



COMMITMENT
INTEGRITY
LEADERSHIP

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LEGISLATIVE
HEARING DOCUMENT

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California Air Resources Board: **Improved Program Measurement Would Help California Work More Strategically to Meet Its Climate Change Goals**

Recommendations:

1. Measure the Actual GHG Benefits of CARB's Transportation Programs

- With limited time and resources available to meet the State's GHG goals, CARB must do more to identify the actual emissions reductions its transportation programs achieve.
- Currently, lack of data collection and measurement lead CARB to overstate the reductions from its incentive programs, which receive hundreds of millions of dollars each year from the State's cap-and-trade fund.

2. Ensure That Programs Provide the Non-GHG Benefits CARB Claims

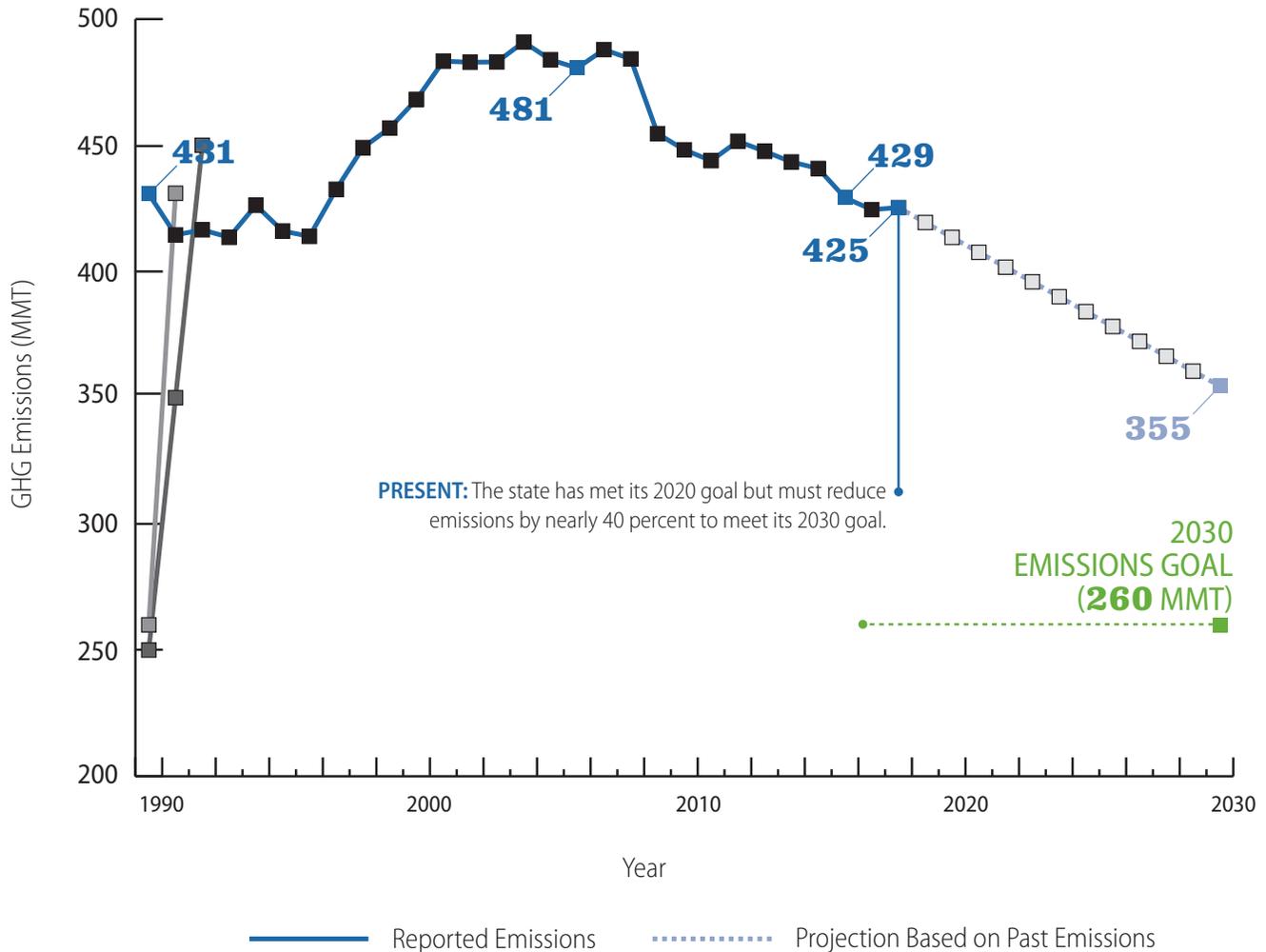
- Consistent with state law and its own guidelines, CARB operates transportation programs that focus primarily on providing socioeconomic benefits to participants.
- However, even though these programs may cost more, CARB has not taken sufficient steps to determine whether they provide the intended benefits—such as improving participants' financial stability.

3. Provide Better Information to the Legislature to Guide California's Strategy

- For the above reasons, CARB's current reporting to the Legislature is not adequate.
- The State needs better tools to balance its climate change priorities and guide its investments.

California May Not Meet Its GHG Goals for 2030 and Beyond

For more information, see page 8 of our report.



- California may not meet its 2030 emissions reduction goal. Although other sources of emissions have declined, transportation emissions (which account for 40 percent of emissions) have increased since 2013.
- Because transportation-related emissions are the largest single source of GHG emissions in California, it will be necessary to accelerate their reduction for the State to achieve its goals.
- To reduce emissions from transportation sources, CARB operates regulatory and incentive programs.

CARB Has Not Done Enough to Demonstrate Its Programs' Effectiveness in Reducing GHG Emissions

For more information, see page 19 of our report.

Multiple factors contribute to CARB's GHG objectives:



- However, CARB does not coordinate its measurement of overlapping regulatory and incentive programs' performance.
- CARB also generally cannot demonstrate that its incentive programs reduce emissions by getting participants to do things they otherwise would not such as buying clean vehicles.
- As a result, CARB's reporting to the Legislature overstates the incentive programs' emissions reductions and obscures their true cost-effectiveness.

Recommendations

- **CARB should develop a process to define, collect, and evaluate data on the behavioral changes that result from each of its incentive programs.**
- **CARB should use this information to refine its GHG emissions estimates in its annual reports to the Legislature, the funding plans approved by its board, and any longer-term planning documents or reports.**
- **CARB should report annually to its board and the Legislature on its progress in isolating the GHG emissions reductions from each of its regulatory and incentive programs.**

CARB Has Not Demonstrated That Its Programs Achieve the Socioeconomic Benefits It Claims

For more information, see page 44 of our report.

CARB'S SOCIOECONOMIC GOALS

- Increase participants' credit scores
- Enable travel outside of communities
- Maximize economic opportunities

METRICS CARB REPORTS

Dollars spent in disadvantaged and low-income communities.

HOWEVER, CARB DOES *NOT* EVALUATE OR REPORT ON

- Successful loan repayment and access to new credit opportunities.
- Greater access to food and health care through increased mobility.
- Improvements in employment status and income due to less expensive, more reliable transportation.

Recommendations

- CARB should review its incentive programs and clearly designate which programs focus primarily on socioeconomic benefits.
- CARB should develop a process to define, collect, and evaluate data that will translate to metrics showing the socioeconomic benefits that will result from each of the incentive programs.
- CARB should also report to the Legislature and its board on socioeconomic benefits its programs achieve and make funding recommendations based on programs' effectiveness in producing those benefits.