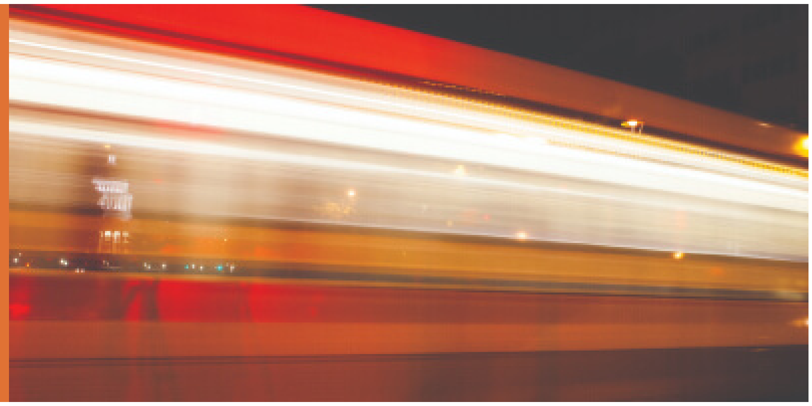
August 26, 2026

Action Alert



Countdown to Cuts

Help Us Protect California's Climate Investments

California's Greenhouse Gas Reduction Fund (GGRF) has long been a cornerstone of the state's climate strategy, delivering critical investments in affordable housing near transit, public transit capital projects and operations, and community clean air programs.

In 2026, those investments are under threat. We need your help to protect this critical funding.

Following action by the California Air Resources Board to amend the state's Cap-and-Invest Program, GGRF revenues will be reduced significantly beginning this fiscal year. Without action by the Governor and Legislature, the resulting shortfall could jeopardize both one-time and ongoing funding commitments that California communities rely on.

At risk are the state's annual funding commitments for "Tier 3" programs, including the Affordable Housing and Sustainable Communities Program (AHSC), Transit and Intercity Rail Capital Program (TIRCP), Low Carbon Transit Operations Program (LCTOP), AB 617 community air protection efforts, and Safe & Affordable Drinking Water Program (SAFER), and the remaining commitment to the SB 125 Zero-Emission Transit Capital Program (ZETCP).

Our "Tier 3 coalition" of housing, transportation, local government, environmental, labor, and disability rights organizations has led the fight to protect these commitments.

That advocacy is making a difference.

Last week, the California State Senate released a proposal that would provide significant new resources to protect several of these programs. The Senate proposal, however, does not provide additional GGRF funding for TIRCP, which would remain at approximately $76 million this fiscal year. It also does not provide additional GGRF funding for the affordable housing component of AHSC, which would remain at approximately $107 million.

While this is progress toward the coalition's goals, we face headwinds with Governor Newsom and Assembly Leadership.

On August 25, the Association submitted our latest Tier 3 coalition letter in response to the Senate proposal. Incorporating feedback from the Association's Transit Funding Task Force, the letter expresses strong support for the Senate's proposed investments in transportation, climate, and environmental justice programs while calling for a final, comprehensive budget agreement that also protects funding for the affordable housing component of AHSC.

With only days remaining to secure these funding commitments, your engagement is critical.

We urge all members to take the following actions:

1. **Contact your legislative delegation:** Contact your legislators and urge them to engage legislative and budget leadership on the importance of protecting funding for the Tier 3 programs and SB 125 program, as proposed by the Senate. Your message should highlight that we are calling on the final, comprehensive budget agreement to allocate additional funding for the affordable housing component of AHSC alongside LCTOP, AB 617, SAFER, and SB 125.

   Make the impact local and specific. Explain what is at risk for your agency and the communities you serve if these programs are not protected.

   And, share our coalition letter directly!

2. **Activate your board members:** Ask board members to contact your legislators and use their relationships to reinforce the importance of protecting funding for the Tier 3 programs and SB 125 program, as proposed by the Senate. Their message should highlight that we are calling on the final, comprehensive budget agreement to allocate additional funding for the affordable housing component of AHSC alongside LCTOP, AB 617, SAFER, and SB 125.

3. **Use and share our social media toolkit:** Help us make this issue more visible by using the Association's social media toolkit to post about the importance of protecting GGRF investments, highlight projects and services funded in your community, and amplify our statewide coalition effort. Tag your legislators and community partners where appropriate and encourage them to share the message.

As you communicate with policymakers and partners, focus on what GGRF investments deliver. They fund real projects and services that reduce pollution, expand mobility, lower household transportation costs, support affordable housing production, create and sustain good jobs, and protect public health in communities across California.

California cannot meet its climate goals, or address its affordability, mobility, and air quality challenges, by cutting the very programs designed to deliver those outcomes.

The final decisions are being made now. Please act today to protect the Tier 3 programs and SB 125 program.

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