

## POLLUTERS PAY CLIMATE SUPERFUND ACT (SB684 / AB1243)

### *Community Benefits*

The Polluters Pay Climate Superfund Act ([SB684](#) / [AB1243](#)) offers the greatest opportunity our state has seen in a generation to invest in our communities and our future while holding big polluters accountable for the risks and costs they've imposed on California working families and taxpayers. A Climate Superfund provides revenue to recover from, build resilience against, adapt to, and mitigate climate damage. This could include, for example, funding disaster recovery and response, energy efficiency and resiliency, decarbonization, community resilience, and support for essential workers. These investments can help save utility costs for California families, schools, and local governments, and insulate state and local budgets against escalating climate disasters. With this fund, we can invest in California's future, respond to climate catastrophes, build climate-resilient neighborhoods and sustainable infrastructure with efficiencies for greater affordability, spur economic growth with thousands of good jobs, support workers suffering from climate-related harms, and usher in a thriving and fair transition away from fossil fuels.

### **A Climate Superfund invests in California communities.**

The Polluters Pay Climate Superfund Act will assess compensatory fees on the world's largest fossil fuel polluters to remedy the damage their emissions have caused the state. Fees collected will fund programs and projects to adapt to and reduce climate harm and impacts—projects that both respond to *and prevent* climate-driven harms. Examples of potential projects include:

- **Schools:** Increasing climate resilience and student learning with investments in efficiencies, such as building decarbonization, insulation, air conditioning and filtration, and community solar—so kids can learn despite extreme heat and pollution. Microgrids, electric buses, and VTG bidirectionality not only ease tight school budgets but also present opportunities for structures to double as safe spaces, community cooling or disaster response centers.
- **Wildfires:** Investments in community planning to prepare for and avoid the worst of fire-related harms, such as hardening of structures, defensible space, evacuation planning and design, and community design with buffers against high-risk zones. The fund can also support first responders and other essential personnel before, during, and after events, by providing PPE and other health and safety protections, and supporting research and medical care for impacts to essential workers, such as respiratory illness or extraordinarily high cancer rates in firefighters.
- **Extreme weather:** Investments in resilience, such as through community resilience centers, and to buoy local water and other infrastructure to withstand the whiplash of droughts, atmospheric rivers, and other harsh weather. These investments will provide communities that, for too long have been underinvested in, the opportunity to build necessary and urgent short- and long-term resilience.
- **Sea level rise:** Support for local government planning, design, and infrastructure to manage the impacts of sea level rise along the coast.
- **Small business and residential resilience and recovery:** Aid and assistance for small businesses and residents to prepare for, recover and rebuild after climate disasters.
- **Clean jobs:** Expanding job training and opportunities in green infrastructure projects to accelerate the transition away from climate-harming fossil fuel pollution, including projects to increase community

resiliency and transportation options and reduce pollution, vehicle miles traveled, and transportation costs.

- **Equity:** At least 40% of the funds will be dedicated to benefit communities hit hardest by fossil fuel pollution and climate change.
- **Worker protections:** Protection for workers threatened by climate change through programs that keep them safe in extreme climate conditions as well as resources for restoring jobs and small-businesses decimated by climate-fueled disasters and climate damages. Directing additional resources to California's firefighters and first responders to prepare for future climate threats.
- **Utility costs:** Funding for energy efficiency and infrastructure upgrades to reduce utility costs and increase resiliency for California families, such as through microgrids, community solar, battery storage, tree cover, and building decarbonization and insulation.

**It's time to make polluters pay for the costs of climate damage to Californians.**

### **POLLUTERS PAY CLIMATE SUPERFUND ACT (SB684 / AB1243)**

***NO Impact on Consumer Gas Prices***

~~This policy will increase gas prices.~~ **WRONG.**

- **The price of oil is set on a global market** *not* by California policy.
- **Not all gas retailers will be impacted.** The Climate Superfund program will only apply to the very largest fossil fuel polluters—companies that have emitted **over 1 billion tons of pollution** between 1990 and 2024. Those companies will still have to compete against companies who aren't impacted, and competition modulates pricing.
- Moreover, refiners and retailers are prohibited from price gouging thanks to antitrust laws and California's 2023 price gouging penalty law, which the CEC described 'protects Californians from experiencing price gouging at the pump by oil companies.'<sup>1</sup> **Collusion, price fixing, and price gouging are illegal.**

Numerous California economists from UC Berkeley, UCLA and other universities support the Polluters Pay Climate Superfund Act and have found this bill "**will not affect retail gasoline prices for California consumers.**"<sup>2</sup>

Watch **Nobel Prize-winning economist Joseph Stiglitz** explain why big fossil fuel companies can't raise consumer prices to cover their Climate Superfund payments:

[tinyurl.com/consumerprices](https://tinyurl.com/consumerprices)

More info available here: <https://makepolluterspay.net/climate-superfund-toolkit-costs/>

#### **Contact for questions:**

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<sup>1</sup> See CEC SBX1-2 webpage at <https://www.energy.ca.gov/proceeding/senate-bill-x1-2-implementation>

<sup>2</sup> See, for example, Economists' SB684 Support Letter to Senate Environmental Quality Committee (March 2025)