

Cap-and-Trade Auction Proceeds:  
Greenhouse Gas Emission Reduction Fund Investments  
**Air Resources Board Roles and Upcoming Milestones**

Air Resources Board (ARB) Statutory Responsibilities:

- Administer the Greenhouse Gas Reduction Fund (GGRF)
- Develop funding guidelines for agencies that receive GGRF appropriations that cover:
  - Expenditure record requirement to ensure investments further the purposes of AB 32
  - SB 535 requirement to maximize the benefits of investments to disadvantaged communities; California Environmental Protection Agency (CalEPA) to identify the communities and consult with ARB
  - Methodologies to quantify greenhouse gas emission reductions and other co-benefits
  - Project tracking and reporting to provide accountability and transparency
- Provide consultation to the Strategic Growth Council on development of Affordable Housing and Sustainable Communities Implementation Program
- Provide consultation to Department of Transportation on Low Carbon Transit Operations
- Manage the GGRF appropriation for Low Carbon Transportation
- Hold a public hearing on the triennial investment plan

**Near-Term Milestones for Program Implementation**

<i>July 2014</i>	<ul style="list-style-type: none"> <li>• ARB releases Interim Guidance for expenditure records and fiscal procedures</li> </ul>
<i>Aug 2014</i>	<ul style="list-style-type: none"> <li>• CalEPA releases the draft cutpoint for identification of disadvantaged communities for public comment (based on CalEnviroScreen 2.0)</li> <li>• ARB releases preliminary concepts for Interim Guidance on investment in disadvantaged communities for public comment</li> <li>• CalEPA and ARB hold joint public workshops on identification of disadvantaged communities and preliminary concepts for Interim Guidance</li> </ul>
<i>Sep 2014</i>	<ul style="list-style-type: none"> <li>• CalEPA finalizes identification of disadvantaged communities</li> <li>• ARB staff updates the Board at its September 18-19 public meeting and receives feedback on development of Interim Guidance</li> <li>• ARB releases Interim Guidance for use by State and local agencies</li> </ul>
<i>Oct 2014 to Mid 2015</i>	<ul style="list-style-type: none"> <li>• ARB, in consultation with CalEPA and administering agencies, develops full funding guidelines, holds public workshops to solicit public comment, and presents proposed guidelines to the Board for approval</li> <li>• ARB and agencies begin developing methodologies to quantify greenhouse gas reductions and other co-benefits; ARB will prioritize programs using emission reductions as a criterion in a competitive process to select projects</li> <li>• Administration begins process to update the three-year investment plan (due Jan 2016)</li> </ul>