

Fact Sheet: Update to the Funding Guidelines for Agencies that Administer California Climate Investments



California Climate Investments is a statewide initiative that puts billions of dollars of Cap-and-Trade auction proceeds to work reducing greenhouse gas emissions, strengthening the economy, improving public health and the environment, and providing meaningful benefits to disadvantaged communities and low-income communities and households.

What are the Funding Guidelines?

California Climate Investments comprises a portfolio of programs funded by appropriations from the Greenhouse Gas Reduction Fund (GGRF). The California Air Resources Board (CARB) develops and maintains [Funding Guidelines for Agencies that Administer California Climate Investments](#) (Funding Guidelines), which provide guidance for administering agencies on program design and implementation to:

- Facilitate greenhouse gas emissions reductions;
- Meet statutory requirements;
- Maximize benefits to disadvantaged communities;
- Target investments to disadvantaged communities, low-income communities, and low-income households to help ensure statutory investment minimums are met or exceeded;
- Provide accountability and transparency; and
- Support consistency across programs.

The Funding Guidelines apply across all California Climate Investments programs and provide guidance to administering agencies on developing their own guidelines and solicitations, estimating greenhouse gas emissions reductions and other project benefits, and tracking and reporting benefits, including benefits to priority populations.

Key Terms

Term	Description
Administering agency	A State agency that has been appropriated moneys for California Climate Investments from the GGRF. The term "agency" may refer to an agency, authority, board, commission, department, office, university, or other unit of State government.
Funding Guidelines	CARB-developed guidance that applies to administering agencies in their implementation of California Climate Investments programs.
Program guidelines	Guidelines specific to individual programs, developed by administering agencies, that provide detailed requirements for applicants.
Priority populations	Priority populations include: disadvantaged communities, low-income communities, and low-income households as defined in California Health and Safety Code §39711 and §39713(d).

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Funding Guidelines Update

Scope of Funding Guidelines Update

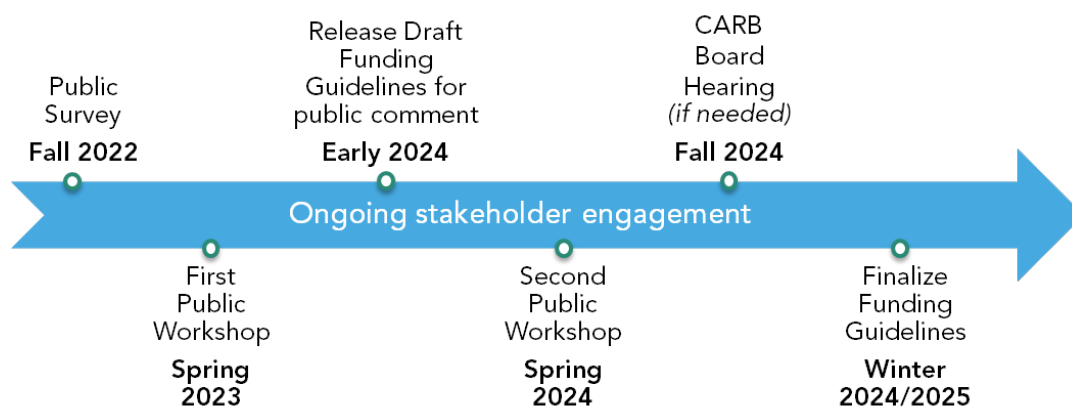
With nearly a decade of program administration underway, California Climate Investments has evolved in response to new legislation and insights from ongoing implementation. CARB released the initial Funding Guidelines in 2015 and revised them in 2018. CARB is now updating the Funding Guidelines to address recent legislation and incorporate lessons learned from program implementation since the last update. Updates fall into three areas:

1. **[Senate Bill \(SB\) 27 \(Skinner, Chapter 237, Statutes of 2021\)](#)**: The Funding Guidelines will establish minimum program requirements for certain projects as one component of eligibility to be listed on the California Carbon Sequestration and Climate Resiliency Project Registry that the California Natural Resources Agency is developing pursuant to SB 27. Draft guidance is available for public comment now on the [Funding Guidelines webpage](#).
2. **[Assembly Bill \(AB\) 680 \(Burke, Chapter 746, Statutes of 2021\)](#)**: CARB, in coordination with the California Workforce Development Board, will update the Funding Guidelines to provide guidance on the inclusion of certain workforce standards pursuant to AB 680.
3. **Funding Guidelines Review**: In addition to implementing mandatory updates related to recent legislation, CARB is reviewing the Funding Guidelines to consider whether any updates or additional guidance may be needed to clarify existing guidance or support broader programmatic goals.

In addition to these updates, California Climate Investments will launch an online **Resource Portal** to house existing and new resources and tools to complement the Funding Guidelines. Designed with an array of audiences in mind, example resources may include promising practice checklists, additional guidance on collecting and reporting project information, and project case studies. Input received during the Funding Guidelines public process will inform the development of these materials.

Public Process and Timeline

CARB invites administering agencies, local governments, technical assistance providers, non-profits, community-based organizations, tribes, businesses, farmers, individuals, and other stakeholders working on climate projects to participate in this process.



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Public Input

Fall 2022 Survey – Key Takeaways

In fall 2022, CARB released a public survey to obtain input on the Funding Guidelines and broader engagement efforts. This survey was one step in the process to update the Funding Guidelines. CARB received responses from community-based organizations, tribes, academia, technical assistance providers, businesses, local governments, and beyond. Below, staff have summarized key themes based on

survey responses and will continue to reference this input throughout the Funding Guidelines update process. Staff are also assessing survey responses to understand who we may not yet be reaching through our current engagement approaches. While not all of this feedback can be addressed through the Funding Guidelines themselves, CARB will continue to work with State and external partners to consider this input where it best applies.



Overarching priorities

- Maximizing co-benefits and directing investments to priority populations should remain priorities.
- More transparency is needed to understand who benefits from investments and what those benefits look like.
- Community engagement is an important element of project delivery.
- Programs should consider project benefits that reflect metrics of success that are meaningful to community members and clearly communicate outcomes in an accessible way.

Community strengths and challenges

- Local organizations and businesses are important community pillars and project partners.
- Existence of robust public transit, shared values, and access to parks are some examples of elements within communities that foster pride among residents.
- Communities continue to face various challenges including ongoing concerns with the COVID-19 pandemic, limited access to housing, air pollution, and climate impacts like wildfire, droughts, and flooding.

Accessing funding and elements for successful projects

- Applicants need clear and timely information about open funding opportunities and timelines.
- Applicants need support for preparing applications.
- Projects require sufficient resources and time to be completed successfully.
- Support from local leaders and community members, and the existence of strong partnerships help deliver successful projects.
- Communities want to be better informed on how projects happening in their area help meet their needs.

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