

2025

ANNUAL REPORT

Cap-and-Trade
Auction Proceeds





Annual Report to the Legislature on

California Climate Investments Using Cap-and-Trade Auction Proceeds GREENHOUSE GAS REDUCTION FUND

May 2025



FOREWORD

California must keep pushing its climate action efforts forward as the dangers of climate change grow more threatening to our communities, economy, and natural resources. The urgency for swift action has never been clearer. Los Angeles County residents continue to feel the aftermath of devastating climate-driven wildfires, as more storm surges slam our coasts and Californians across the state suffer from longer, hotter heatwaves.

California Climate Investments – funded by the Cap-and-Trade Program – plays a key role in curbing increasing climate impacts, investing billions of dollars toward clean transportation, renewable energy, and climate resilience, with a strong focus on benefiting priority populations that are disproportionately hurt by climate and air pollution.

Yet, the path forward is paved with major challenges. The new federal administration is trying to tear down California’s authority to address harmful pollution while at the same time working to dismantle climate and air quality programs that are vital to the wellbeing of all Americans. Additionally, constraints across state budgets raise hurdles to reaching our climate and health goals.

Nonetheless, we can and must remain optimistic. The recent passage of the climate bond – Proposition 4 authorizes the state to use \$10 billion to protect vulnerable communities and build climate resilience. Specifically, this proposition supports efforts to provide clean drinking water, prevent wildfires, and shelter Californians from dangerous climate risks, solidifying our commitment to building a resilient future.

The Cap-and-Trade Program will continue to play a key role in maintaining our ability to invest in a healthy and comfortable future. This landmark program has significantly lowered greenhouse gas emissions while also generating billions for the Greenhouse Gas Reduction fund which has been reinvested throughout the state, and provided billions more in bill credits back to utility customers.

Looking ahead, Californians must continue moving forward shoulder to shoulder as we face and fight against the climate crisis. By working together, we can chart a bold path forward, building a future that allows all Californians to live, work, and thrive for generations to come.

Let us seize this moment to lead with courage, vision, and determination. The future is ours to shape.



Liane M. Randolph
Chair, California Air Resources Board



CONTENTS

Executive Summary	5
Key Achievements	7
Engage with California Climate Investments	17
Introduction	18
Background	18
Scope and Purpose of the Report	20
Engagement and Partnerships	20
2024 Program Accomplishments	21
Funding Guidelines Update Summary	21
Priority Populations Targets and Benefit Assessment Tools Update	22
Opportunities for Broader Participation	23
Jobs Reporting Improvements	25
Resource Portal Launch	25
2024 Legislative Actions	26
New Programs in 2024	31
California Climate Investments Highlights	32
Leadership in Climate Action	32
Emissions Reduction Strategies	35
Advancing Environmental Justice and Equity	45
Building Resilient Communities	55
Looking to the Future	61

EXECUTIVE SUMMARY

California Climate Investments, overseen by the California Air Resources Board, consists of 117 programs administered by 27 agencies. These programs play an important role in the state’s efforts to address climate change while delivering environmental, public health, and economic benefits to communities across the state. Building on a decade of program implementation, the 2025 Annual Report to the Legislature on California Climate Investments Using Cap-and-Trade Auction Proceeds (2025 Annual Report) provides an overview of California Climate Investments’ progress over the past year and since its inception. It continues to highlight how these investments are building a more sustainable and equitable state, while reinforcing California’s leadership in climate action and its commitment to ensuring that these investments and their benefits are accessible to all Californians (Figure ES-1).

Since its first appropriation in 2014, California Climate Investments has funded \$12.8 billion in implemented projects, with nearly \$9.2 billion of these investments benefiting California’s disadvantaged communities and low-income communities and households, collectively referred to as *priority populations*. In 2024 alone, programs under the portfolio of California Climate Investments collectively implemented nearly \$1.9 billion, with roughly \$1.2 billion of these investments benefiting priority populations. These programs also leverage \$15.9 billion, with over \$2.8 billion in 2024 alone, in additional funding from various sources, such as federal, private, and local contributions, to support project implementation.¹ Major investments in programs such as the *Affordable Housing and Sustainable Communities Program*, *Low Carbon Transit Operations Program*, *Transit and Intercity Rail Capital Program*, *Equitable Building Decarbonization Program*, and many others continue to drive greenhouse gas emissions reductions, advance environmental justice and equity, and improve community resilience and sustainability. Table ES-1 includes cumulative summary statistics for each California Climate Investments program.










Learn more about priority populations on the [California Climate Investments website](#), including statutory minimums, disadvantaged community designations, and investments by census tract.

¹ Recognizing that obtaining matching funds can be challenging for certain project types or communities, most California Climate Investments programs do not require matching funds as a condition for funding eligibility.

Figure ES-1. Cumulative Project Achievements:
Estimated Greenhouse Gas Emissions Reductions
and Other Benefits Over Project Lifetimes











CUMULATIVE PROJECT ACHIEVEMENTS

\$12.8 billion implemented through November 2024

	116.1 MMTCO ₂ e estimated GHG emissions reductions
	1.6 million acres of land conservation or restoration
	13,600+ affordable housing units under contract
	\$30.0 billion in travel cost savings
	122,000+ modeled jobs
	\$9.2 billion+ (73%) benefiting priority populations
	560,000+ rebates issued for zero-emission, plug-in hybrid vehicles, and clean energy transition
	\$1.5 billion invested in wildfire prevention, forest health, and prescribed burning activities
	1,386 projects funded, adding or expanding transit service

California Climate Investments continue to drive climate action, advance environmental justice and equity, and build resilient communities through investments in projects across sectors like transportation, housing, energy, agriculture, and natural and working lands, contributing significantly to the state’s climate, environmental, public health, economic, and equity goals (Figure ES-2).

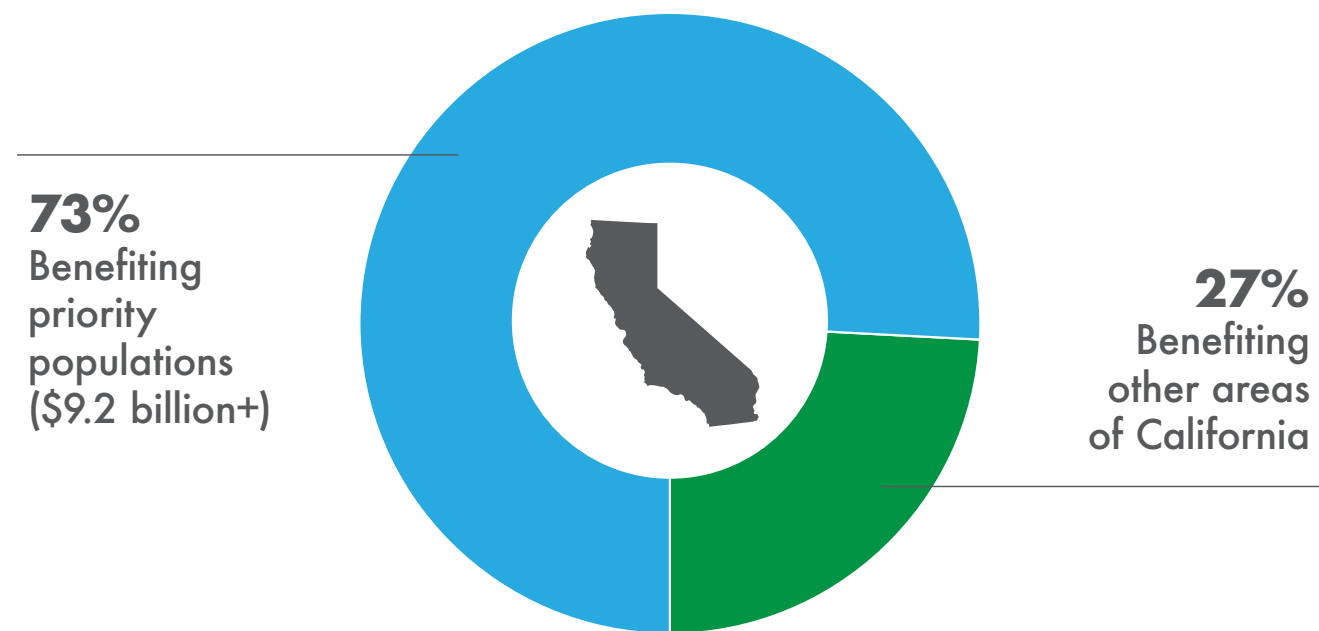
Figure ES-2. Explore California Climate Investments Programs by Category

 <p>AGRICULTURE Regenerative agriculture and land management projects are putting innovative technologies and viable strategies into action to combat climate change.</p>	 <p>TECHNICAL ASSISTANCE Application support, implementation assistance, and capacity building projects help recipients explore opportunities for sustainability improvements, assess their resources, and develop plans to achieve project goals.</p>
 <p>ENERGY Renewable energy and energy efficiency projects help reduce GHG emissions, lower energy costs for low-income homeowners, and increase climate resilience in disadvantaged communities.</p>	 <p>TRANSPORTATION Clean vehicle and mobility projects advance public transit and the expansion of zero-emission vehicle infrastructure, accelerating innovative technologies that help reduce emissions.</p>
 <p>NATURE-BASED SOLUTIONS Nature-based solutions projects help increase carbon sequestration in forests and farmland, promote climate resilience, improve ecosystem function, and reduce GHG emissions.</p>	 <p>WASTE DIVERSION Food waste prevention and community composting projects reduce emissions of various GHGs, including methane, which can be diverted and used in place of fossil fuels for transportation and energy.</p>
 <p>PLANNING AND RESEARCH Planning and research projects help local governments, nonprofits, communities, and academic institutions understand climate change impacts and develop tailored mitigation and adaptation strategies.</p>	 <p>WATER Water projects help provide safe and affordable drinking water, improve the reliability of water infrastructure, and increase crop resilience through optimized water usage strategies.</p>
 <p>SUSTAINABLE COMMUNITIES By investing in public transit, bike and pedestrian infrastructure, green spaces, and affordable housing, projects help reduce GHG emissions, improve quality of life, and promote workforce development.</p>	 <p>WORKFORCE DEVELOPMENT Workforce development projects support the state’s transition to clean energy, sustainable transportation, and land management by creating job opportunities and partnering with training programs.</p>

Key Achievements

- **Greenhouse Gas Emissions Reductions:** California Climate Investments continue to advance climate action by funding projects that reduce greenhouse gas emissions. Projects implemented since the inception of California Climate Investments are projected to reduce 116.1 million metric tons of carbon dioxide equivalent (MMTCO₂e), including an expected 7.0 MMTCO₂e of reductions from projects implemented in 2024 alone.
- **Advancing Environmental Justice and Equity:** California Climate Investments focus on reducing pollution in areas historically overburdened by environmental harm and underserved by resources. Cumulatively, \$9.2 billion, or 73% of total investments, funded projects that benefited priority populations (Figure ES-3). In 2024 alone, approximately \$1.2 billion, or 65% of total investments, benefited priority populations. These investments greatly exceed the statutory minimum requirements and showcase the concerted efforts across the portfolio to advance equity.
- **Building Resilient Communities:** California Climate Investments is building resilient communities through implementation of nature-based solutions and providing economic benefits through improved affordability and workforce development efforts. Cumulatively, California Climate Investments programs implemented \$1.5 billion in wildfire resilience efforts and are estimated to conserve, treat, or restore approximately 1.6 million acres of land. Over 600,000 acres are expected to be preserved or restored by projects implemented in 2024 alone, with over \$228 million going toward wildfire resilience. California Climate Investments programs have improved affordability by providing over 560,000 direct rebates and incentives, including roughly 5,300 in 2024, supporting the development of 13,633 affordable housing units, with 1,027 added in 2024, and reducing energy and fuel use costs by \$38.1 billion cumulatively, including \$5.2 billion in 2024. They are also expected to support over 122,000 jobs cumulatively, with over 16,700 jobs being supported by investments made in 2024.

Figure ES-3. Cumulative Benefits to Priority Populations



As California continues to make progress towards its climate goals, efforts to enhance collaboration, improve outreach, and ensure an equitable distribution of benefits are essential to the program’s continued success. Updated [Funding Guidelines for Agencies that Administer California Climate Investments](#) will help agencies design programs that advance climate efforts, promote equity by maximizing benefits to priority populations, provide accountability and transparency, and support workforce development. Guided by these principles, California Climate Investments will continue to focus on supporting greenhouse gas emissions mitigation, advancing environmental justice and equity, and fostering partnerships that strengthen the state’s ability to lead on climate action while paving the way for a resilient and sustainable future for all Californians.

Table ES-1. 2024 Cumulative Statistics

Administering Agency	Subprogram	Cumulative Funding Status (\$M)			Benefiting Priority Populations ²		Implemented Projects		
		Awarded	Implemented	Intermediary Administrative Expenses ³	(\$M)	%	Greenhouse Gas Reduction (1,000 MTCO ₂ e)	Cost per Greenhouse Gas (\$/MTCO ₂ e)	Number of Projects
California Air Resources Board	AB 617 Implementation Funds	200.0	40.0	40.0	–	–	– ⁴	–	–
	Community Air Grants	35.0	31.1		29.6	95%	– ⁴	–	118
	Community Air Protection Incentives	1,347.6	716.5	87.5	527.0	84%	282.5	2,536.5	9,004
	F-Gases Reduction Incentive	11.0	1.0	–	0.0	0%	36.7	27.2	15
	Funding Agricultural Replacement Measures for Emission Reductions Program	419.1	377.3	12.8	260.0	71%	242	1,559.2	8,439
	Advanced Technology Demonstration and Pilot Projects	142.6	142.6	6.2	117.8	86%	30.2	4,719.3	16
	Agricultural Worker Vanpools	6.0	6.0	–	6.0	100%	7.1	841.8	1
	Clean Cars 4 All ⁵	231.2	162.8	11.2	143.4	95%	153.3	1,061.9	19,853
	Clean Mobility in Schools Project	50.4	50.4	–	50.3	100%	25.5	1,978.8	7
	Clean Mobility Options	81.6	44.7	–	44.7	100%	16.9	2,649.6	62
	Clean Off Road Equipment Voucher Incentive Project	422.6	114.8	10.0	88.9	85%	46.7	2,458.1	769
	Clean Truck and Bus Vouchers ⁵	1,048.0	454.5	5.9	310.4	69%	1,068.0	425.5	6,055
	Clean Vehicle Rebate Project ⁵	1,046.1	1,040.7	63.7	345.0	35%	2,818.4	369.2	400,587

2 Intermediary administrative expenses are not included when calculating benefits to priority populations. These costs are reported and included in the total implemented funds.

3 Intermediary administrative expenses refer to funds provided to intermediaries (such as third-party administrators or local agencies) that use part of the funding to cover the administrative costs associated with distributing incentives, implementing projects, or tracking and reporting data. Intermediary administrative expenses are reported as implemented when the final amount of the expense is known.

4 These programs do not have a quantified GHG emission benefit.

5 Pending data corrections.

Administering Agency	Subprogram	Cumulative Funding Status (\$M)			Benefiting Priority Populations ²		Implemented Projects		
		Awarded	Implemented	Intermediary Administrative Expenses ³	(\$M)	%	Greenhouse Gas Reduction (1,000 MTCO ₂ e)	Cost per Greenhouse Gas (\$/MTCO ₂ e)	Number of Projects
California Air Resources Board (cont.)	Driving Clean Assistance Program	95.0	This program has not yet implemented funds						
	Financing Assistance for Lower-Income Consumers	42.9	26.8	1.1	21.6	84%	29.9	898.9	4,410
	Outreach, Education, and Awareness ⁵	11.6	11.6	–	11.6	100%	– ⁴	–	3
	Planning and Capacity Building	0.2	New program in FY 24-25						
	Rural School Bus Pilot Projects	61.6	56.4	0.9	29.9	54%	52.4	1,076.4	189
	Sustainable Transportation Equity Project	77.3	77.3	–	77.3	100%	10.8	7,141.8	37
	Zero-and Near Zero-Emission Freight Facilities Project	148.7	148.7	–	148.7	100%	49.6	2,996.6	10
	Zero-Emission Truck and Bus Pilot	82.8	82.8	–	64.5	78%	106.5	777.6	9
	Methane Monitoring and Accountability	This program has not yet awarded or implemented funds							
	Prescribed Fire and Smoke Monitoring Program	3.9	3.9	–	0.0	0%	– ⁴	–	51
	Statewide Mobile Monitoring Initiative	26.9	0.3	–	0.3	100%	– ⁴	–	1
	Woodsmoke Reduction Program	18.0	10.8	0.8	8.8	88%	126.8	85.3	2,893
California Coastal Commission	Coastal Resilience Planning	3.1	3.1	–	1.2	38%	– ⁴	–	19
California Conservation Corps	Training and Workforce Development Program	59.2	59.2	–	48.6	82%	325.1	182.1	952

Administering Agency	Subprogram	Cumulative Funding Status (\$M)			Benefiting Priority Populations ²		Implemented Projects		
		Awarded	Implemented	Intermediary Administrative Expenses ³	(\$M)	%	Greenhouse Gas Reduction (1,000 MTCO ₂ e)	Cost per Greenhouse Gas (\$/MTCO ₂ e)	Number of Projects
California Department of Community Services and Development	Community Solar Pilot	2.2	2.2	–	2.2	100%	10.0	221.7	2
	Farmworker Housing	26.4	12.3	2.0	10.4	100%	18.8	655.7	771
	Multi-Family Energy Efficiency and Renewables	101.5	63.9	13.8	50.1	100%	231.7	275.8	12,725
	Single-Family Energy Efficiency and Solar Photovoltaics	70.0	69.9	12.5	57.3	100%	209.7	333.3	15,765
	Single-Family Solar Photovoltaics	51.0	51.0	6.8	44.1	100%	133.6	381.5	3,160
California Department of Fish and Wildlife	Wetlands and Watershed Restoration	55.2	55.2	–	34.9	63%	1,032.7	53.5	28
California Department of Food and Agriculture	Alternative Manure Management Program	79.1	79.1	0.1	16.5	21%	1,172.4	67.4	131
	Climate Smart Agriculture Technical Assistance Program ⁶	6.0	6.0	–	3.7	63%	– ⁴	–	74
	Dairy Digester Research and Development Program	205.1	205.1	–	142.7	70%	22,294.6	9.2	126
	Healthy Soils Program	89.7	55.9	0.1	25.9	47%	514.4	108.6	772
	Livestock Enteric Methane Emission Reduction Research Program	This program has not yet awarded or implemented funds							
	Renewable and Alternative Fuels	3.0	3.0	–	0.0	0%	– ⁴	–	1
	State Water Efficiency and Enhancement Program	61.8	61.8	0.5	22.9	37%	743.7	83.1	598

⁶ The CDFA Technical Assistance Program is jointly administered and funded by California Department of Food and Agriculture and Strategic Growth Council.

Administering Agency	Subprogram	Cumulative Funding Status (\$M)			Benefiting Priority Populations ²		Implemented Projects		
		Awarded	Implemented	Intermediary Administrative Expenses ³	(\$M)	%	Greenhouse Gas Reduction (1,000 MTCO ₂ e)	Cost per Greenhouse Gas (\$/MTCO ₂ e)	Number of Projects
California Department of Forestry and Fire Protection	Business and Workforce Development	19.4	19.4	–	0.0	0%	– ⁴	–	27
	California Forest Improvement Program	5.9	5.9	–	0.5	8%	163.6	35.9	79
	Demonstration State Forests	2.9	2.8	–	0.1	4%	26.8	106.2	7
	Community Fire Planning and Preparedness	7.5	7.5	–	6.2	83%	– ⁴	–	4
	Wildfire Prevention Grants Program	357.3	357.3	–	181.1	51%	– ⁴	–	542
	Wildfire Prevention Program	350.4	350.4	–	240.6	69%	– ⁴	–	182
	Forest Health Research and Monitoring	34.4	34.4	–	5.8	17%	– ⁴	–	103
	Fuels Reduction Crews	100.4	100.4	–	21.0	21%	– ⁴	–	599
	Forest Health Program	544.7	532.4	–	300.4	56%	17,926.4	29.7	125
	Forest Legacy	45.8	45.8	–	10.5	23%	3,145.3	14.6	21
	Miscellaneous Support and Special Projects for CAL FIRE Vegetation Management and Incident Response	65.7	65.7	–	0.0	0%	-62.9 ⁷	–	67
	Prescribed Fire Liability Pilot	New program in FY 24-25							
	Urban and Community Forestry	107.4	74.8	–	71.6	96%	480.2	155.8	115
	Wildfire Resilience (Various)	8.9	8.9	–	4.9	55%	423.2	20.9	4

⁷ The California Climate Investments Quantification Methodology estimates fire probability at the landscape scale and does not capture fire risk reduction informed by local knowledge, underestimating the greenhouse gas benefits of these projects.

Administering Agency	Subprogram	Cumulative Funding Status (\$M)			Benefiting Priority Populations ²		Implemented Projects		
		Awarded	Implemented	Intermediary Administrative Expenses ³	(\$M)	%	Greenhouse Gas Reduction (1,000 MTCO ₂ e)	Cost per Greenhouse Gas (\$/MTCO ₂ e)	Number of Projects
California Department of Resources Recycling and Recovery	Co-Digestion Grant Program	4.0	4.0	–	4.0	100%	334.2	11.8	1
	Community Composting for Green Spaces Grant Program	6.3	2.6	–	2.1	80%	6.0	437.0	254
	Food Waste Prevention and Rescue Grants	23.3	23.3	–	22.5	97%	569.4	40.9	76
	Organics and Recycling Loans	7.7	7.7	–	0.8	11%	772.1	10.0	5
	Organics Grants	190.0	190.0	–	144.0	76%	2,761.8	68.8	48
	Recycled Fiber, Plastic, and Glass Grant Program	30.5	30.5	–	21.8	71%	619.0	49.3	15
	Reuse Grant Program	2.0	2.0	–	1.5	75%	<1	3,612	4
	SB 1383 Local Assistance Grant Program	166.1	166.1	–	23.5	14%	– ⁴	-	854
California Department of Toxic Substances Control	21 Orphan Sites	New program in FY 24-25							
	Discovery & Enforcement	New program in FY 24-25							
	Equitable Communities Revitalization Grant	New program in FY 24-25							
	Technical Assistance Grants	New program in FY 24-25							
California Department of Transportation	Active Transportation Program	10.0	10.0	–	10.0	100%	<1	163,934.0	3
	Low Carbon Transit Operations Program	1,228.4	1,228.4	–	1,144.6	93%	7,446.6	165.0	1,123

Administering Agency	Subprogram	Cumulative Funding Status (\$M)			Benefiting Priority Populations ²		Implemented Projects		
		Awarded	Implemented	Intermediary Administrative Expenses ³	(\$M)	%	Greenhouse Gas Reduction (1,000 MTCO ₂ e)	Cost per Greenhouse Gas (\$/MTCO ₂ e)	Number of Projects
California Department of Water Resources	Habitat Restoration and Water Plan	New program in FY 24-25							
	Systemwide Flood Protection	New program in FY 24-25							
	State Water Project Turbines	20.0	20.0	–	0.0	0%	36.9	542.0	2
	Water-Energy Grant Program ⁸	40.4	38.3	1.2	23.3	63%	387.9	98.6	96,453
California Energy Commission	California Schools Healthy Air, Plumbing and Efficiency Program	19.0	19.0	–	17.3	91%	3.3	5,745.9	18
	Carbon Removal Innovation Support Program	New program in FY 24-25 ⁹							
	Clean Hydrogen Program	New program in FY 24-25							
	California Electric Vehicle Infrastructure Project	33.4	New program in FY 24-25						
	Communities in Charge	53.5	New program in FY 24-25						
	Demand-Side Grid Support	New program in FY 24-25							
	Energy Infrastructure Incentives for Zero-Emission Commercial Vehicles	411.6	New program in FY 24-25						
	IDEAL ZEV Workforce Pilot Project ¹⁰	1.0	1.0	–	1.0	100%	– ⁴	–	13
	Reliable, Equitable, and Accessible Charging for Multi-family Housing	18.9	New program in FY 24-25						
	Zero-Emission School Bus Charging and Fueling Infrastructure	3.0	Support for existing non-GGRF program						

⁸ Due to insufficient information, reported implemented funding is based on Department of Water Resources’ best available data.

⁹ [SB 109](#) amended the Budget Act of 2023, appropriating additional FY 2023-24 funds for this program in 2024.

¹⁰ The IDEAL ZEV Workforce Pilot is administered by California Energy Commission (CEC) in partnership with CARB. CARB contributed \$1M in FY 2020-21 via an interagency agreement with CEC.

Administering Agency	Subprogram	Cumulative Funding Status (\$M)			Benefiting Priority Populations ²		Implemented Projects		
		Awarded	Implemented	Intermediary Administrative Expenses ³	(\$M)	%	Greenhouse Gas Reduction (1,000 MTCO ₂ e)	Cost per Greenhouse Gas (\$/MTCO ₂ e)	Number of Projects
California Energy Commission (cont.)	Equitable Building Decarbonization Direct Install Program	This program has not yet awarded or implemented funds							
	Equitable Building Decarbonization GoGreen Home Financing Program	30.0	New program in FY 24-25						
	Food Production Investment Program	127.1	127.1	–	104.5	82%	3,109.4	40.9	60
	Industrial Decarbonization and Improvement of Grid Operations	This program has not yet awarded or implemented funds							
	Long Duration Energy Storage	96.7	This program has not yet implemented funds						
	Low-Carbon Fuel Production Program	12.5	12.5	–	11.7	94%	452.5	27.6	4
	Renewable Energy for Agriculture Program	9.5	9.5	–	1.4	15%	126.8	74.9	45
California Environmental Protection Agency	Transition to a Carbon-Neutral Economy	2.6	2.6	–	0.0	0%	– ⁴	–	2
California Governor’s Office of Emergency Services	Fire Engines and Maintenance	26.5	26.5	–	0.0	0%	– ⁴	–	2
	Wildfire Response and Readiness ¹¹	4.6	4.6	–	0.0	0%	– ⁴	–	61
California Natural Resources Agency	Regional Forest and Fire Capacity	17.7	6.2	0.2	2.2	37%	– ⁴	–	32
	Urban Greening Program	144.1	144.1	–	136.4	95%	53.8	2,679.8	88
California Ocean Protection Council	Sea Level Rise Adaptation Plans	1.0	1.0	–	1.0	100%	– ⁴	–	1

¹¹ This information is an estimation based on budgetary expenditure reporting.

Administering Agency	Subprogram	Cumulative Funding Status (\$M)			Benefiting Priority Populations ²		Implemented Projects		
		Awarded	Implemented	Intermediary Administrative Expenses ³	(\$M)	%	Greenhouse Gas Reduction (1,000 MTCO ₂ e)	Cost per Greenhouse Gas (\$/MTCO ₂ e)	Number of Projects
California Public Utilities Commission	Self-Generation Incentive Program	280.0	This program has not yet implemented funds						
	Technology and Equipment for Clean Heating	This program has not yet awarded or implemented funds							
California State Coastal Conservancy	Climate Ready Program	107.7	107.7	–	52.0	48%	4.6	23,555.7	55
	Wild Cherry Canyon	New program in FY 24-25							
California State Transportation Agency	Transit and Intercity Rail Capital Program	2,738.2	1,669.5	–	1,576.7	94%	23,369.9	71.4	263
	Zero Emission Transit Capital Program	1,095.9	This program has not yet implemented funds						
California State Water Resources Control Board	Drinking Water/Wastewater Program	New program in FY 24-25							
	Safe and Affordable Drinking Water Fund	335.1	237.5	–	210.4	89%	-4.6	–	119
California Strategic Growth Council	Affordable Housing and Sustainable Communities Program	2,240.6	2,240.6	5.3	1,808.1	81%	4,089.3	547.9	151
	Sustainable Agricultural Lands Conservation Program	415.2	192.6	–	22.5	12%	17,785.8	10.8	127
	Agricultural Land Equity Capacity Building and Research Program	New program in FY 24-25							
	Climate Change Research Program	31.5	31.5	–	0.0	0%	– ⁴	–	23
	Community Assistance for Climate Equity Program	11.5	10.7	–	10.4	97%	– ⁴	–	–
	Transformative Climate Communities	227.8	211.8	2.9	196.6	94%	156.0	1,357.1	1,066

Administering Agency	Subprogram	Cumulative Funding Status (\$M)			Benefiting Priority Populations ²		Implemented Projects		
		Awarded	Implemented	Intermediary Administrative Expenses ³	(\$M)	%	Greenhouse Gas Reduction (1,000 MTCO ₂ e)	Cost per Greenhouse Gas (\$/MTCO ₂ e)	Number of Projects
California Volunteers	California Climate Action Corps	6.2	New program in FY 24-25						
California Wildlife Conservation Board	Climate Adaptation and Resiliency Program	18.5	18.5	–	5.9	32%	130.5	142.0	31
	Streamflow Program	New program in FY 24-25							
California Workforce Development Board	High Road Training Partnerships	39.3	39.3	–	37.3	95%	– ⁴	–	34
Governor’s Office of Land Use and Climate Innovation	Extreme Heat and Community Resilience	New program in FY 24-25							
San Francisco Bay Conservation and Development Commission	Climate Change Adaptation and Coastal Resilience Planning	10.5	10.5	–	0.0	0%	– ⁴	–	94
Various Agencies ¹²	Salton Sea Management Program	New program in FY 24-25							
Total¹³		18,373.3	12,781.3	285.4	9,182.4	73%	116,117.3	110.1	590,703

12 This includes the Department of Water Resources, Department of Fish and Wildlife, and the California Natural Resources Agency.

13 Listed values may not sum due to rounding.



Engage with California Climate Investments


The *2025 Annual Report to the Legislature on California Climate Investments Using Cap-and-Trade Auction Proceeds* is a key resource for tracking progress on the status and outcomes of California Climate Investments, which are funded by the state's Cap-and-Trade auction proceeds that are deposited into the Greenhouse Gas Reduction Fund.


Stay engaged with California Climate Investments throughout the year. Visit the [California Climate Investments website](#) to view the latest information about individual programs, projects, and California Climate Investments.

Follow California Climate Investments on social media to learn about funding opportunities, hear program updates, and more:

 [@CAClimateInvest](#)

 [@CAClimateInvest](#)

 Subscribe to the [quarterly newsletter](#) and [Listserv](#) to stay up to date on current news and opportunities to engage and provide comments.

 [Public events calendar](#): Learn about upcoming workshops, technical assistance events, and application deadlines.

Learn about open funding opportunities available to you by visiting [California Climate Investments Programs](#).

Contact California Climate Investments:

1-800-757-2907 | info@caclimateinvestments.ca.gov

INTRODUCTION

California continues to lead the nation in taking bold climate action, setting ambitious goals to reduce greenhouse gas (GHG) emissions, providing benefits to communities disproportionately impacted by environmental issues, while supporting our economy. With its commitment to achieving carbon neutrality by 2045, the state is advancing innovative policies and initiatives that drive progress toward a sustainable future.

Background

California Climate Investments is funded by auction proceeds from the Cap-and-Trade Program. The program establishes an annually declining limit—or cap—on about 80% of statewide GHG emissions from the largest polluters in the state. These polluters must turn in allowances, which can be purchased at quarterly auctions, to cover their GHG emissions. The state's share of auction proceeds is deposited into the Greenhouse Gas Reduction Fund (GGRF), which is appropriated to state agencies through statute and the annual budget process to implement California Climate Investments programs (Figure 1). The amount of funding categorized by its status, progressing from when funds are initially appropriated by the Legislature through the implemented stage, along with definitions for the terms used to describe the status of California Climate Investments funds are shown in Figure 2.

Figure 1. Overview of California Climate Investments using Cap-and-Trade Auction Proceeds

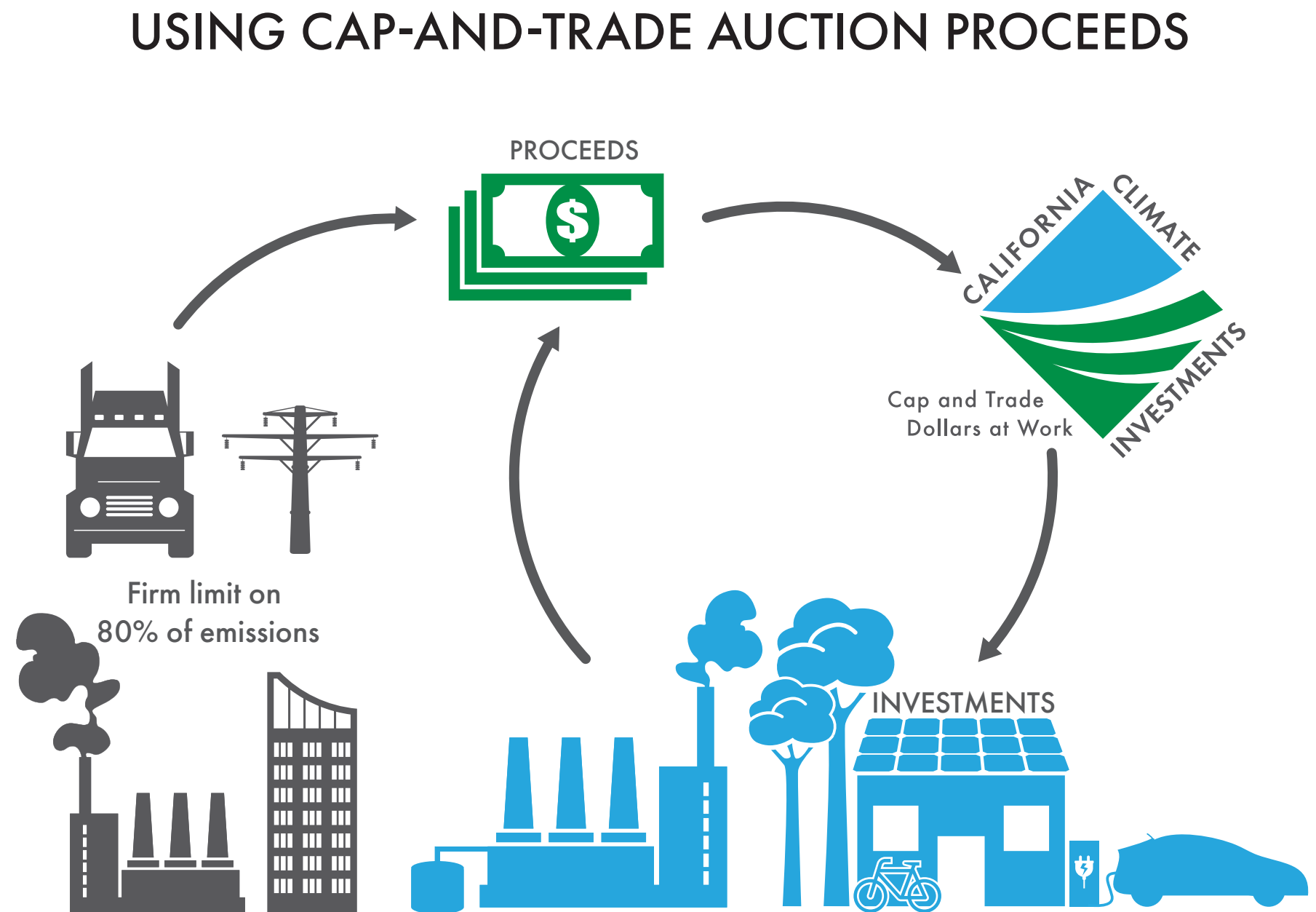




Figure 2. Terms for Funding Status & Summary of Funding by Status

	2024	Cumulative
Appropriated Agency is authorized to make expenditures from the GGRF	\$3.1B	\$32.9B
Awarded Agency announces funding recipients and commits funding to a project	\$4.4B	\$18.4B
Implemented Funding recipient receives monies, projects have attributable GHG and priority population benefits	\$1.9B	\$12.8B

Scope and Purpose of the Report

The 2025 Annual Report to the Legislature on California Climate Investments Using Cap-and-Trade Auction Proceeds (2025 Annual Report) serves as an important resource that provides transparency around the use of GGRF. The California Department of Finance, the California Air Resources Board (CARB), and the agencies administering California Climate Investments programs (administering agencies) work together to track and report on progress and achievements. Administering agencies use CARB’s California Climate Investments Reporting and Tracking System to report data on program administration and project-level implementation. CARB’s reporting system facilitates the collection of information that is used to develop the 2025 Annual Report.

The 2025 Annual Report reflects California’s continued leadership in climate action and its commitment to providing benefits to [priority populations](#). It emphasizes the critical role of providing transparency and accountability through tracking the progress and impact of investments across the state. The report outlines programmatic and legislative progress in 2024, such as updates to CARB’s [Funding Guidelines for Agencies that Administer California Climate Investments](#) (2024 Funding Guidelines), revisions to the [Priority Populations Benefit Assessment Tools](#), development of the [Resources Portal](#), and funding appropriations. Additionally, the report covers cumulative and 2024-specific achievements, highlighting estimated GHG emissions reductions and benefits to priority populations, and concludes with a look to the future aimed at building on these accomplishments. The report is supplemented with project profiles that feature various project types across a variety of sectors, tables that include cumulative summary statistics and appropriations for each California Climate Investments program, and links to companion materials that offer additional information about California Climate Investments. The following companion materials are available on the California Climate Investments website:

- [2025 Annual Report Fact Sheet](#)
- [Data Dashboard](#)
- [Project Map](#)
- [Program Pages](#)
- [Project Profiles](#)
- [Geographic Breakdowns of Investments](#)
- [List of 2024 Public Meetings](#)
- [Cumulative Budgetary Expenditures](#)
- [Cumulative California Climate Investments Leveraged Funds](#)
- [Statistics on Competitive Project Proposals Received](#)

Engagement and Partnerships

The successes highlighted in this report would not be possible without the collaborative efforts of state agencies, local governments, communities, nongovernmental organizations, tribes, and other partners. These collaborative relationships are critical to the implementation of projects that reduce GHG emissions and deliver meaningful benefits, particularly to priority populations. For example, administering agencies use the Funding Guidelines to ensure programs adhere to statutory requirements, and partner with grantees to align projects with programmatic goals and maximize benefits to priority populations. Administering agencies and grantees engage with communities, through efforts such as community steering committees, to identify and implement projects to address local needs. Together, the collective work is not only contributing to the state’s climate goals but also delivering local benefits. Explore project profiles throughout the report to learn more about current California Climate Investments projects and the partnerships that are foundational to their success.



2024 PROGRAM ACCOMPLISHMENTS

2024 marked another successful chapter for California Climate Investments, showing significant progress in reducing GHG emissions, advancing environmental justice and equity, and building resilient communities. It was also a year of program-wide advancements, including updated Funding Guidelines, revisions to the Priority Populations Benefit Assessment Tools, expanded outreach efforts, improved jobs reporting, and the launch of the Resource Portal. These advancements will further improve California Climate Investments' design and implementation to meet statutory requirements and advance the state's climate and equity goals.

Funding Guidelines Update Summary

CARB staff updated the Funding Guidelines to include requirements in [Assembly Bill \(AB\) 680](#) (Burke, Chapter 746, Statutes of 2021), changes responsive to community and agency feedback, and best practices learned over a decade of California Climate Investments implementation.

In response to AB 680, CARB staff bolstered the Funding Guidelines' existing emphasis on workforce development by incorporating workforce standards guidance for programs to integrate employment practices. These practices will help elevate job quality, including targeted hiring, compliance with applicable labor laws, payment of wages that allow a worker to live comfortably in the same region they work in, and continued training opportunities to support career mobility. The 2024 Funding Guidelines expand on AB 680 through inclusion of six recommended job quality principles designed to advance the state's workforce goals and facilitate economic mobility for workers employed on all projects funded through California Climate Investments. In addition to workforce-focused updates, the 2024 Funding Guidelines include recommendations for advance payment, as applicable, to improve funding access, reduce barriers, and support engagement that uplifts community voices. Language pertaining to outreach and engagement has also been strengthened to ensure programs address community-identified needs and deliver direct benefits to priority populations to advance equity. To better support tribal engagement, the 2024 Funding Guidelines contain new guidance to reduce barriers for tribal applicants and navigate Limited Waivers of Sovereign Immunity.

To streamline program implementation and improve data quality, the 2024 Funding Guidelines contain several improvements to tracking and reporting requirements. Updates to program and project evaluation guidance refine project outcome reporting by leveraging administering agencies' existing processes, helping to identify best practices and areas for improvement. Additionally, job reporting requirements have been clarified to specify when administering agencies must report on jobs supported by California Climate Investments.



Priority Populations Targets and Benefit Assessment Tools Update

[AB 1532](#) (Pérez, Chapter 807, Statutes of 2012) requires Cap-and-Trade auction proceeds be directed toward the most disadvantaged communities and households in the state, wherever applicable and to the extent feasible. Per [Senate Bill \(SB\) 535](#) (De León, Chapter 830, Statutes of 2012) and [AB 1550](#) (Gomez, Chapter 369, Statutes of 2016), a minimum of 35% of California Climate Investments funding must be allocated to benefit priority populations. To meet these portfolio-wide statutory minimum requirements, CARB staff collaborate with administering agencies to develop program-level investment targets. CARB released [Investment Targets for Agencies Administering Fiscal Year 2024-25 Funds](#) in December 2024.

CARB staff revised policy guidance to ensure investments are providing direct, meaningful, and assured benefits to priority populations. These benefits are assessed using [Benefit Assessment Tools](#), formerly known as Benefit Criteria Tables, and reported through CARB's California Climate Investments Reporting and Tracking System. The revised Benefit Assessment Tools include the following improvements:

- Expanded the types of projects included in the portfolio to capture newly appropriated programs;
- Expanded eligibility by integrating lands under the control of federally recognized tribes into disadvantaged communities to align with CalEPA's designation;
- Enhanced usability by simplifying language and connecting with the newly launched [Resource Portal](#);
- Emphasized direct and meaningful engagement to ensure projects deliver impactful benefits to address needs identified by community members.



Opportunities for Broader Participation

To expand the outreach efforts and ensure all Californians have access to climate funding and its benefits, California Climate Investments goes beyond traditional outreach methods like newsletters and social media. Collaborative partnerships help expand CARB's outreach strategies, ensuring that priority populations across the state are informed about and can access California Climate Investments funding opportunities.

In 2024, CARB staff continued to work with community and tribal partners to develop and implement tailored outreach and engagement plans. These partnerships provide insights into how California Climate Investments can better reach these priority populations who are historically underserved and experiencing high needs. For example, CARB staff continued to partner with community-based organizations and local governments to identify core priorities and have been piloting methods to communicate relevant resources and information with community members. As partners, CARB staff, in collaboration with contractors such as the Lee Andrews Group, help facilitate convenings and implement communication strategies to discuss California Climate Investments funding. These efforts help align California Climate Investments resources with community priorities, fostering meaningful connections and effective outreach.

A key component of CARB's outreach and engagement work is connecting with and learning from tribes around the state. In 2024, CARB staff launched the [Funding Workbook for All California Tribes](#) (Funding Workbook) as a resource to help tribes navigate the programs offered through California Climate Investments. The Funding Workbook's interactive structure allows tribes to identify programs that align with their priorities, assess their eligibility for programs, and map out next steps.

Since its launch, the Funding Workbook has been distributed virtually and at in-person tribal gatherings. The events have been an opportunity for CARB staff to support tribes as they explore this resource and to gather input about how it can better serve tribal needs. Tribes collaborated in tailoring this resource to be a useful and actionable tool for accessing funding. With hundreds of copies circulated, the Funding Workbook has also been well received by state agencies that see its potential for being a model for their programs. As CARB staff continue tribal outreach efforts in 2025, the focus remains on building stronger relationships and increasing awareness and access of California Climate Investments.



INVESTMENTS IN ACTION

COMMUNITY EFFORTS LEAD THE WAY IN RIVER DISTRICT PLACE-BASED LIVING PLANS

Collaboration between agency and community partners has been integral in implementing the Sacramento Integrated Multimodal Place-Based Living Project, a *Transformative Climate Communities* initiative aimed at strengthening community engagement, increasing affordable housing, and expanding public transit in the River District neighborhood of Sacramento. One of the key features of the project, the Dos Rios Light Rail Station, will significantly increase residents' accessibility to Downtown Sacramento and the greater Sacramento Area. The Mirasol Village Community Garden represents another success of the initiative, giving residents the opportunity to cultivate fresh produce and forge community bonds.

[Read more>](#)



Jobs Reporting Improvements

CARB staff use the [Jobs Co-Benefit Assessment Methodology](#) to estimate the number of jobs supported by California Climate Investments. Historically, administering agencies were required to calculate these estimates. Recent updates to the methodology allow CARB to run these calculations instead, removing this requirement from administering agencies. A subset of California Climate Investments projects is also required to report data on actual jobs supported by program funding. To improve job quality tracking, CARB staff consulted with the California Workforce Development Board, administering agencies, and other workforce development experts in 2024, to update the jobs reporting template. Additional updates were also made to better track metrics related to workforce training programs. Administering agencies will report data on jobs and workforce training through CARB’s California Climate Investments Reporting and Tracking System using the updated template at the end of 2025, which will increase transparency on the quality of jobs supported by California Climate Investments and help CARB prioritize efforts to uplift job quality across the portfolio.

Resource Portal Launch

In 2024, CARB staff launched an online [Resource Portal](#) to house existing and new resources and tools to complement the Funding Guidelines. The Resource Portal serves as a one-stop shop for administering agencies, potential applicants, grantees, and the public to learn about California Climate Investments, access funding, and enhance program and project design and implementation. Resources include guides to upcoming and open funding opportunities by applicant type and program category, project case studies, project reporting materials, and more. CARB staff will continue to expand the Resource Portal as additional needs and best practices are identified.



2024 LEGISLATIVE ACTIONS

The [2024 Budget](#) included over \$3.1 billion in GGRF funds for fiscal year (FY) 2024-25 (Table 1). The 2023 Budget was also [amended](#) to include \$596 million for the [Transit and Intercity Rail Capital Program](#) and an additional \$424 million to the California Energy Commission to support electric vehicle charging and hydrogen refueling infrastructure, long-duration energy storage projects, carbon removal, and clean hydrogen production and use. The 2024 Budget also included statutory changes to adjust requirements for CARB and administering agencies.^{14,15}

¹⁴ [SB 156](#) (Committee on Budget and Fiscal Review, Chapter 72, Statutes of 2024) exempts the Department of Finance from developing and submitting the Cap-and-Trade Auction Proceeds Investment Plan for FYs 2025-26 through 2027-28.

¹⁵ [AB 178](#) (Committee on Budget, Chapter 1000, Statutes of 2024) expanded access to alternative compliance pathways, building on amendments to Section 15.14 of the Budget Act of 2024 passed with [AB 157](#) (Gabriel, Chapter 994, Statutes of 2024). These changes provide alternative means by which agencies may comply with certain statutory requirements for expending appropriated GGRF funds.

Table 1. FY 2024-25 and Cumulative Appropriations by Program

Administering Agency	Program	Appropriations (M) ^{16,17,18}		Cumulative Total ^{20,21}
		Cumulative Appropriations Prior to FY 24-25	FY 24-25 ¹⁹	
California Air Resources Board	Statewide Mobile Monitoring Initiative	\$27	–	\$27
	Community Air Protection	\$1,539	\$250	\$1,789
	F-Gases Reduction Incentive	\$11	–	\$11
	Funding Agricultural Replacement Measures for Emission Reductions	\$419	–	\$419
	Low Carbon Transportation	\$3,640	\$53	\$3,693
	Prescribed Fire Smoke Monitoring	\$4	–	\$4
	Woodsmoke Reduction	\$18	–	\$18
	Methane Satellites	\$105	–	\$105
California Coastal Commission	Coastal Resilience Planning	\$7	\$1	\$7
California Conservation Corps	Training and Workforce Development	\$102	\$17	\$118
California Department of Community Services and Development	Low-income Weatherization	\$272	–	\$272
California Department of Fish and Wildlife	Wetlands and Watershed Restoration	\$46	\$17	\$63
California Department of Food and Agriculture	Dairy Methane	\$319	\$17	\$336
	Healthy Soils	\$116	–	\$116
	Renewable Alternative Fuels	\$3	–	\$3
	State Water Efficiency and Enhancement	\$66	–	\$66

16 Values listed in this table reflect amounts appropriated from the legislature for GGRF-funded agency programs. Agencies are subsequently responsible for allocating funds to subprograms.

17 Appropriations listed are estimates based on published budgets, legislation, and quarterly Cap-and-Trade auction results, and include subsequent adjustments, transfers, and reversions.

18 Appropriations listed here were made during the 2024 budget process.

19 FY 2024-25 funds appropriated through [AB 107](#), [SB 108](#), [SB 156](#), and [AB 157](#).

20 Listed values may not sum due to rounding.

21 Appropriations from previous budget acts may be retroactively adjusted to account for budget control sections or for special legislation (e.g. trailer bills). As a result, reported cumulative appropriations may not reflect summations of budget act line items.

Administering Agency	Program	Appropriations (M) ^{16,17,18}		Cumulative Total ^{20,21}
		Cumulative Appropriations Prior to FY 24-25	FY 24-25 ¹⁹	
California Department of Forestry and Fire Protection	Fire Prevention	\$701	\$87	\$788
	Forest Carbon Plan Implementation	\$200	\$35	\$235
	Prescribed Fire Liability Pilot	–	\$20	\$20
	Ecological Monitoring and Research	–	\$6	\$6
	Sustainable Forests	\$1,304	\$85	\$1,389
California Department of Resources Recycling and Recovery	SB 1383 Local Assistance	\$240	–	\$240
	Waste Diversion	\$210	–	\$210
California Department of Transportation	Active Transportation	\$10	–	\$10
	Low Carbon Transit Operations ²²	\$1,319	\$81	\$1,400
California Department of Water Resources	State Water Project Turbines	\$20	–	\$20
	Urban Flood Risk Reduction/Systemwide Flood Programs	–	\$126	\$126
	Formulation of California Water Plan	–	\$114	\$114
	Water-Energy Grant	\$42	-	\$42
California Department of Toxic Substances Control	Vulnerable Community Toxic Clean-Up	-	\$65	\$65
California Energy Commission	Food Production Investment	\$144	-	\$144
	Equitable Building Decarbonization ²³	\$405	\$25	\$430
	Demand-Side Grid Support	–	\$75	\$75
	Long Duration Energy Storage ²¹	\$213	–	\$213
	Clean Transportation ²¹	\$706	–	\$706

22 [SB 862](#) (Committee on Budget and Fiscal Review, Chapter 36, Statutes of 2014) established continuous appropriations totaling 60% of the GGRF monies beginning in FY 2015-16 and [SB 200](#) (Monning, Chapter 120, Statutes of 2019) commits 5%, or up to \$130 million, of the annual proceeds of the GGRF to the Safe and Affordable Drinking Water Fund until June 30, 2030. Continuous appropriations listed in Table 1 are current as of November 30, 2024.

23 [SB 109](#) amended the Budget Act of 2023, appropriating additional FY 2023-24 funds for this program in 2024.

Administering Agency	Program	Appropriations (M) ^{16,17,18}		Cumulative Total ^{20,21}
		Cumulative Appropriations Prior to FY 24-25	FY 24-25 ¹⁹	
California Energy Commission (cont.)	Industrial Decarbonization and Improvements to Grid Operations (INDIGO)	\$68	–	\$68
	Low-Carbon Fuel Production	\$13	–	\$13
	Carbon Removal ²¹	\$20	–	\$20
	Clean Hydrogen ²¹	\$5	–	\$5
	Renewable Energy for Agriculture	\$10	–	\$10
	California Schools Healthy Air, Plumbing, and Efficiency	\$20	–	\$20
California Environmental Protection Agency	Transition to a Carbon-Neutral Economy	\$2	–	\$2
California Governor’s Office of Emergency Services	Wildfire Response and Readiness	\$35	\$1	\$36
California High-Speed Rail Authority	High-Speed Rail Project ²⁰	\$7,067	\$407	\$7,474
California Natural Resources Agency	Regional Forest and Fire Capacity	\$20	–	\$20
	Urban Greening	\$156	–	\$156
California Ocean Protection Council	Sea Level Rise	\$38	\$28	\$65
California Public Utilities Commission	Technology and Equipment for Clean Heating	\$95	–	\$95
	Self-Generation Incentive Program	\$280	–	\$280
California State Coastal Conservancy	Wild Cherry Canyon Conservation	–	\$40	\$40
	Climate Ready	\$124	–	\$124
California State Transportation Agency	Transit and Intercity Rail Capital Program ^{20,21}	\$3,346	\$525	\$3,871
	Zero-Emission Transit Capital ²¹	\$220	\$220	\$440
California State Water Resources Control Board	Drinking Water and Wastewater	–	\$225	\$225
	Safe and Affordable Drinking Water Fund ^{20,24}	\$620	\$114	\$734

²⁴ [AB 107](#) allows the Director of Finance to make additional transfers to the Safe and Affordable Drinking Water Fund as needed to achieve a total amount of \$130 million for FY 2024-25.

Administering Agency	Program	Appropriations (M) ^{16,17,18}		Cumulative Total ^{20,21}
		Cumulative Appropriations Prior to FY 24-25	FY 24-25 ¹⁹	
California Strategic Growth Council	Affordable Housing and Sustainable Communities (Including Sustainable Agricultural Lands Conservation) ²⁰	\$5,329	\$326	\$5,656
	Climate Change Research	\$36	–	\$36
	Technical Assistance	\$6	–	\$6
	Transformative Climate Communities	\$241	–	\$241
California Wildlife Conservation Board	Streamflow Program	–	\$101	\$101
	Protecting Fish and Wildlife from Changing Conditions	–	\$70	\$70
	Watershed Climate Resilience	–	–	–
	Climate Adaptation and Resiliency	\$20	–	\$20
California Workforce Development Board	High Road Training Partnerships	\$51	–	\$51
Governor’s Office of Land Use and Climate Innovation	Extreme Heat and Community Resilience	–	\$25	\$25
California Volunteers	California Climate Action Corps	–	\$9	\$9
San Francisco Bay Conservation and Development Commission	Climate Resilience Planning	\$10	\$2	\$12
Various Agencies (Department of Water Resources, Department of Fish and Wildlife, California Natural Resources Agency)	Salton Sea	–	\$61	\$61
Total		\$30,039	\$3,228	\$33,267

New Programs in 2024

GGRF funding plays a critical role in supporting California's climate and environmental goals, particularly as the state navigates budget challenges. To address the budget deficit and reduce expenditures from the General Fund, the 2024 Budget Act and the amendments to the 2023 Budget Act shifted funding for several programs from the General Fund to the GGRF to maintain funding levels for priority programs. This shift resulted in many programs receiving funding from the GGRF for the first time. These programs include:

- **California Climate Action Corps (California Volunteers):** funds fellowship opportunities focused on improving climate resilience across the state
- **Carbon Removal Innovation Support Program (California Energy Commission):** provides incentives to support the advancement of technologies for direct air capture of atmospheric carbon in California
- **Clean Hydrogen Program (California Energy Commission):** provides financial incentives to eligible in-state projects for the demonstration or scale-up of the production, processing, delivery, storage, or use clean hydrogen
- **Clean Transportation Program (California Energy Commission):** provides funding to support innovation and accelerate the development and deployment of zero-emission transportation and fuel technologies

- **Cleanup in Vulnerable Communities Initiative (Department of Toxic Substances Control):** provides grants to fund response actions at contaminated sites and workforce development and training programs to provide pathways to employment in disadvantaged communities
- **Continuing Formulation of California Water Plan (Department of Water Resources):** funds the continuing development of the state's strategic plan for sustainably managing and developing water resources for current and future generations
- **Demand Side Grid Support Program (California Energy Commission):** offers incentives to eligible electric customers to compensate them for upfront capacity commitments and per-unit reductions in net-energy load during extreme events achieved through reduced usage or use of backup generation or both
- **Diablo Canyon Land Conservation and Economic Development Program (California State Coastal Conservancy):** invests in conservation of environmental and cultural resources and sustainable economic development on the land surrounding the Diablo Canyon Nuclear Power Plant
- **Drinking Water and Wastewater Program (State Water Resources Control Board):** invests in drinking water and wastewater projects that improve drinking water quality, prioritize septic-to-sewer conversions, and provide technical assistance and capacity building in disadvantaged communities

- **Extreme Heat and Community Resilience Program (Governor's Office of Land Use and Climate Innovation):** provides grants to local, regional, and tribal-led projects that reduce the impacts of extreme heat and the urban heat island effect
- **Prescribed Fire Liability Pilot (California Department of Forestry and Fire Protection):** provides coverage for certain rare losses encountered during prescribed or cultural burns, incentivizing more responsible, well-resourced burning in areas prone to wildfire
- **Salton Sea Management Program (California Department of Fish and Wildlife, California Department of Water Resources, California Natural Resources Agency):** funds projects to improve air quality and conserve and restore habitats in and around the Salton Sea based on a 10-year collaborative management plan
- **Streamflow Program (Wildlife Conservation Board):** funds projects that enhance the amount, timing, and/or quality of water flowing down a stream, or a portion of a stream, to benefit fish and wildlife
- **Systemwide Flood Risk Reduction and Habitat Restoration (Department of Water Resources):** funds research, design, and construction of multi-benefit flood risk reduction and habitat restoration projects in the Sacramento-San Joaquin Delta and Central Valley



CALIFORNIA CLIMATE INVESTMENTS HIGHLIGHTS

Leadership in Climate Action

California Climate Investments continue to support climate action through grant and incentive programs that drive the transition to zero-emission vehicles, expand renewable energy infrastructure, reduce short-lived climate pollutants, and build climate resilience. Since 2014, programs funded by California Climate Investments have put \$12.8 billion in Cap-and-Trade auction proceeds to work reducing an estimated 116.1 MMTCO₂e over the lifetime of the 590,703 projects throughout the state (Figure 3). These programs are in high demand among applicants seeking grant and incentive funding. For every dollar awarded, \$2.4 is requested.²⁵ Over the past decade, at least \$15.9 billion in leveraged funding has been secured, surpassing the total investment from the GGRF by roughly 1.3 times, underscoring California Climate Investments' ability to attract additional investments to amplify its impact. In addition to reducing GHG emissions, programs within the California Climate Investments portfolio also provide multiple benefits and economic opportunities (Figure 4). Some of these benefits include:

- Reducing over 112,000 metric tons of harmful air pollutants such as diesel particulate matter (DPM), PM2.5, nitrogen oxides (NOx), and reactive organic gases;
- Helping Californians save a total estimated \$38.1 billion on travel and energy costs;
- Treating, restoring, and conserving nearly 1.6 million acres of natural ecosystems to reduce the risk of catastrophic wildfires and protect natural lands and habitats;
- Planting an estimated 22.3 million trees, including nearly 240,000 urban trees; and
- Supporting over 122,000 full-time equivalents of jobs throughout the state, including training and workforce development programs to help Californians secure a high-quality career in the environmental fields of the future.

The 11,673 new projects implemented in 2024 are expected to reduce approximately 7.0 MMTCO₂e over project lifetimes. Investments in dairy methane emissions capture and use, low-carbon transportation, affordable housing near public transit, land conservation and restoration, and forest health practices continue to produce substantial GHG emissions reductions. In addition to reducing GHG emissions, projects implemented in 2024 are estimated to deliver major benefits, including helping Californians save an estimated \$5.2 billion on travel and energy costs, treating and restoring 641,345 acres of natural ecosystems to reduce wildfire risk and protect habitats, and supporting approximately 16,711 full-time-equivalent jobs.

²⁵ Additional details on [competitive project proposals](#) received and [leveraged funds](#) are available.

Figure 3: California Climate Investments Cumulative Statistics through 2024

CALIFORNIA'S CAP-AND-TRADE DOLLARS AT WORK

As of November 2024

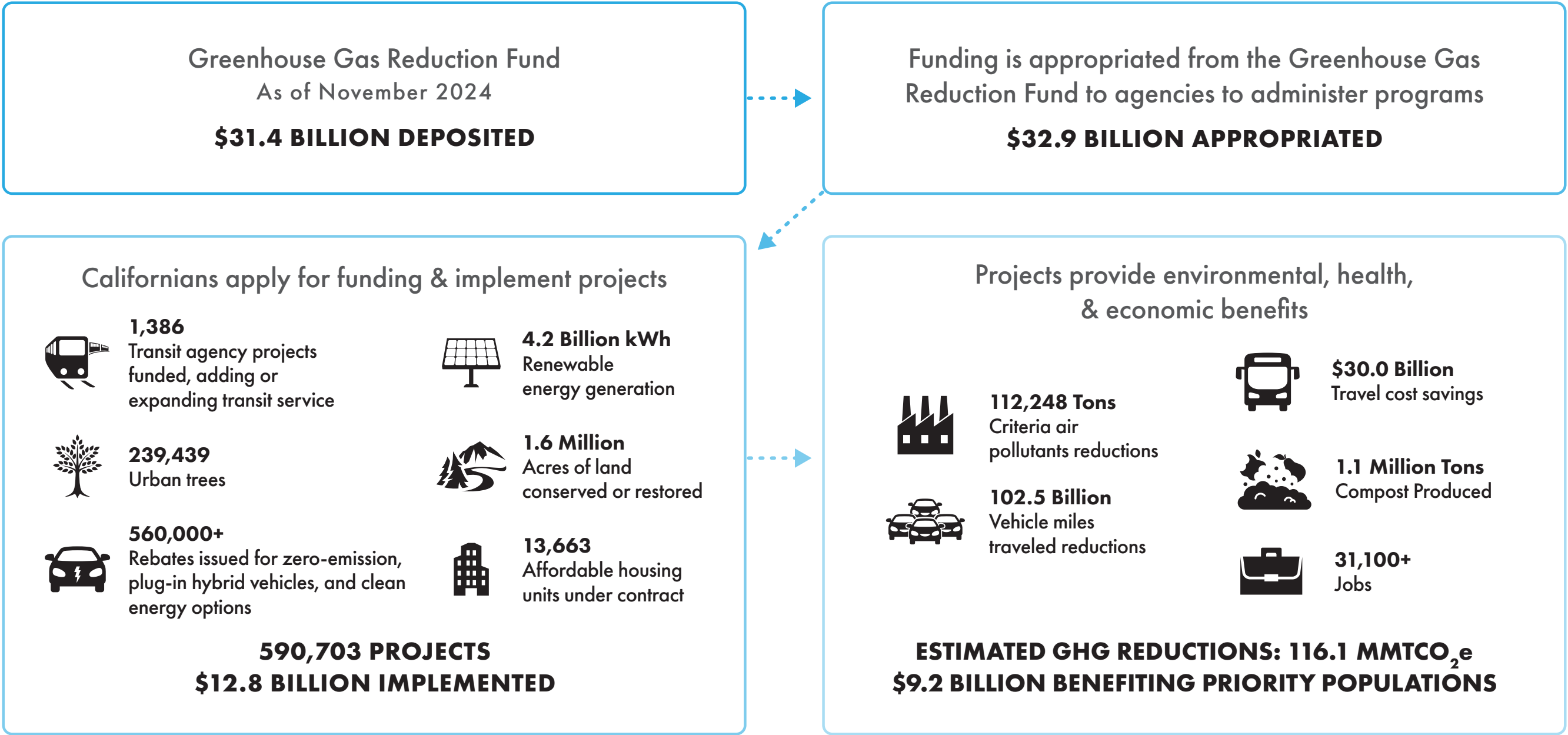
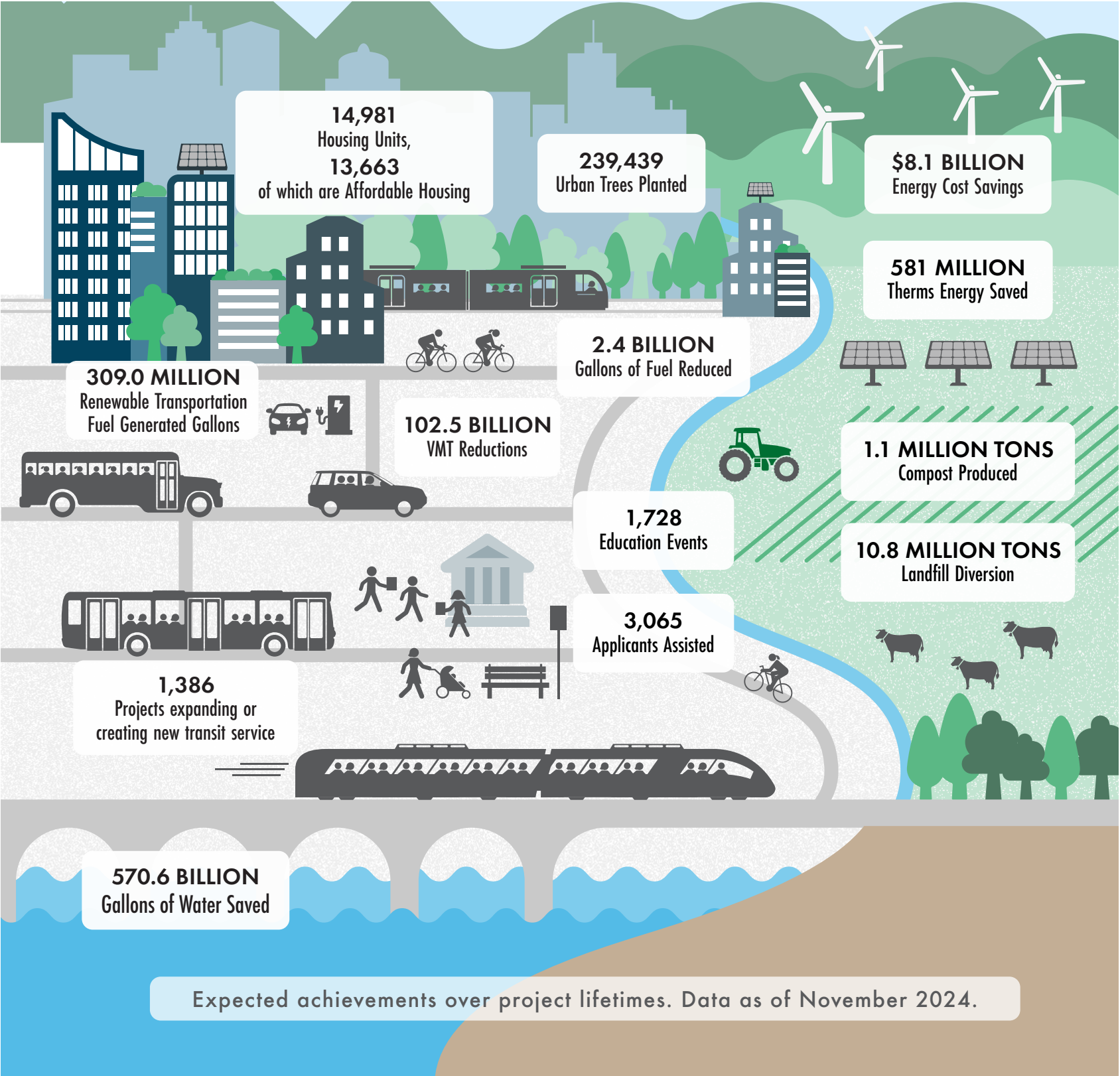


Figure 4: California Climate Investments Cumulative Project Benefits

PROVIDING BENEFITS TO CALIFORNIANS



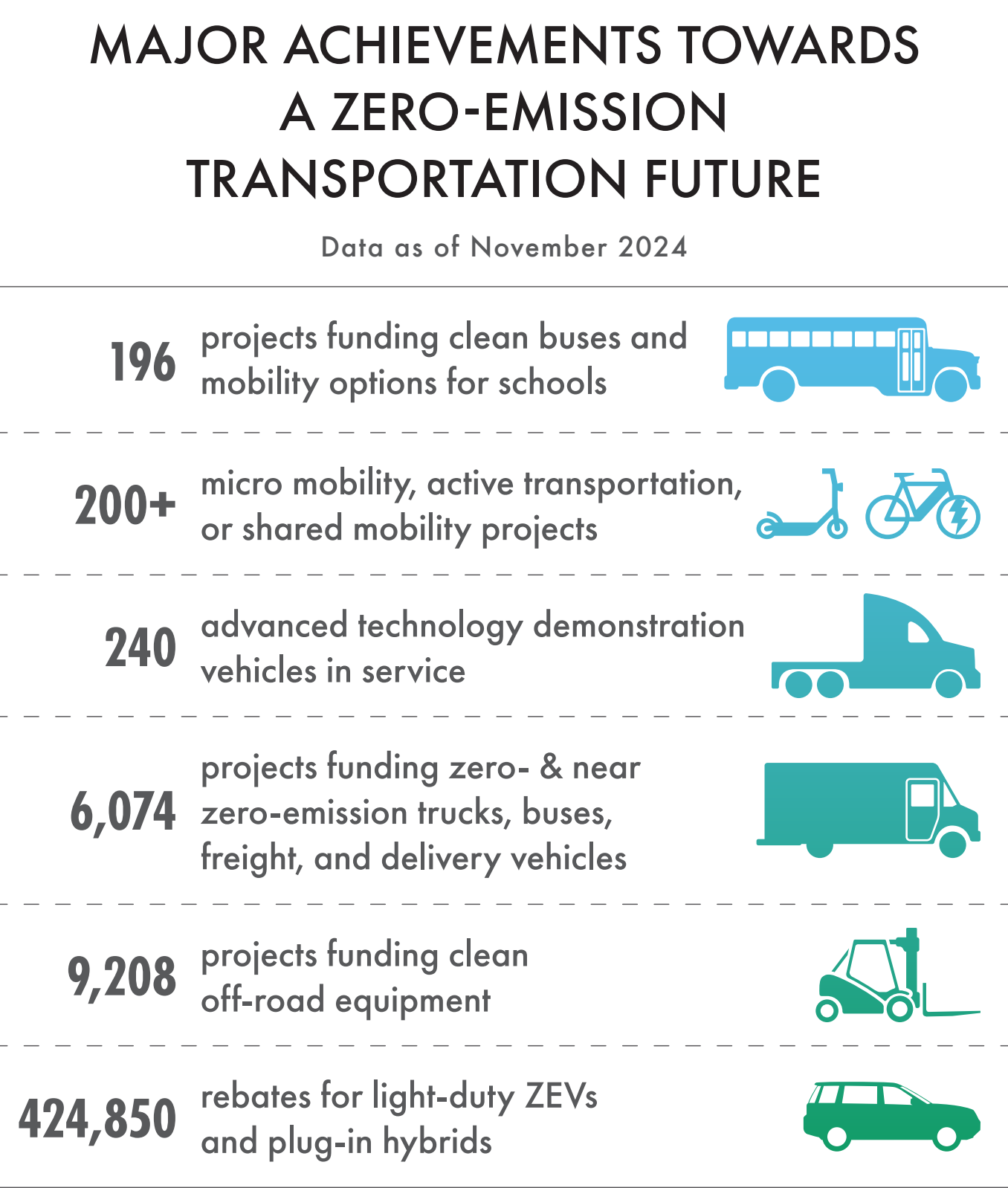
Emissions Reduction Strategies

TRANSPORTATION

Projects funded by California Climate Investments continue to drive significant GHG emissions reductions from the transportation sector, the state’s largest source of emissions.²⁶ These projects are accelerating the adoption of zero-emission vehicles, expanding access to clean public transportation, and reducing reliance on fossil fuels. Cumulatively, the transportation sector implemented over \$5.3 billion in California Climate Investments funding and is expected to contribute to reductions of 35.2 MMTCO₂e GHG emissions, 22,319 metric tons of NO_x, and 2,045 metric tons of PM_{2.5} (Figure 5). In 2024 alone, transportation projects implemented approximately \$611.5 million in funding, with expected reductions of 1.0 MMTCO₂e in GHG, 269 metric tons of NO_x and nearly 20 metric tons of PM_{2.5}.

A notable example of efforts to reduce emissions from the transportation sector is the Transit and Intercity Rail Capital Program, which awarded over \$1.3 billion in 2024 from GGRF and other funding sources to improve transit and passenger rail services in California. These investments are expected to reduce GHG emissions by more than 4.3 MMTCO₂e over the lifetime of the projects - equivalent to taking more than 1.3 million gas-powered cars off the road. Through these awards, California Climate Investments will continue to support the adoption of innovative technologies to decarbonize the transportation sector, as shown in the “Investments in Action” below.

Figure 5: Major Achievements Towards a Zero-Emission Transportation Future



26 [Current California GHG Emission Inventory Data](#).



INVESTMENTS IN ACTION:

THE PORT OF LOS ANGELES REDUCES EMISSIONS WITH CLEAN OFF-ROAD EQUIPMENT INCENTIVES

The Port of Los Angeles is demonstrating the promise of zero-emission off-road vehicles, becoming the first U.S. marine terminal to deploy commercially available electric top handlers. Supported by \$2.5 million in California Climate Investments funding through CARB's [Clean Off-Road Equipment Voucher Incentive Project](#), the Port of Los Angeles has deployed five state-of-the-art zero-emission top handlers, shrinking the carbon footprint of the port and improving local air quality. The success of the project showcases the importance of public-private partnerships in overcoming the challenges of integrating zero-emission equipment into existing operations.

[Read more >](#)



BUILDINGS AND ENERGY

California Climate Investments continue to reduce emissions through advancing equitable building decarbonization, renewable energy generation and storage, and community resilience initiatives through efforts such as funding for energy efficiency retrofits in low-income housing, innovative research on biomass energy products, and the development of affordable zero-emission housing projects, to name a few. Cumulatively, projects in this sector implemented nearly \$2.9 billion in funding and are estimated to reduce 8.6 MMTCO₂e of GHG emissions, 4,389 metric tons of NO_x, and 2,900 metric tons of PM_{2.5}. In 2024 alone, over \$344 million was implemented in this sector which is estimated to reduce 677,217 MMTCO₂e of GHG emissions, 92 metric tons of NO_x, and 574 metric tons of PM_{2.5}. Two examples of projects in this sector are featured in the “Investments in Action” section below.

Energy cost savings:

\$8.1 billion

Renewable energy generated:

4.6 billion kwh

Total housing:

14,981 units

Affordable housing:

13,633 units



INVESTMENTS IN ACTION

ENSURING CLIMATE RESILIENCE AND REDUCING ENERGY COSTS IN MULTIFAMILY HOUSING

The Low-Income Weatherization Program's *Multifamily Energy Efficiency and Renewables Program* has been instrumental in increasing climate resilience and renewable energy use in low-income communities across California, and incentivizes owners of low-income multifamily housing to retrofit their properties with energy efficiency technologies and solar panels. These upgrades reduce GHG emissions while lowering energy costs, delivering tangible benefits to communities that need them most. The full project profile describes what has contributed to the continued success of the Low-Income Weatherization Program.

[Read more >](#)



INVESTMENTS IN ACTION

LEVERAGING EXISTING CARBON INCENTIVE PROGRAMS TO INCREASE UTILIZATION OF WOODY BIOMASS RESIDUES

California Climate Investments also supports innovative research to explore new pathways for decarbonization in the energy sector. Through the [Forest Health Research Program](#), administered by the California Department of Forestry and Fire Protection, funding has been directed toward investigating the potential of woody biomass as a renewable energy source. The full project profile details this project's focus on transforming high-volume, low-value forest biomass into economically viable and sustainable products.

[Read more >](#)

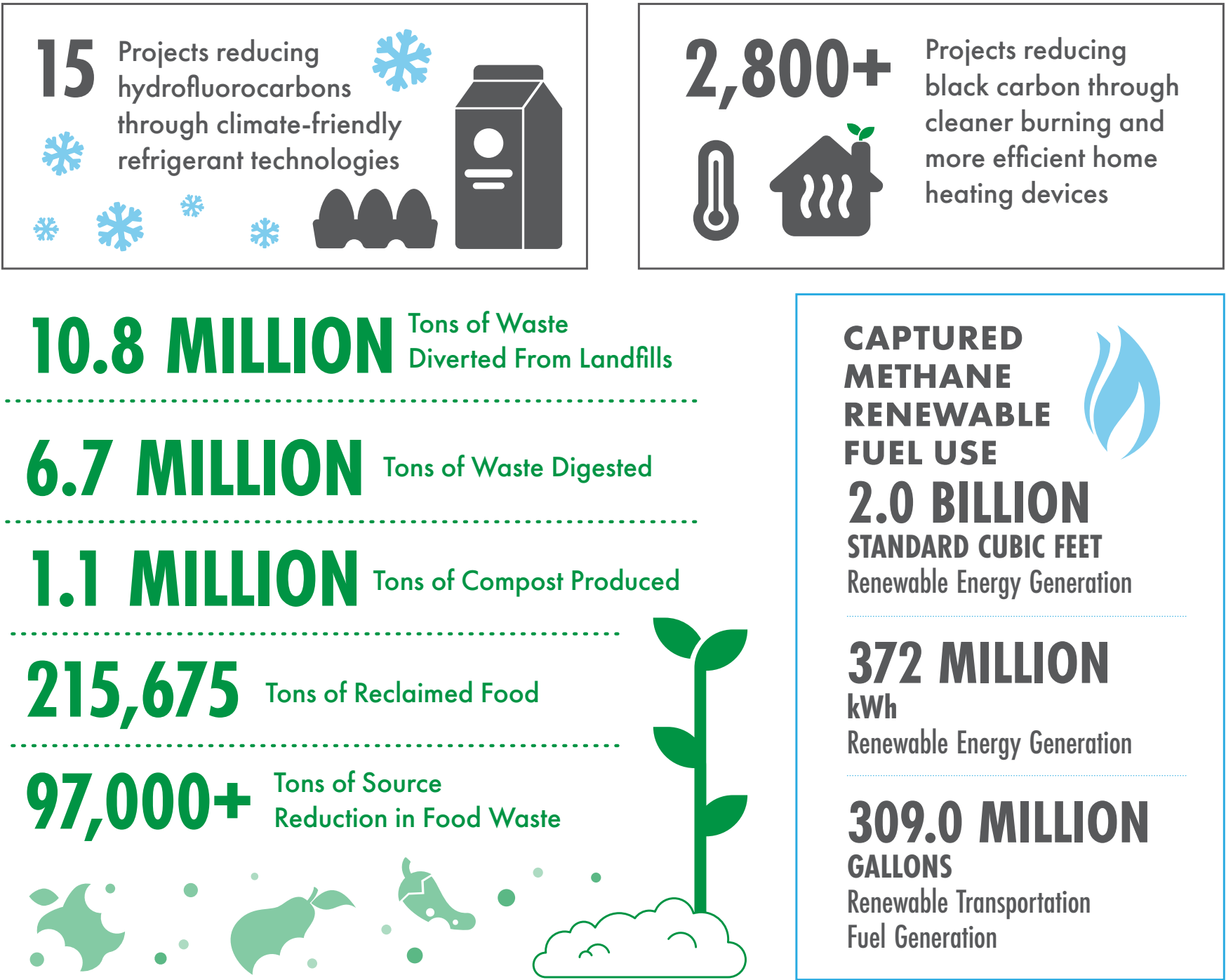
SHORT-LIVED
CLIMATE POLLUTANTS

The projects aimed at reducing short-lived climate pollutants include strategies such as innovative dairy manure management, landfill waste diversion, and promoting community engagement in composting initiatives (Figure 6). Cumulatively, projects in this sector have implemented nearly \$521 million in funding, resulting in an expected reduction of 28.1 MMTCO₂e in GHG emissions, while diverting 10.8 million tons of organic waste from landfills and generating 1.1 million tons of compost. In 2024 alone, these projects implemented \$145 million in funding, with an expected reduction of 1.6 MMTCO₂e in GHG emissions, diverting almost 3.7 million tons of landfill waste, and generating over 700,000 tons of compost. Examples of efforts to reduce short-lived climate pollutants are highlighted in the “Investments in Action” below.

Figure 6: Cumulative Estimated Achievements from Reducing Short-Lived Climate Pollutants

PROJECTS REDUCING SHORT-LIVED CLIMATE POLLUTANTS

Expected achievements over project lifetimes. Data as of November 2024.





INVESTMENTS IN ACTION

LAUNCHING IN-VESSEL COMPOSTING PROJECTS THROUGHOUT THE STATE

The [Organics Grant Program](#), administered by the California Department of Resources and Recovery, awarded five grantees over \$1.6 million in California Climate Investments funding to install onsite in-vessel composters. These five composters are expected to divert more than 2,370 tons of green and food material from landfills and reduce GHG emissions by 779 MTCO₂e over 10 years. The full project profile describes how these composters are supporting GHG emissions reductions and advancing a circular economy, featuring interviews with project leaders at California State University Sacramento and University of Southern California.

[Read more >](#)



INVESTMENTS IN ACTION

SONOMA COUNTY ORGANIC DAIRY STRIVES FOR CONTINUOUS IMPROVEMENT IN REDUCING ENVIRONMENTAL IMPACTS

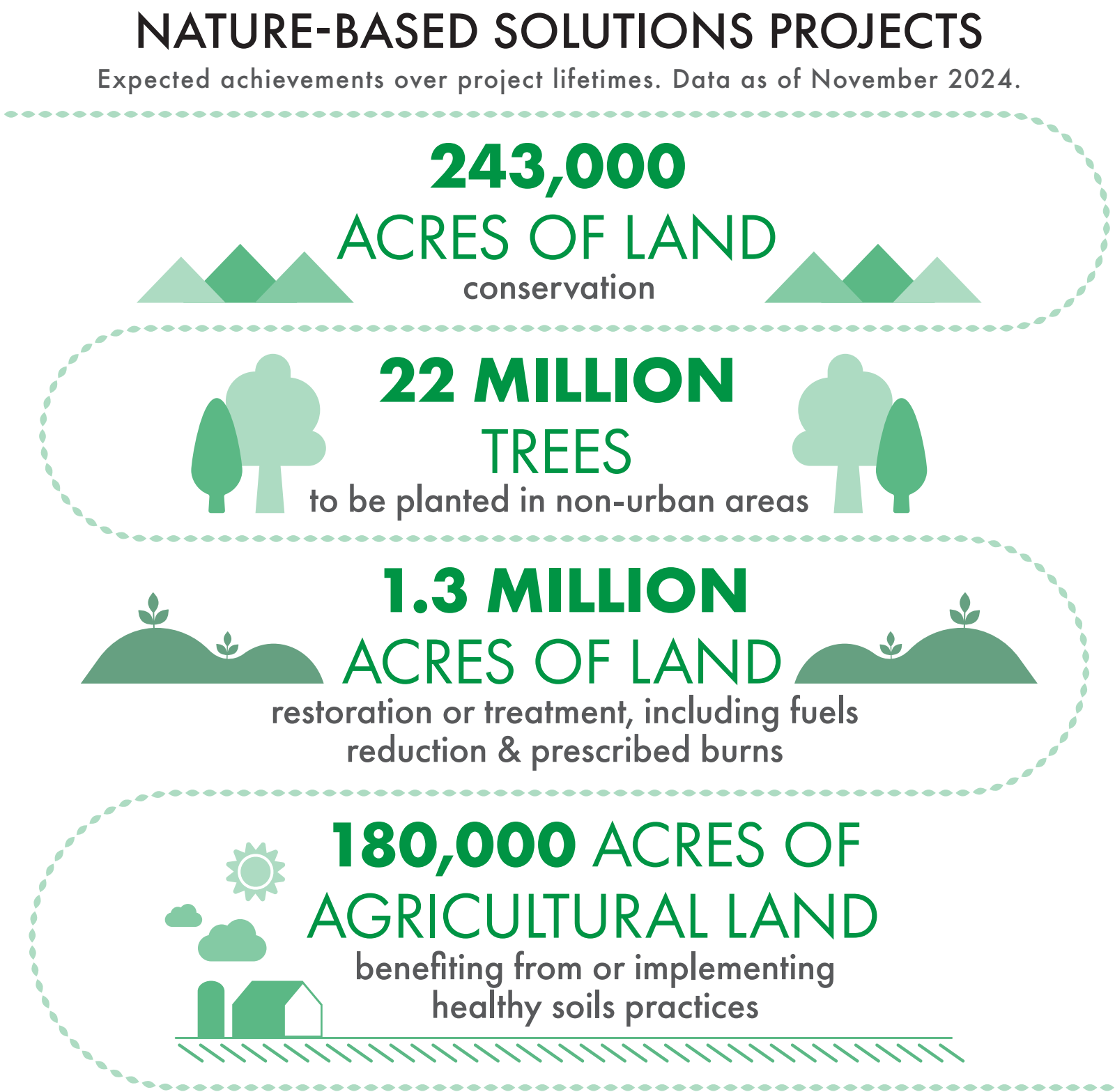
Triple C Dairy in Sonoma County received California Climate Investments funding through the [Alternative Manure Management Program](#) administered by the California Department of Food and Agriculture, to install equipment and a barn that reduces their emissions and improves ability to compost and recycle manure. By automating manure clean-up and reducing the manure solids entering storage lagoons, the project reduced diesel use and methane emissions. The full project profile details how the project was implemented and the range of benefits it has provided.

[Read more >](#)

NATURE-BASED SOLUTIONS

California Climate Investments implemented many projects that are focused on increasing forest and community resilience to wildfire, safeguarding communities located along the wildland-urban interface, and conserving forests as valuable carbon sinks (Figure 7). Cumulatively, projects under this sector have implemented almost \$2.2 billion, resulting in an expected reduction of 41.6 MMTCO₂e in GHG emissions. In 2024 alone, these projects implemented \$371 million in funding and are expected to reduce GHG emissions by nearly 3.6 MMTCO₂e. One such project is featured in the “Investments in Action” section below.

Figure 7: Cumulative Estimated Achievements from Nature-Based Solutions





INVESTMENTS IN ACTION

BRINGING SOUTHERN SIERRA FORESTS BACK FROM THE ASHES

A recipient of a \$4.9 million grant from the *Forest Health Program*, administered by the California Department of Forestry and Fire Protection, completed several years of work to restore more than 2,600 acres of forests in the southern Sierra. The project involves replanting giant sequoias and other native conifers in areas that were severely burned by six wildfires in Sequoia National Forest, the Tule River Reservation, and the Mountain Home Demonstration State Forest.

[Read more >](#)



Advancing Environmental Justice and Equity

As California confronts the challenges of climate change, it is crucial to ensure that California Climate Investments not only reduce GHG emissions but also deliver maximum public benefits to Californians, with a focus on those most severely impacted by climate change and environmental pollution. Prioritizing these communities helps address long-standing disparities and ensures they share the benefits from the use of zero-emission vehicles, clean energy, improved air quality, and enhanced climate resilience.

MAXIMIZING PUBLIC HEALTH BENEFITS TO CALIFORNIANS

Climate change causes a range of public health impacts for Californians including increased heat-related illness and death, increased injury and loss of life due to extreme weather events, increased occurrences of vector-borne and water-borne diseases, and mental health impacts from loss of livelihoods, property loss, and displacement.^{27,28}

Air pollution and climate change are closely linked, as many air pollutants are emitted alongside GHGs. Pollutants, such as PM2.5, NOx, and ozone, are known to cause a wide range of health issues, including heart disease, stroke, chronic obstructive pulmonary disease, lung disease, and respiratory infections in children, among others. California cities routinely fall within the top 10 most-polluted cities in the country for ozone and short- and long-term particle pollution, according to the American Lung Association’s [State of the Air report](#). In addition, the increasing frequency and intensity of California wildfires, driven by climate change, exacerbate existing air quality issues and are anticipated to lead to a higher incidence of air pollution-related hospitalizations and deaths.²⁹

One example of California Climate Investments’ commitment to advance public health is the Statewide Mobile Monitoring Initiative aiming to identify opportunities to reduce air pollution exposure in communities with high air pollution burden. In 2024, a Project Expert Group, composed of ten community members and eight specialists from various sectors, was formed to develop a comprehensive community air monitoring plan for mobile air monitoring. Through extensive community engagement and innovative air quality monitoring strategies, this effort will pinpoint local air pollution emission sources and help focus efforts to reduce emissions in neighborhoods most impacted by air pollution.

To reduce exposure to air pollutants while improving public health, California Climate Investments also support projects that promote active transportation, expand access to parks and green spaces, install air filtration systems in homes, enhance food security, and deliver clean drinking water to communities in need.

For California Climate Investments projects with quantified local emissions reductions (such as PM2.5 and NOx), CARB estimates specific health benefits, including avoided cases of non-fatal heart attack, onset of asthma cases, asthma symptoms, and avoided lung cancer incidence. The improved health outcomes also translate into monetary benefits from avoided emergency room trips and hospitalizations, treatments for lung cancer and other diseases, and premature deaths. Additionally, the estimates account for avoided work loss days and neurological health benefits, including avoided hospitalizations from Parkinson’s and Alzheimer’s diseases. Figure 8 shows the cumulative estimated public health benefits from California Climate Investment projects.

27 2022 Scoping Plan [Appendix G - Public Health](#)

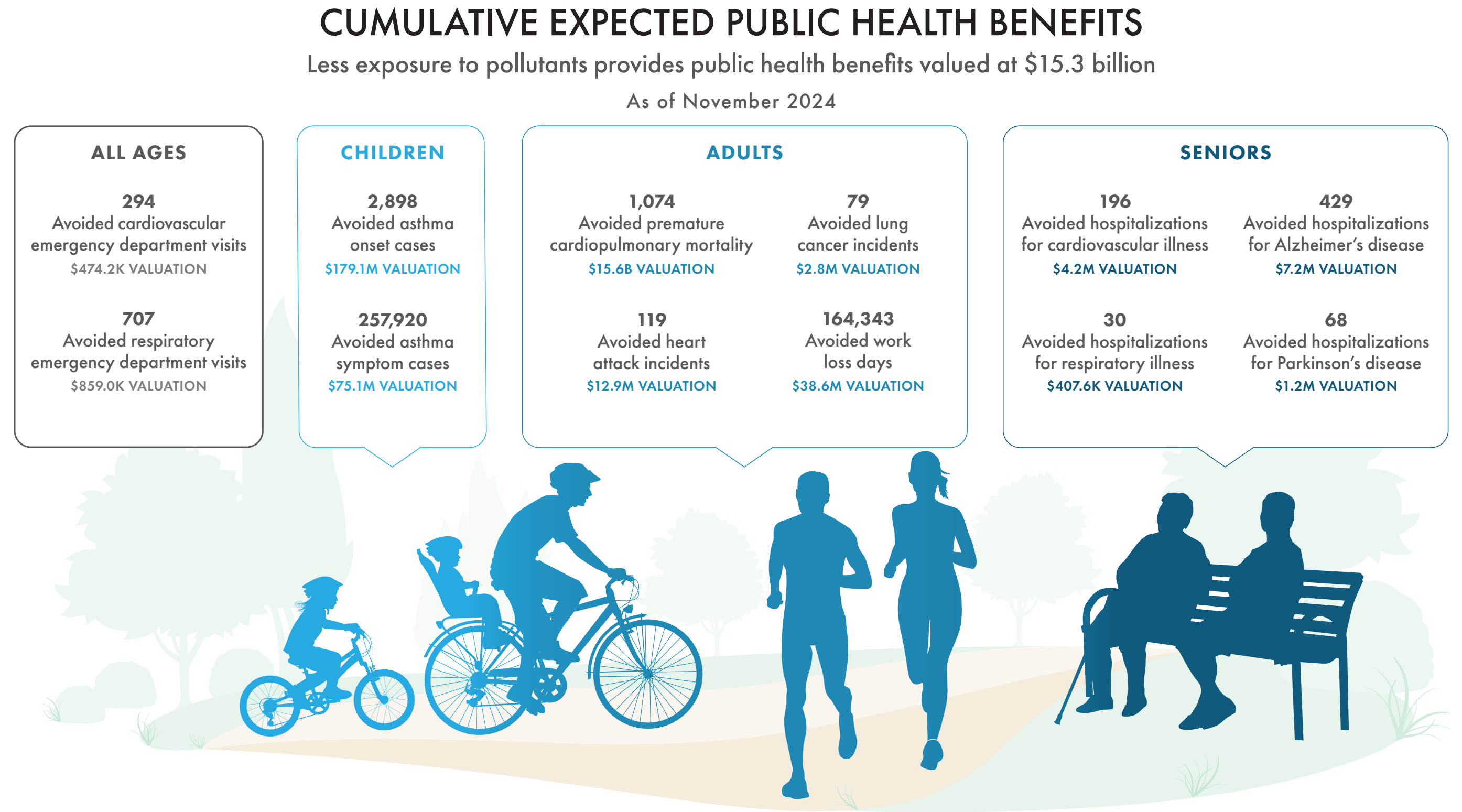
28 [Health Impacts of Climate Change](#) California Department of Public Health, Office of Health Equity

29 Carreras-Sospedra, M., Zhu, S., MacKinnon, M., Lassman, W., Mirocha, J. D., Barbato, M., & Dabdub, D. (2024). Air quality and health impacts of the 2020 wildfires in California. *Fire Ecology*, 20(1), 6.

Cumulative Air Pollutant Reductions

- Black Carbon:
320 Tons
- Diesel Particulate Matter:
3,436 Tons
- Nitrogen Oxides:
77,581 Tons
- PM 2.5:
7,550 Tons
- Reactive Organic Gases:
23,682 Tons

Figure 8: Providing Public Health Benefits for Californians





INVESTMENTS IN ACTION

A CLEAN RIDE TO SCHOOL: SCHOOL DISTRICT FLEETS GO 100% ZERO-EMISSION

Several school districts across the state are taking steps to decarbonize their school bus fleets, increasing the sustainability of their operations and protecting the health of the children and communities they serve. The project is a collective effort under CARB's [Clean Truck and Bus Vouchers](#), Clean Mobility Options, and Rural School Bus Pilot Projects programs. The transition to zero-emission fleets, which has taken place in both urban and rural school districts, has demonstrated wide-ranging health and climate benefits while generating substantial cost savings.

[Read more >](#)

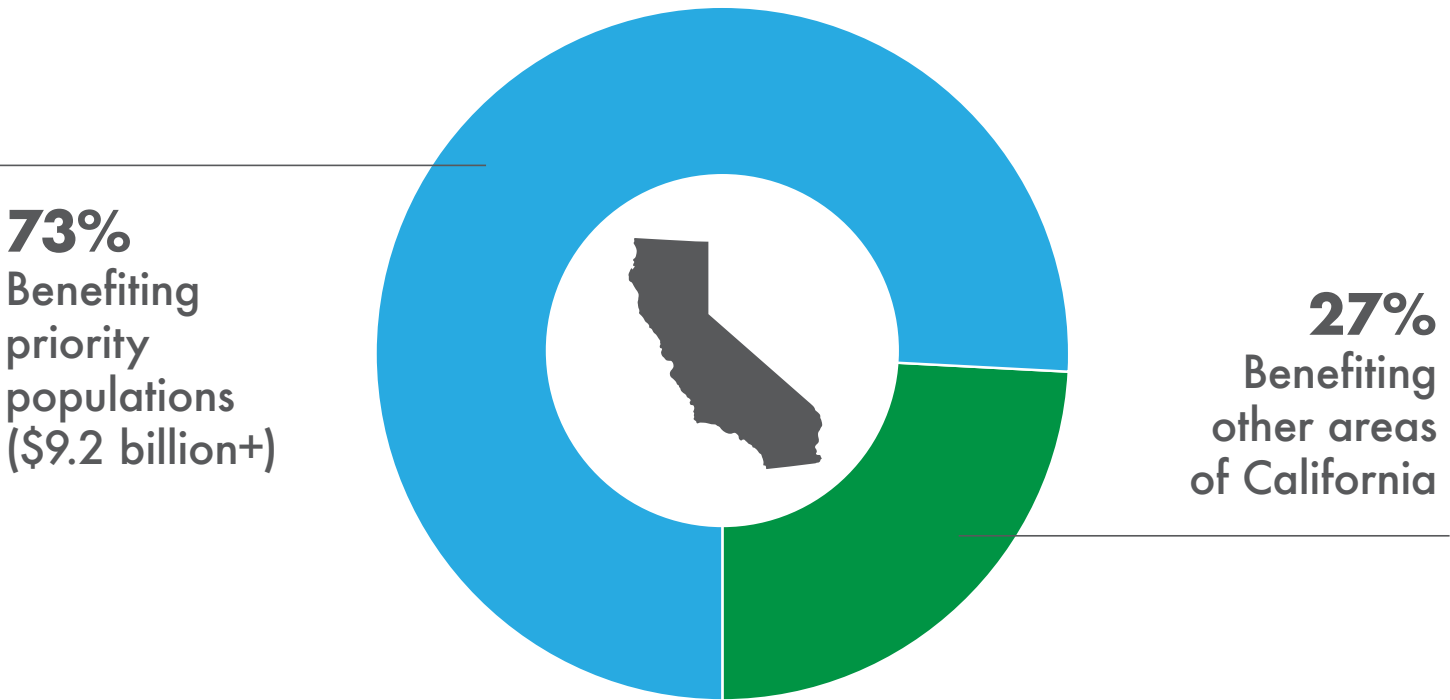


DELIVERING BENEFITS TO PRIORITY POPULATIONS

The impacts of environmental pollution are not evenly distributed, with communities of color and those with lower socioeconomic status disproportionately exposed to harmful pollutants.³⁰ Many California Climate Investments programs prioritize investments in communities that have been historically marginalized and disproportionately burdened by pollution, while delivering broader public health and environmental benefits to improve health outcomes.

Of the \$12.8 billion implemented to date, nearly \$9.2 billion are benefiting communities designated as priority populations, as shown in Figure 9. In 2024, roughly \$1.2 billion of implemented California Climate Investments projects are benefiting priority populations, accounting for 65% of the \$1.9 billion implemented during the year. These investments benefit priority populations and all Californians by curtailing pollutants and GHG emissions, building climate resilience, and providing economic opportunities. Investments also directly benefit low-income households through vouchers, rebates, and incentives for electric vehicles, wood stove change-outs, weatherization, and more. Collectively, California Climate Investments programs help make sure priority populations are included in the transition to a carbon neutral future.

Figure 9: Cumulative Benefits to Priority Populations



³⁰ *Analysis of Race/Ethnicity and CalEnviroScreen 4.0 Scores*. Office of Environmental Health Hazard Assessment. 2021.



INVESTMENTS IN ACTION

SUPPORTING THE ADOPTION OF ZEVS WITH A FREE TECHNICAL ASSISTANCE PROGRAM

In August of 2023, CARB and the transportation nonprofit CALSTART launched Cal Fleet Advisor, a Clean Truck and Bus Voucher Incentive Project (HVIP) initiative that offers free technical assistance to help owners and operators integrate more zero-emission medium- and heavy-duty vehicles into their fleets. The project, funded by California Climate Investments, pairs program enrollees with a dedicated advisor who provides specific insights on and resources for transitioning to a cleaner fleet. Cal Fleet Advisor focuses on smaller businesses and independent owner-operators and offers free personalized plans free of charge to fleets in disadvantaged communities, helping increase opportunities for fleets across the state to access technical assistance and integrate zero-emission vehicles.

[Read more >](#)

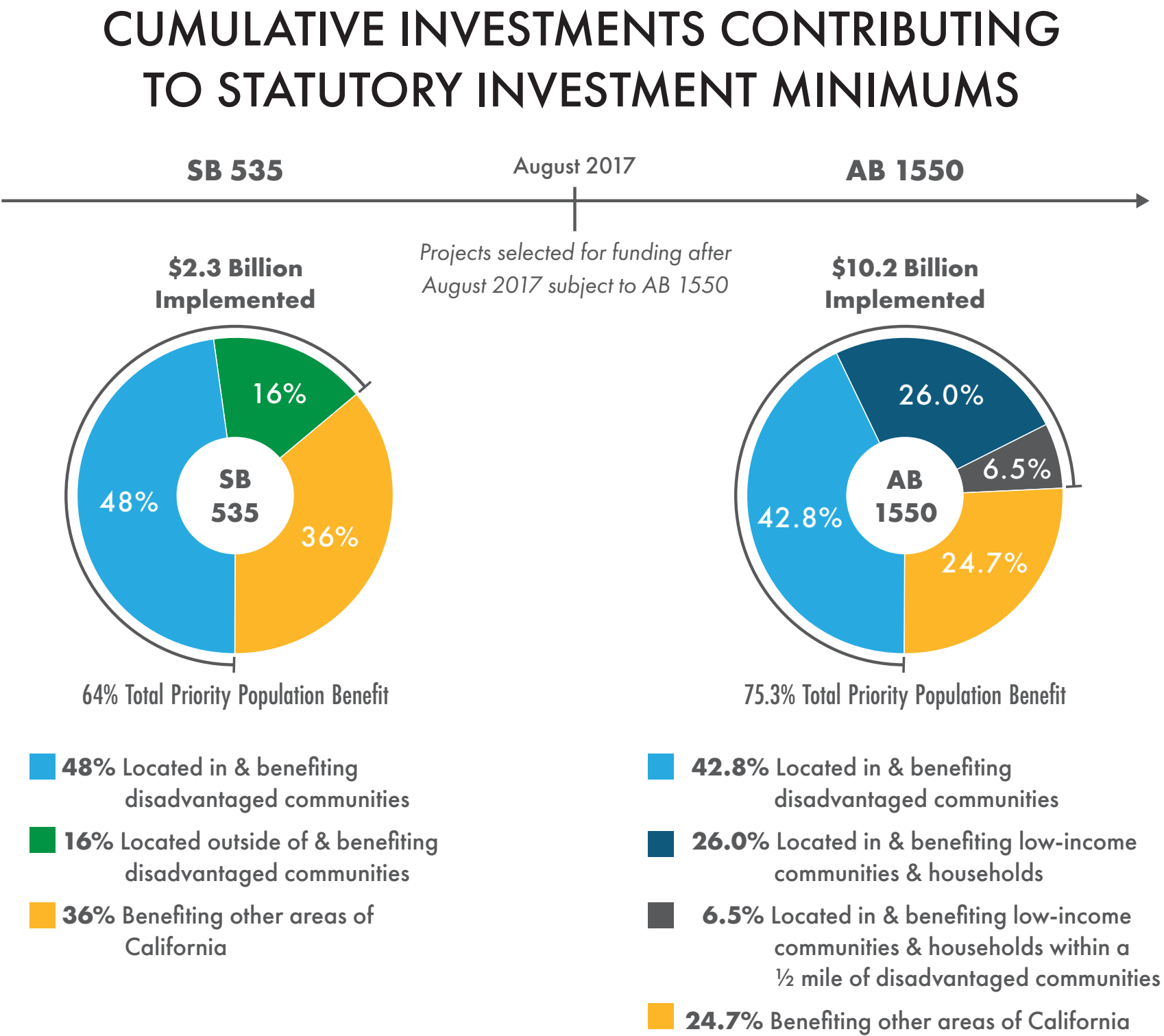
CUMULATIVE INVESTMENTS TOWARD STATUTORY MINIMUMS

When reporting California Climate Investments’ benefits to priority populations, administering agencies follow CARB’s Funding Guideline requirements as directed by the legislature. Projects that were awarded funds prior to August 2017 were subject to the investment targets established by SB 535, while projects awarded funds since then are subject to AB 1550’s investment requirements.³¹

Out of the cumulative \$9.2 billion in implemented projects benefitting priority populations, approximately \$1.5 billion and \$7.7 billion were subject to SB 535 and AB 1550, respectively, as detailed in (Figure 10). Nearly all of the recently reported outcomes have occurred under the AB 1550 requirements, with only a small set of programs still reporting under the SB 535 requirements for projects awarded funding prior to August 2017. As nearly all projects implemented under SB 535 have concluded or are nearing completion, the 2025 Annual Report will be the final year projects are reported under both SB 535 and AB 1550. All future projects will be subject to AB 1550 requirements unless otherwise noted.

³¹ AB 1550 amended SB 535 to change the requirements for investment in disadvantaged communities, and to add minimum investment requirements for low-income communities and low-income households, increasing the amount of California Climate Investments funding that is directed towards the communities most impacted by climate change.

Figure 10. Cumulative Investments Contributing to Statutory Investment Minimums





INVESTMENTS IN ACTION

CARB SUPPORTS A MULTI-GENERATIONAL CAMPAIGN TO ADVANCE TRANSPORTATION JUSTICE IN CITY HEIGHTS

The City Heights Community Development Corporation (CHCDC) has leveraged two California Climate Investments grants to increase transportation equity by strengthening connections between active transportation infrastructure, transit, and affordable housing in the City Heights neighborhood of San Diego. The first grant supported the creation of a community advisory board and Development without Displacement report, both of which are now supporting implementation of the second grant, which includes pedestrian safety enhancements, cultural placemaking, urban greening initiatives, and supportive infrastructure for a new bikeway. CHCDC continues to work closely with the community to implement locally specific and resident-led transportation solutions that make it safer and easier to get around without a car in a culturally rich neighborhood that is experiencing frequent traffic violence and displacement. The project, which has been supported by both a planning and an implementation grant from CARB's [Sustainable Transportation Equity Project](#), is described in detail in the full profile.

[Read more >](#)



DIRECTING INVESTMENT TOWARD DISADVANTAGED COMMUNITIES AND HOUSEHOLDS

To better address the higher investment needs in communities with the greatest pollution burden and vulnerability, administering agencies are taking important steps to improve program accessibility, enhance outcomes, and advance racial equity. For example, the Safe and Affordable Drinking Water Fund includes a demographic analysis in their annual [Fund Expenditure Plan](#) to ensure equitable outcomes of their investments to support the Human Right to Water as mandated by [AB 685](#) (Eng, Chapter 524, Statute of 2012). The California Strategic Growth Council has also approved updates to the Affordable Housing and Sustainable Communities program guidelines to award additional scoring to prioritize proposed projects that benefit disadvantaged communities, low-income communities, and tribal communities. This change to scoring criteria was made in an effort to increase program benefits to communities most vulnerable to housing cost burden.

Administering agencies are also working to improve engagement with tribal communities and to reduce barriers to funding access. For example, the Strategic Growth Council's [Tribal Capacity Building Pilot Program](#) awarded \$1.45 million in Tribal Capacity Building Grants in 2024 to support six Tribal Governments across the state to advance their ability to plan, fund, and implement projects for climate mitigation, adaptation, and resilience. Another notable example is the urban greening project featured in the "Investments in Action" below.



INVESTMENTS IN ACTION

CREATING AN EMERALD NECKLACE OF PARKS IN THE LOS ANGELES BASIN

Amigos de Los Rios, a Southern California-based nonprofit, is using California Climate Investments funding received through the [Urban Greening Program](#), administered by the California Natural Resources Agency, to create an Emerald Necklace, a 17-mile loop of parks and greenways connecting disadvantaged communities to urban green spaces. The nonprofit recently transformed the exterior of Mary Jackson Elementary School in Altadena, providing students with large shade trees, landscaped gardens, and outdoor learning spaces. In a nearby project, Amigos de Los Rios revitalized a section of the Rio Honda Bike Path, integrating native plants, accessible sitting areas, and natural infrastructure to capture carbon and filter groundwater. The full profile covers the unique goals and successes of the schoolyard and bike path projects.

[Read more >](#)



Building Resilient Communities

Climate change is no longer a future threat, it is happening now. The impacts are already being felt every day throughout the state; from wildfires to sea level rise, and from droughts to floods, climate change is intensifying extreme weather events and driving up costs related to heating, cooling, infrastructure repairs, and disaster recovery. While California Climate Investments projects primarily focus on reducing GHG emissions, many of these programs also help to enhance climate resilience for communities and ecosystems, demonstrating that mitigating the cause of climate change and its consequences could be pursued simultaneously.

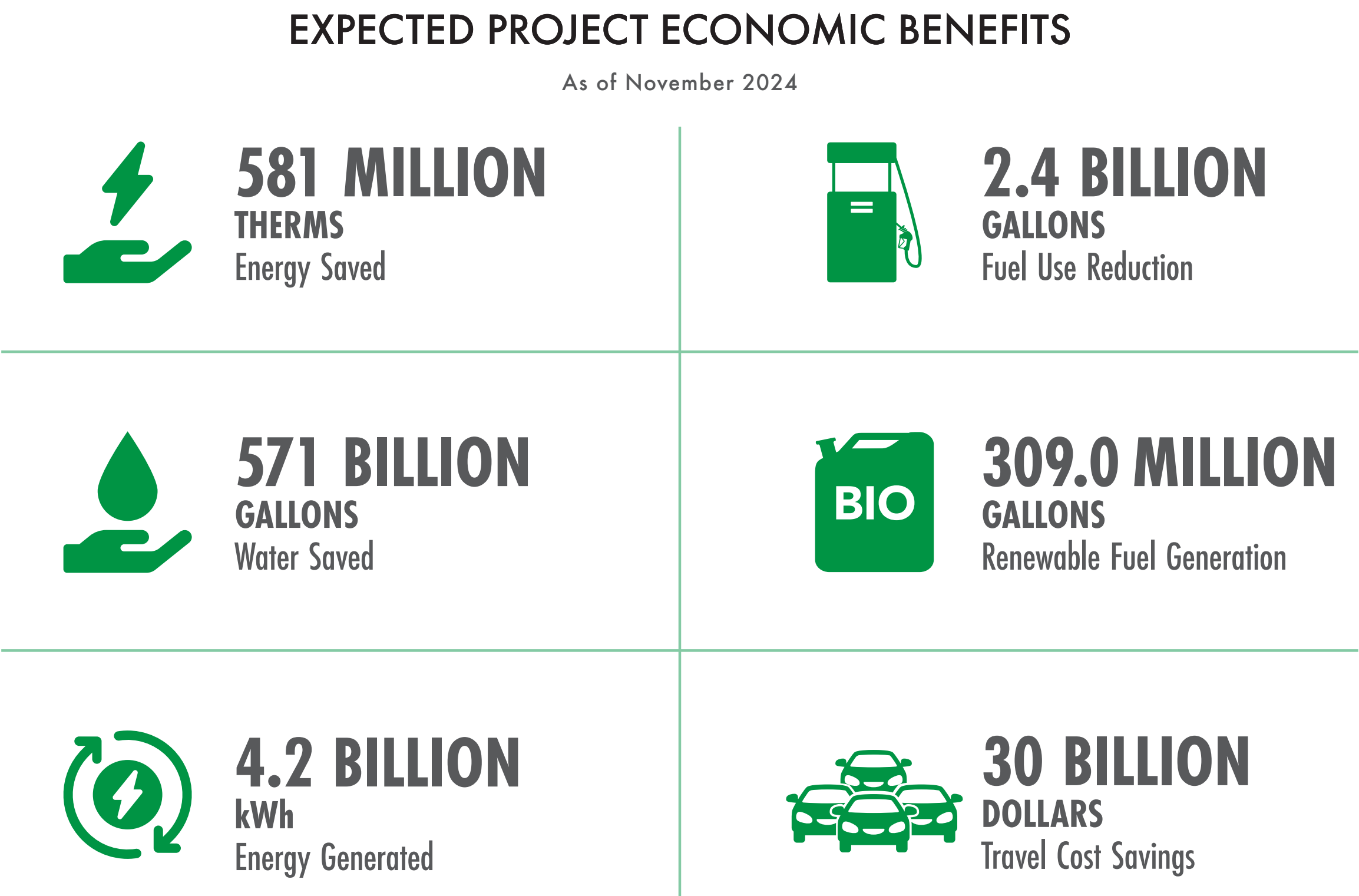
BUILDING CLIMATE RESILIENCE

Climate resilient communities focus on preventing damage from climate threats while enabling a quick recovery from disasters. Residents in these communities have access to necessary support, and critical systems – such as electricity, emergency response, water supply, healthcare, and communications – experience minimal disruption. Resilience also extends to ecosystems, because a healthy natural environment reduces the impact of extreme climate events. California Climate Investments support a variety of projects that protect and restore natural landscapes and help to safeguard communities to reduce the impacts of climate-related hazards, such as:

- Local and state planning for sea level rise via the [Climate Ready Program](#);
- Providing clean drinking water to communities who have gone without it for too long via the [Safe and Affordable Drinking Water Fund Program](#);
- Supporting heat-resilient communities via grants such as the Extreme Heat Community Resilience Program and the [Schoolyard Greening Program](#), while promoting heat-resilient housing through incentives for energy efficient retrofits and energysaving appliance upgrades offered by programs like the [Multi-Family Energy Efficiency and Renewables](#), [Single-Family Energy Efficiency and Solar Photovoltaics](#), and [Transformative Climate Communities Program](#); and
- Proactive forestry treatments to reduce the risk of catastrophic wildfires by supporting programs like the [Forest Health](#) and [Wildfire Prevention Grants](#) Programs, as demonstrated in the project highlighted in “Investments in Action” below.

California Climate Investments also help build resilient communities by providing cost savings that deliver economic benefits. Programs funded by California Climate Investments reduce household and business expenses through incentives, rebates, and subsidies that lower the cost of clean energy, zero-emission vehicles, and energy efficient upgrades. Investments in public transit and active transportation reduce vehicle miles traveled while decreasing fuel and commuting costs. Additionally, weatherization programs help lower utility bills, making communities more resilient to energy price fluctuations (Figure 11).

Figure 11. Providing Economic Benefits for Californians





INVESTMENTS IN ACTION

CANYON FIRE: ALL HANDS ON DECK

The Ponderosa-Mira Monte Shaded Fuel Break, funded by California Climate Investments through the California Department of Forestry and Fire Protection's [Wildfire Prevention Grants Program](#), has had a demonstrable impact on the wildfire resilience of communities in and around the Tuolumne River Canyon. When the Canyon Fire blazed through the area in 2024, the fuel break noticeably decreased the intensity and forward progression of the fire, enabling fire crews to take an offensive firefighting approach. As a result of the fire's altered course and intensity, firefighters were able to contain it with no injuries, no fatalities, and no structure losses. The full profile describes the construction of the fuel break and illustrates the success of fuel breaks in protecting high-risk communities.

[Read more >](#)



INVESTMENTS IN ACTION

ANAEROBIC DAIRY DIGESTER CONVERTS METHANE TO RENEWABLE NATURAL GAS IN MERCED COUNTY

Vander Woude Dairy, a family-owned and operated business in Merced, received over \$1.8 million of California Climate Investments funding through California Department of Agriculture's *Dairy Digester Research and Development Program* to implement an innovative covered lagoon digester to capture methane. The methane captured by the digester is converted into Renewable Compressed Natural Gas for vehicle use, reducing the dairy's reliance on fossil fuels for transportation. Data collected over the year after its implementation show that the digester has helped the dairy cut emissions by nearly 24,000 metric tons of CO₂ equivalent. The project has also demonstrated economic benefits by generating forty-four jobs and an additional \$825,858 in economic output for every \$1 million spent.

[Read more >](#)

STRENGTHENING THE ECONOMY

By investing in projects that reduce GHG emissions and advance climate resilience, California Climate Investments not only protect communities from climate impacts but also drive a thriving and sustainable economy. California Climate Investments programs play an important role in strengthening the state’s economy by supporting workforce development initiatives that equip individuals with the skills needed for long-term employment in emerging industries, laying the foundation for an economy that aligns with the state’s climate goals. To support this effort, several administering agencies have implemented over \$118 million to support workforce training programs that prepare workers for stable, well-paying jobs in sectors such as clean energy, forestry, and zero-emission transportation. Highlights from a few programs include:

- The California Conservation Corps’ [Training and Workforce Development Program](#) employed 826 full-time equivalent positions to complete forest fuel reduction, habitat restoration, and energy efficiency projects;
- The California Energy Commission, in partnership with CARB, launched the [Inclusive, Diverse, Equitable, Accessible, and Local Zero-Emission Vehicle Workforce Pilot](#) and enrolled their first cohort of trainees receiving training in zero-emission vehicles, technology, and infrastructure;
- California Department of Forestry and Fire Protection administers the [Wood Products and Bioenergy](#) and [Business and Workforce Development](#) programs and awarded 27 projects for funding that support forest-related workforce development; and
- The California Workforce Development Board’s [High Road Training Partnerships Program](#) (formerly the Low Carbon Economy Workforce program) supports sectorbased regional partnerships, research and development of workforce programs, and planning for the transition to a low-carbon economy.

Beyond workforce development investments, California Climate Investments also support jobs. CARB uses the [Jobs Co-Benefit Assessment Methodology](#), which analyzes general project expenses and known relationships between various economic sectors to prospectively estimate, or model, the number of direct, indirect, and induced jobs supported by California Climate Investments projects.³² By supporting workforce development and employment opportunities across sectors, California Climate Investments contribute to long-term economic growth and community resilience.

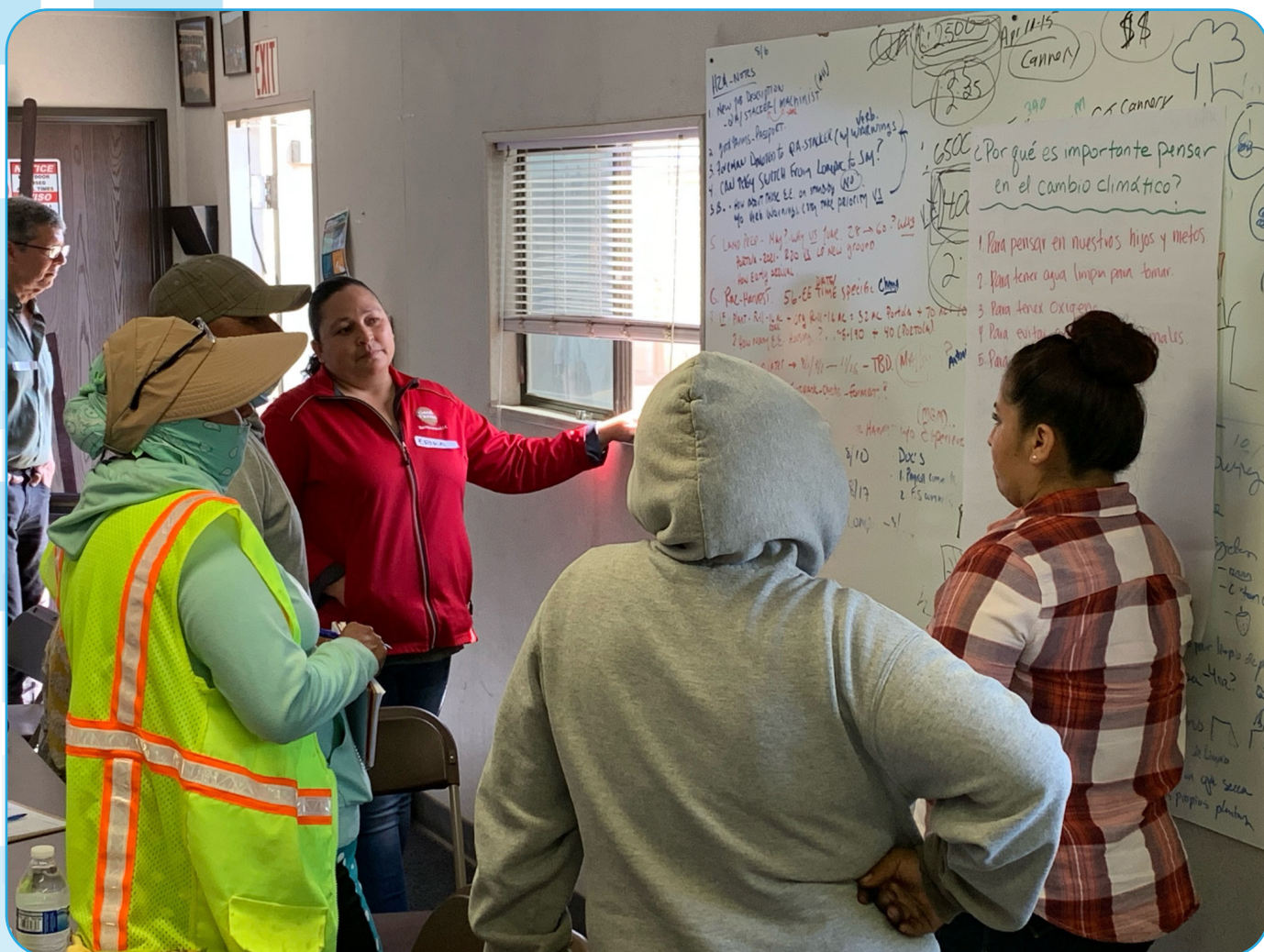
³² Directly Supported Jobs: Labor needed to complete work for a California Climate Investments project (e.g., housing construction, ecosystem restoration). Indirectly Supported Jobs: Labor related to the supply chains that support projects. Funding a project generates demand for materials and equipment to complete the project, leading to expanded production and employment in upstream industries (e.g., manufacturing construction equipment, zero-emission vehicle parts, solar panel components). Induced Jobs: Labor related to the spending of income from directly and indirectly supported jobs which in turn stimulates demand for goods and services in the wider California economy.

Cumulative Modeled Jobs

62,058
directly supported jobs
21,733
indirectly supported jobs
38,765
induced jobs

2024 Modeled Jobs

8,619
directly supported jobs
2,890
indirectly supported jobs
5,202
induced jobs



INVESTMENTS IN ACTION

HIGH ROAD TO BETTER AGRICULTURAL JOBS

The California Workforce Development Board's [High Road Training Partnerships Program](#) granted nearly half a million dollars through the Equitable Food Initiative (EFI) to engage farmworkers and produce industry employers in the documentation and categorization of foundational, crop-specific, and technical skills. This work will support improved job quality for workers, a more professionalized workforce for employers, and the recognition of skills needed in environmentally sound agricultural production. EFI is an organization that provides tools to strengthen labor management systems across the produce industry, certifies the farms of high road agricultural employers to rigorous labor, food safety and integrated pest management standards, and partners with experts, employers and workers to offer new skills and career ladders to the agricultural workforce.

[Read more >](#)



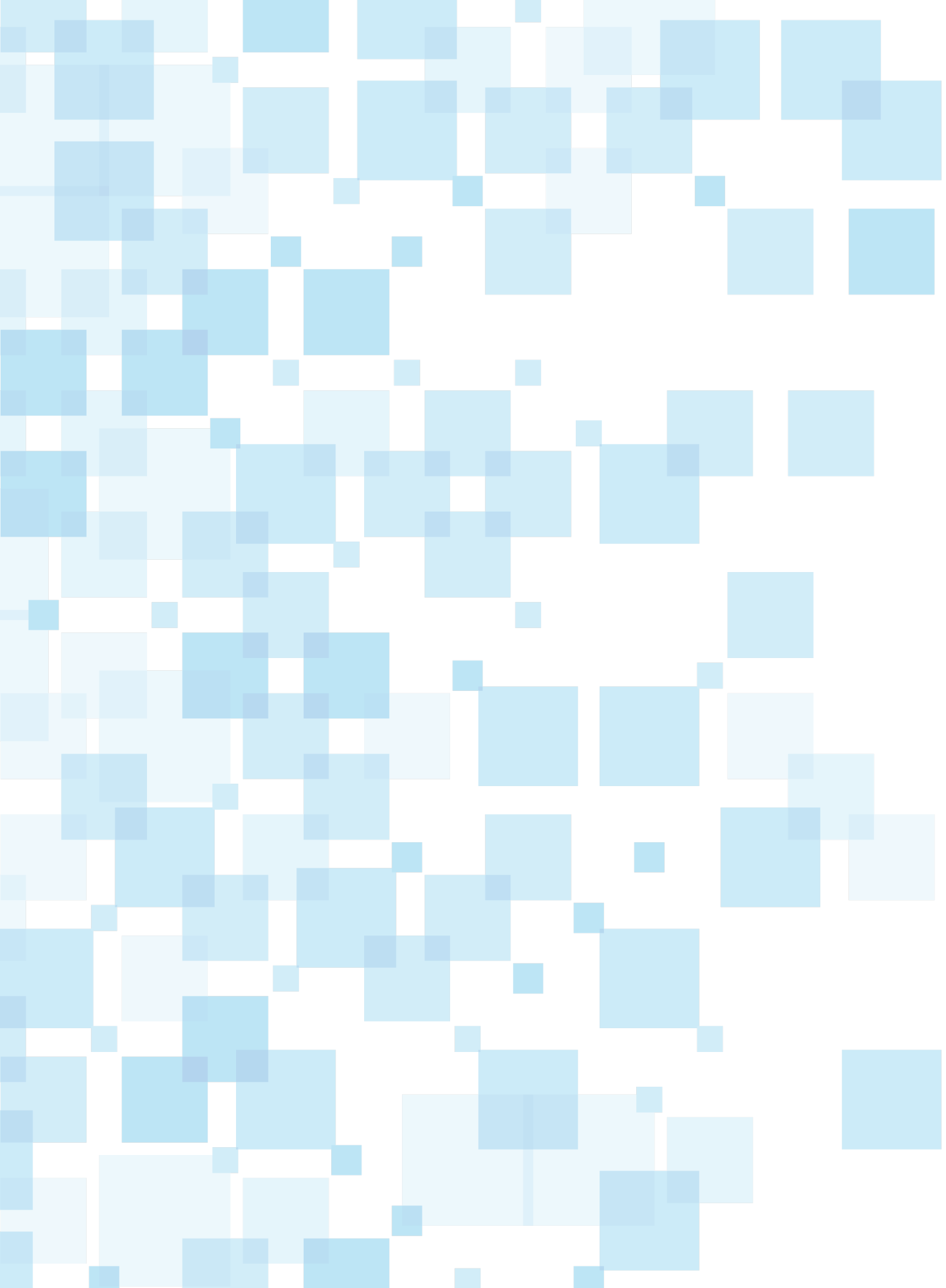
LOOKING TO THE FUTURE

In 2024, California Climate Investments programs demonstrated another year of success, advancing innovative climate solutions and building resilient communities statewide. This progress underscores the importance of the continued investments in translating bold climate policies into meaningful, on-the-ground projects. With over 590,000 projects and \$12.8 billion implemented to date, California Climate Investments programs are not only contributing to the near-term climate objectives but also providing critical environmental and economic benefits to Californians.

Looking ahead, there is still much more work to be done. Climate change presents evolving challenges, and addressing them will require continued collaboration, innovation, and strategic investment. The success of California Climate Investments rests on strong partnerships with state and local agencies, communities, nongovernmental organizations, tribes, and other partners. Continuing to foster these connections will amplify the impact of every dollar spent and help ensure that benefits are equitably distributed, particularly to priority populations vulnerable to climate change risks and health impacts.

As California continues its journey toward carbon neutrality, the lessons and achievements of California Climate Investments provide a valuable example for scaling climate solutions. These programs have shown that reducing emissions can go hand-in-hand with advancing environmental justice and equity, building resilient communities, and promoting economic growth. Sustaining California Climate Investments beyond 2030 will be critical to enable the state to drive further emissions reductions while delivering other benefits.

Moving forward, California's ability to lead in climate action will depend on sustaining strategic investments, fostering innovation, and deepening partnerships with communities, organizations, industries, and researchers. Through collective efforts and targeted investments, we can create a future that is not only carbon-neutral but also more equitable, resilient, and sustainable for all Californians.



California Climate Investments

caclimateinvestments.ca.gov