California's Cap & Trade Program Should Prioritize Investments in Infrastructure Projects that Maximize Emissions Reductions, Enhance Climate Safety and Support Middle-Class Jobs

California's Cap & Trade program is set to expire in 2030. As lawmakers consider reauthorizing this program, they should prioritize proven investments in physical and natural infrastructure that will reduce the greatest amount of greenhouse gas emissions; that make us safer and more resilient to the impacts of climate change; and investments that create good paying middle-class jobs. Lawmakers should also ensure reauthorization does not increase taxes or fees that are ultimately paid by consumers in the form of higher cost of living.

Climate change and extreme weather are here. We need an *improved* Cap & Trade program that focuses on effectiveness, accountability and affordability.

THE CLIMATE SAFE INFRASTRUCTURE COALITION SUPPORTS IMPROVING THE CAP & TRADE PROGRAM BY INVESTING IN THE FOLLOWING:

State Supported Transit and Rail Infrastructure

- Continuous allocation to capital projects of regional significance with funds to be used to support the buildout of an integrated rail network, including:
  - High Speed Rail, Caltrain, Metrolink, Salesforce Transit Center, Diridon Station, LA Union Station, Fresno Station, Anaheim Regional Transportation Intermodal Center, ACE Train, SMART, San Joaquin Regional Rail
- Continuous allocations to the Transit and Intercity Rail Capital Program and Low Carbon Transit Operations Program to support the recovery, stabilization, and growth of transit and rail service statewide, including capital expansions, ZEV transition, and operations and maintenance

State Wildfire Resilience Infrastructure

- Significant allocation to high wildfire risk counties to fund:
  - CAL FIRE Fuels Reduction, fire engine procurement and training for local fire agencies, and mobile equipment management

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State Wildfire Resilience Infrastructure *(Cont.)*

- Statewide wildfire fuel mitigation projects, including landscape-scale reforestation, fuels reduction, pest management, prescribed fire, and forest biomass utilization
- Public safety emergency water supply infrastructure
- Wood Products and Bioenergy grants and workforce development, including using GGRF funds to cover above-market cost of producing bioenergy
- Expansion of local fire evacuation routes including community fire planning and preparedness and wildfire response and readiness

Local Land Use Infrastructure to Support High Density and Infill Development

- Continuous allocation to local, rural and regional governments to support projects consistent with a sustainable communities strategy, including:

  - Funding for local infrastructure around Transit Oriented Development
  - Conversion of underutilized urban offices and commercial space into housing
  - Continued funding for state and regional affordable housing, sustainable communities programs and transformative climate communities efforts and programs like Regional Early Action Planning Grants (REAP 2.0)

Climate Adaptation and Sea Level Rise Infrastructure to Keep Californians Safe

- Continuous allocation for projects related to climate adaptation, including:

  - Annual allocation for levee improvements and catastrophic flooding prevention
  - Relocate or replace existing transportation and other critical infrastructure threatened by sea level rise such as Highway 37 and Highway 1
  - Funding to protect costal airports including LAX, SFO and SAN
  - Municipal waste and recycling infrastructure, funding and local assistance for organic waste collection and processing including facility sitting and permitting

Clean Local Transportation Infrastructure

- Annual funding for local government to safely implement green transportation infrastructure, including:

  - Hydrogen and EV charging infrastructure
  - Support for local Active Transportation Infrastructure
  - Funding for local government and transit clean fleet compliance
  - Develop network of regional VMT mitigation banks to offset local transportation project costs

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