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ICYMI: *The Fresno Bee*: Cap-and-trade revenue should go to fix our Valley air

(SACRAMENTO)—In today’s *Fresno Bee*, former Assemblyman Allan Nakanishi writes about the cap-and-trade auction program’s failure to improve air quality in the Valley or have measurable impacts on climate change in the state. At the same time, the Assembly Budget Subcommittee 3 (Resources and Transportation) will meet today to review a number of proposals by lawmakers and the governor’s administration to spend more than \$3 billion in cap-and-trade auction revenue profits. Nakanishi explains why so many lawmakers are trying to tap into the cap-and-trade auction program’s slush fund is due to the lack of accountability and guidelines outlined in AB 32, the measure that created the cap-and-trade auction program.

***Fresno Bee*: Cap-and-trade revenue should go to fix our Valley air**

This week, the Legislature is assessing how to spend \$3.1 billion that came into state coffers from farmers, truckers, factories, and other businesses that employ workers throughout the Central Valley. But the proposals so far just look like more pork-barrel spending at the expense of hardworking Californians.

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I was in the Legislature when AB 32 was passed 10 years ago. And now, as a member of the City Council of Lodi, I’m disappointed to see the law being abused to raise billions in taxes for unaccountable spending that doesn’t measurably improve our air quality.

This is a double-whammy for the people of Lodi: We still struggle with air pollution yet now our community’s key industries are also getting taxed in the billions of dollars.

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AB 32 authorized the state Air Resources Board to regulate greenhouse gases. ARB instead is extorting businesses to out-bid each other for a limited number of “allowances” to emit greenhouse gases. The prices businesses must pay for these allowances inevitably gets passed down to consumers and impacts jobs.

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This week, legislative budget hearings will consider proposals to spend the revenue on a range of programs that have little or nothing to do with air pollution or climate change – parks, housing, even

mosquito abatement and low-flush toilets. This is not going to help our residents with the poor air quality we face every day.

The problem is a lack of accountability. AB 32 never authorized ARB to levy this tax. And even if it had, AB 32 did not receive support from two-thirds of the Legislature, which is required to levy new taxes.

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When AB 32 was being debated in the Legislature in 2006, I was among the legislators who questioned the provision authorizing ARB to collect a fee from businesses. We were assured by the bill's proponents, on the floor of the Assembly, that the fee was only to cover administrative costs – not the billions that ARB is taking from businesses today.

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Now ARB is saying it doesn't need to follow the two-thirds rule because the revenue is merely "incidental" to its job of reducing greenhouse gases. That's an interesting spin. But if that were the case, then why is the revenue now being spent on more government and bureaucracy instead of measurable positive results?

The hardworking families and communities of California deserve better. Lawmakers need to finally put this carbon tax to a vote, pass it by at least two-thirds, and dedicate the revenue more effectively and transparently to actually meeting the goals of AB 32.

To read more, please [click here](#).