

# Climate Change Adaptation Funding Pathways in California: Extreme heat policy and institutional reform

**Pathway:** Advance policies that lay the groundwork for funding extreme heat responses. Identify needed heat-related regulatory standards and establish a governance structure.

**Climate risks addressed:** Extreme Heat

**Timeline for implementation:** 2-5 years

**Estimated funding amounts:** Depends on scope of policy change. Seek to meet funding needs through a combination of public grants and incentives for private sector investment.

**Social equity considerations:** Focus expenditures on low-income households and disadvantaged communities; anticipate impact on cost of housing.

**Implementation pathway:** Build coalition and advocate for legislative change.

**Background:** Resources Legacy Fund (RLF) has worked with the OnClimate Team to develop four funding pathways that address pressing climate resilience needs in California. Our objective is to increase funding for climate adaptation and resilience in California in a fiscally responsible and socially equitable manner. We focus on funding current adaptation priorities with solutions that are reasonably feasible now or in the near-term, given current trends.

## Designing a statewide approach to adapting to extreme heat:

The first step in creating a funding pathway to address extreme heat in California is to create a regulatory and institutional framework that sets and implements heat-related standards.



### Key decision points for policy design

- How to regulate heat: performance standards vs. prescribed solutions
- Priority settings for extreme heat policies

- How to generate and share data
- How to align with related policy priorities, such as resilient hubs

### Agencies needed for implementation

- State-level coordinating body
- Agencies with regulatory authority over temperatures in one or more settings
- Agencies with an ability to influence or fund measures to reduce heat
- Local government agencies, including public health and building departments

Prepared for:



Prepared by:



With:



### Why this is needed:

- No one agency is responsible for addressing extreme heat and no statewide standards for maximum indoor temperatures have been set
- Setting policy for thresholds and establishing a coordinating body at the state level is a necessary first step to addressing and funding adaptation responses to extreme heat
- The frequency of extreme heat days is expected to increase due to climate change
- Exposure to extreme heat is greater among low-income households and disadvantaged communities. Children, the elderly, and pregnant women are among those most at risk.



### Potential stakeholders:

The feasibility of this funding pathway depends on the ability to create a coalition broad enough to capture the range of potential beneficiaries of an extreme heat policy (including health, workforce, and greenhouse gas emissions benefits) but narrowly focused enough to make extreme heat a policy priority.



- State legislators
- City and county government leaders
- Environmental Justice groups
- Traditional environmental groups
- Educators and education advocacy groups
- Labor unions and building trades

### Social equity considerations:

- Revenue structures should not be regressive or further burden low-income utility ratepayers
- Equitable design of the policies and eventual funding sources will need to focus on 1) how benefits are accessed and distributed, and 2) potential unintended policy consequences, particularly on the housing market



### Next steps:

- Identify a coalition willing to craft legislative proposals
- Establish a task force on extreme heat with stakeholders to identify: 1) data to set heat standards; 2) funding priorities; and 3) potential co-benefits
- Coordinate the efforts of legislators to bring extreme-heat legislation to the state legislature. Synchronize with related policies and experts, including affordable housing, community development, building standards, emergency services, and schools/institutions
- Identify an appropriate state-level coordinating agency
- Review existing state policies and funding sources that could contribute to reducing indoor and outdoor temperatures (building standards, energy efficiency, and weatherization programs for public and private buildings)



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This funding pathway proposal is drawn from the report: "[Proposed Funding Pathways for Adaptation to Climate Change in California](#)", produced for the Resources Legacy Fund by the OnClimate Team.

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