



**GOVERNOR
GAVIN NEWSOM**

Cap-and-Invest: Building Cap-and-Trade for the future

Governor Gavin Newsom's revised budget proposal seeks to extend California's nation-leading climate pollution reduction program—known as Cap-and-Trade—that is currently set to expire in 2030.



Extending the program to align with key 2045 goal

Extending the program – which has delivered nearly \$33 billion in investments in the last decade – beyond 2030 to 2045 will further California's climate leadership, set the state on a clear path to achieve its 2045 carbon-neutrality goal, provide greater market certainty and attract stable, private investment for decades. The new name of Cap-and-Invest reflects the program's mission: a stable and predictable price on carbon pollution to drive deeper investments in carbon reduction and clean technologies.



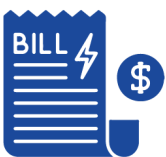
Making polluters pay for fire protection + prevention

To help address the projected budget shortfall, the Governor's Cap-and-Invest proposal supports CAL FIRE's operations by shifting \$1.5 billion from the Greenhouse Gas Reduction Fund (GGRF) to the General Fund budget on an ongoing basis. This aligns with the polluter-pays principle in which carbon emitters fund the state's response to the climate crisis they have helped create.



Stabilizing and securing high-speed rail's future

The proposal calls for at least \$1 billion from the GGRF annually to establish a stable and predictable funding stream for the state's high-speed rail project. A guaranteed minimum funding level will improve project planning and development and create new options for project delivery, including potentially making the project more attractive to private capital. This will help accelerate project delivery, lower long-term costs, and increase flexibility.



\$60 billion available for the California Climate Credit

Importantly, this program continues the California Climate Credit – resulting in approximately \$60 billion available for utility bill credits to California residents through 2045. Since 2014, California households have already received an average of \$1,120 in automatic climate credits on their utility bills.