

May 28, 2026

Chair Lauren Sanchez
California Air Resources Board
1001 I Street
Sacramento, CA 95812

Members of the Board California Air Resources Board
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Sacramento, CA 95812

Re: OPPOSE - Proposed Amendments to the California Cap on Greenhouse Gas Emissions and Market- Based Compliance Mechanisms Regulation.

The Kennedy Commission is a nonprofit working on systemic change to increase affordable housing opportunities and equitable investments in marginalized low-income communities in Orange County and California. Our goal is to help create stable, healthy communities where low-income families can thrive and benefit from public investments that increase access to affordable housing, transportation, health and community amenities.

The Kennedy Commission writes to OPPOSE the Proposed Amendments to the California Cap on Greenhouse Gas Emissions and Market- Based Compliance Mechanisms Regulation. We OPPOSE the proposed amendments due to their severe impacts on Greenhouse Gas Reduction Fund revenues.

A critical program is the Affordable Housing Sustainable Communities (AHSC). This funding has helped transform disadvantaged communities by investing in addressing two of the most pressing issues impacting Californians, the need for affordable housing and the need for transportation equity by using Greenhouse Gas Reduction Fund.

Since 2014, AHSC has funded integrated public investments that include over 20,000 affordable homes, transportation, urban greening, and community programming that are critical to California's climate goals. Zeroing out funding for critical state programs, including \$800 million currently intended for AHSC would create inequitable investment priorities in California and will not holistically address climate goals, while ignoring the need for deeper community investments that are creating intersectionality and alignment among the many pressing

community needs, such as infrastructure investments, equitable transportation and affordable housing investments.

We OPPOSE the Proposed Amendments to the California Cap on Greenhouse Gas Emissions and Market- Based Compliance Mechanisms Regulation. The proposal would create inequitable allocation of investment priorities for Cap and Invest funds that will not address climate goals and would set back investment and creation of affordable housing that help further reduction in VMT and reduce Greenhouse gas emissions.

We urge the California Air Resources Board to not approve the proposed amendments. We urge you to maintain the current priorities and create equitable investments in transportation improvements and sustainable communities by helping to address housing affordability and climate goals through the ongoing implementation and funding of the Affordable Housing and Sustainable Communities program.

Sincerely,

Cesar Covarrubias

Executive Director

The Kennedy Commission

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