

Key Differences: CCI vs. Proposition 4 Funding - Forest Health Program FY2025-2026

Category	CCI Funding	Prop 4 Funding	Key Difference
Funding Source	Greenhouse Gas Reduction Fund (Cap-and-Invest). Focus on quantified GHG reductions, priority populations, co-benefits, and jobs.	Voter-approved general obligation bond. Focus on resilience, wildfire risk reduction, forest health, and ecosystem benefits.	CCI is driven by Cap-and-Invest statutory requirements, including a need to quantify GHG impacts. Prop 4 is bond-funded and focused more broadly on resilience and forest health outcomes.
Eligible Organizations	Public agencies; Tribes; Nonprofits; RCDs; Universities; Private forest landowners.	Public agencies; Tribes; 501(c)(3) nonprofits and Universities. Private landowners not eligible.	Prop 4 limits nonprofits to 501(c)(3)s and excludes private landowners.
Climate Focus	Relies on specific methodologies to quantify project GHG benefits	Focuses on broader climate benefits, including GHG benefits, climate adaptation, and resilience	Scoring for CCI applications focuses on GHG benefits. Prop 4 focuses on broader climate mitigation and adaptation benefits.
Community Targeting	Must target investments to priority populations, which include: Disadvantaged Communities (DAC) (based on geographic, socioeconomic, public health, and environmental hazard criteria) Low-Income Communities (based on income) Low-Income Households (based on income)	Community benefits scoring focuses on: Disadvantaged Communities (DAC) (based on income) Severely Disadvantaged Communities (SDACs) (based on income) Vulnerable Communities (based on risk/sensitivity to climate impacts and ability to cope with/adapt to such impacts)	Both CCI and Prop 4 use similar frameworks for evaluating community benefits, but use different definitions for identifying communities to be targeted (CCI evaluates Priority Population benefits, Prop 4 evaluates DAC/SDAC/Vulnerable Community benefits).
Jobs Scoring	Preference given to projects that contribute to CCI objectives for workforce development and distribution of benefits to low-income or disadvantaged populations	Preference given to projects that utilize California Conservation Corps (CCC)	CCI jobs scoring is tied to climate investment policy goals; Prop 4 jobs scoring is specifically related to utilization of CCC.
Community Engagement	Includes a formal Community Engagement Assessment component. Engagement documentation will affect scoring.	Community engagement may be evaluated but: Not subject to formal CCI engagement framework. May be embedded in broader community benefits scoring.	CCI includes a structured community engagement assessment tied to statutory requirements.
Indirect Costs (IDC)	Maximum 15%; up to 20% with justification.	15% de minimis, NICRA, or alternate proposed rate.	Prop 4 provides greater flexibility.
Advance Payments	Available to nonprofits, local agencies, special districts, tribes, and private landowners. Not permitted for state agencies.	CCI allows state agencies to request Advances.	Prop 4 does not allow state agencies to request Advances.

