



FOR IMMEDIATE RELEASE
May 12, 2015

CONTACT: Beth Miller/Brooke Armour
(916) 551-1383

ICYMI: *Sacramento Bee*: Growing California cap-and-trade fund attracts surge of spending proposals

Legislators are lining up to spend billions in revenue from hidden tax

(SACRAMENTO)—A recent article in the *Sacramento Bee* details how legislators are lining up to spend billions in new revenue thanks in part to billions of dollars in revenue generated by the Air Resources Board’s auction in the cap-and-trade program. And while legislators and special interest groups are more than ready to spend the money, none are questioning how the un-elected Air Resources Board has collected these billions of dollars in revenue without a vote by the Legislature or the public. This is newfound revenue that will be earmarked by the Legislature for numerous special interests and purposes and will ultimately be paid for by families and businesses throughout California in the form of higher energy and fuel costs.

***Sacramento Bee*: Growing California cap-and-trade fund attracts surge of spending proposals**

With California’s growing cap-and-trade program expected to yield a budgetary bonanza, lawmakers and interest groups have ample ideas for how to spend the money. Floating proposals ahead of a pivotal period for budget negotiations, they say they want to fund port improvements, pay for heavy-duty trucks and ferries, nurture urban rivers, sponge up carbon in soil and provide discounted bus passes.

...

“It’s the next big fight,” said Assemblyman Henry Perea, D-Fresno. “It’s going to continue to be a fight as more revenue comes in.”

...

By this time last year, the system already had generated hundreds of millions of dollars that were parceled out via the budget, including a controversial annual outlay to support high-speed rail. But this year is different: Oil and gas producers have been obligated to buy permits for the first time, likely generating a multibillion-dollar influx.

“With transportation fuels coming under the cap, there will be more money for years to come. That changes the dynamic,” said Senate President Pro Tem Kevin de León, D-Los Angeles. “Because there’s going to be a lot more money, there’s going to be that many more projects competing for dollars.”

...

Interest groups hoping to win funding also have compiled wish lists and pressed their cases with elected officials.

A solar industry group is exploring ways to expand the technology in low-income communities. The California Natural Gas Vehicle Coalition wants to help deploy heavy-duty trucks that burn natural gas. The manufacturing industry's association is fighting the law in court, but they argue that the money – if it is ruled legal – should help heavy industry make its operations more energy-efficient.

...

With a growing pile of money spurring interest, Pavley said, officials must be vigilant about keeping their focus on cutting greenhouse gases. Sacramento suffers from no shortage of ideas for spending money, but not all of them fit that framework.

To read the entire article, [please click here](#).