Background and Aims: A cap-and-trade program was initiated in California to reduce greenhouse gas emissions to 1990 levels by the year 2020. Legislation also maximizes that public health co-benefits be maximized to ensure that vulnerable communities are not disproportionately impacted. The California Department of Public Health performed a health impact assessment and suggested mitigations to minimize health risks while improving health benefits.

Methods: The HIA stakeholder process included the 5 stages of screening, scoping, assessment, recommendations, and reporting. Stakeholder-identified health determinants included changes in employment, changes in energy costs, environmental health impacts from emission offset projects, and benefits from the distribution of program revenue. Air-related health impacts were assessed separately as part of the regulatory process. Economic modelling results were used as the basis for qualitatively assessing potential health impacts from a cap-and-trade program in California.

Results: Overall, the potential health effects from a cap-and-trade program in California are expected to be negligible to minor. Health co-benefits can be improved by limiting the use of emission offsets, maximizing the auction of emission allowances, and directing community investments to vulnerable communities. Environmental health monitoring needs to be enhanced to ensure that no population bears a disproportionate health impact from a cap-and-trade program. Due to data limitations, it is difficult to quantify community-level health impacts from a cap-and-trade program, though local impacts are expected to vary.

Conclusions: The health impacts of a cap-and-trade program are largely neutral, though low-income populations may have the least ability to adapt to changes in air emissions, labor shifts, and rising energy costs to the extent that they occur. Mitigation efforts should focus on risk reduction and health promotion, especially among vulnerable populations. HIA proved a useful tool in translating epidemiological evidence into policy recommendations in a highly political regulatory process.