential climate, reduction projects that provide local economic, workforce, health, and environmental environmental, and health benefits in to disadvantaged communities that have a demonstrated need for climate, economic, workforce, health, and environmental benefits: communities, as defined.* The bill would require the ~~council, in coordination with the member agencies of the council, the State Air Resources Board, and other state entities, as needed,~~ *council* to develop guidelines and selection criteria for the implementation of the program. *The bill would require the California Environmental Protection Agency to provide assistance in performing outreach to disadvantaged communities and assessing the environmental justice benefits of project awards.*

This bill would become operative only if AB 1613 of the 2015–16 Regular Session is enacted and becomes effective on or before January 1, 2017, and ~~\$205,000,000 funding for the program is appropriated~~ *from the Greenhouse Gas Reduction Fund is appropriated pursuant to Section 3 of that act.*

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

SECTION 1. Part 4 (commencing with Section 75240) is added to Division 44 of the Public Resources Code, to read:

PART 4. TRANSFORMATIVE CLIMATE COMMUNITIES  
PROGRAM

75240. The Transformative Climate Communities Program is hereby created, to be administered by the Strategic Growth Council. The program shall fund the development and implementation of neighborhood-level transformative climate community plans that include multiple, coordinated greenhouse gas emissions reduction projects that provide local economic, environmental, and health benefits ~~that are directly connected to communities most impacted by pollution and vulnerable to climate change.~~ *to disadvantaged communities, as described in Section 39711 of the Health and Safety Code.* By making such comprehensive public investments, it is the intent of the Legislature that private resources can *be* more effectively ~~be~~ catalyzed to support innovative community and climate transformation in disadvantaged communities.

75241. ~~(a) The council, in coordination with the California Environmental Protection Agency Assistant Secretary for Environmental Justice and Tribal Affairs, shall award competitive grants to eligible entities through an application process. To be eligible, an entity shall demonstrate multistakeholder partnerships with local agencies, community-based organizations, labor groups, workforce investment boards, and other stakeholders, as appropriate. An eligible entity includes any of the following:~~

- ~~(1) A nonprofit organization.~~
- ~~(2) A community-based organization.~~
- ~~(3) A faith-based organization.~~
- ~~(4) A coalition or association of nonprofit organizations.~~
- ~~(5) A community development finance institution.~~
- ~~(6) A community development corporation.~~
- ~~(7) A local agency.~~
- ~~(8) A joint powers authority.~~

~~(b) (1) The council shall award grants for the development of transformative climate community plans, and projects that implement plans, that contribute to the reduction of emissions of~~

1 ~~greenhouse gases and demonstrate potential climate, economic,~~  
2 ~~workforce, health, and environmental benefits located in~~  
3 ~~disadvantaged communities that have a demonstrated need for~~  
4 ~~climate, economic, workforce, health, and environmental benefits.~~  
5 ~~The council shall award grants for plans that are designed to~~  
6 ~~achieve, and projects that demonstrate, an integrated, innovative,~~  
7 ~~cross-cutting project with multiple benefits provided directly in a~~  
8 ~~disadvantaged community and that demonstrate community~~  
9 ~~engagement and leadership in all phases. A plan shall identify~~  
10 ~~metrics to meet the overall goals of the Transformative Climate~~  
11 ~~Communities Program and the desired long-term changes in the~~  
12 ~~plan's region. In~~

13 *75241. (a) The council shall award competitive grants to*  
14 *eligible entities through an application process. An eligible entity,*  
15 *including, but not limited to, a nonprofit organization, a*  
16 *community-based organization, a faith-based organization, a*  
17 *coalition or association of nonprofit organizations, a community*  
18 *development finance institution, a community development*  
19 *corporation, a local agency, a joint powers authority, or a tribal*  
20 *government, shall demonstrate multistakeholder partnerships with*  
21 *local agencies, community-based organizations, labor groups,*  
22 *workforce investment boards, and other stakeholders, as*  
23 *appropriate. The council shall award grants for projects that*  
24 *demonstrate community engagement in all phases.*

25 *(b) (1) In awarding grants, the council shall make grant awards*  
26 *selections for plan development contingent on the implementation*  
27 *of one or more projects identified by the plan.*

28 *(2) The council may award a grant over multiple years.*

29 *(c) In order to be eligible for funding under the program, a plan,*  
30 *and a project that implements a plan, shall demonstrate that it will*  
31 *achieve a reduction in emissions of greenhouse gases.*

32 ~~(d) In awarding grants pursuant to subdivision (b), the council~~  
33 ~~shall prioritize plans, and projects that implement plans, that~~  
34 ~~maximize, to the extent feasible, climate, public health,~~  
35 ~~environmental, workforce, and economic benefits.~~

36 ~~(e) (1) For purposes of this part, "economic benefits" means~~  
37 ~~high-quality, well-paid employment opportunities for residents in~~  
38 ~~the plan's region, benefits for small businesses located directly in~~  
39 ~~the relevant disadvantaged community, and benefits for minority;~~

1 ~~LGBT, woman, or disabled veteran-owned small businesses in~~  
2 ~~the plan's region.~~

3 ~~(2) For purposes of this subdivision, "LGBT" means lesbian,~~  
4 ~~gay, bisexual, or transgender.~~

5 *(d) The California Environmental Protection Agency shall*  
6 *provide assistance in performing outreach to disadvantaged*  
7 *communities and assessing the environmental justice benefits of*  
8 *project awards.*

9 *(e) Projects shall maximize climate, public health,*  
10 *environmental, workforce, and economic benefits.*

11 75242. (a) The council and all funded entities shall endeavor  
12 to identify additional public and private sources of funding to  
13 sustain and expand the program.

14 ~~(b) The council shall endeavor to identify and coordinate a~~  
15 ~~network of technical assistance providers to assist in plan~~  
16 ~~development, implementation, and project financing.~~ *fund technical*  
17 *assistance providers to assist in application development and*  
18 *project development and implementation.*

19 75243. (a) Before awarding funds under the program, the  
20 ~~council, in coordination with the member agencies of the council,~~  
21 ~~the State Air Resources Board, and other state entities, as needed,~~  
22 ~~shall develop guidelines and selection criteria for the~~  
23 ~~implementation of the program.~~ *council shall develop guidelines*  
24 *and selection criteria for plan development and implementation*  
25 *of the program.*

26 ~~(b) Before the adoption of guidelines and selection criteria, the~~  
27 ~~council shall conduct at least three public workshops to receive~~  
28 ~~and consider public comments. The council shall conduct one~~  
29 ~~workshop at a location in a disadvantaged community in northern~~  
30 ~~California, one workshop at a location in a disadvantaged~~  
31 ~~community in the San Joaquin Valley, and one workshop at a~~  
32 ~~location in a disadvantaged community in southern California.~~

33 ~~(c) The council shall publish the draft guidelines and selection~~  
34 ~~criteria on its Internet Web site at least 30 days before the public~~  
35 ~~workshops.~~

36 ~~(d)~~

37 *(b) In adopting guidelines and selection criteria, the council*  
38 *shall consider comments, if any, from local governments, regional*  
39 *agencies, and other stakeholders. The council shall conduct*  
40 *outreach to disadvantaged communities to encourage comments*

1 on the draft guidelines and selection criteria from those  
2 communities.

3 ~~(e) The council may revise the program guidelines and selection~~  
4 ~~criteria to reflect changes in program focus or need. Before the~~  
5 ~~council adopts changes to the guidelines or selection criteria, it~~  
6 ~~shall conduct outreach to stakeholders as described in subdivisions~~  
7 ~~(a) to (d), inclusive, regarding the proposed changes.~~

8 ~~(f) Upon the adoption of guidelines and selection criteria, the~~  
9 ~~council shall submit, in accordance with Section 9795 of the~~  
10 ~~Government Code, copies of the guidelines and selection criteria~~  
11 ~~to the fiscal and appropriate policy committees of the Legislature.~~

12 ~~(c) In adopting the guidelines, the council shall consider whether~~  
13 ~~eligible plans and projects avoid economic displacement of~~  
14 ~~low-income disadvantaged community residents and businesses.~~

15 SEC. 2. This act shall become operative only if Assembly Bill  
16 1613 of the 2015–16 Regular Session is enacted and becomes  
17 effective on or before January 1, 2017, and ~~two hundred five~~  
18 ~~million dollars (\$205,000,000) funding for the program is~~  
19 ~~appropriated from the Greenhouse Gas Reduction Fund—is~~  
20 ~~appropriated pursuant to Section 3 of that act.~~