

Summary of Revisions in the Draft Final Socioeconomic Report for the 2016 AQMP

The Draft Final Socioeconomic Report for the 2016 AQMP contains a number of revisions to the Draft Socioeconomic Report released on November 19, 2016. The revisions were made based on updated data consistent with the Draft Final 2016 AQMP, as well as public comments received on the Draft Socioeconomic Report and the preceding preliminary draft chapters. The revisions have led to changes in the magnitude of projected impacts, but they affect neither the direction of the projected impacts, nor the conclusion of the socioeconomic assessment of the 2016 AQMP. The primary revisions are listed below.

- **Projected public health benefits were revised down to \$173 billion from \$258 billion, but still well above the total estimated cost of \$15.7 billion.**

Public health benefits of implementing the 2016 AQMP were revised down to \$173 billion in present worth value, cumulatively from 2017 to 2031. The decrease from the previously estimated total of \$258 billion was mainly due to the updated air quality modeling results in the Draft Final 2016 AQMP, in addition to the incorporation of more local input data as suggested by stakeholders.

The latest air quality modeling reflected updates to the projected baseline inventory of pollutant emissions and future carrying capacity. Overall, these updates translated into smaller magnitudes of change in ozone and PM_{2.5} concentrations as a result of implementing the Draft Final 2016 AQMP. As the public health benefits quantified for the Draft Final 2016 AQMP were derived from changes in health risks associated with exposure to ozone and PM_{2.5}, smaller changes in the projected pollutant concentrations would result in smaller changes in the associated health risks, and subsequently a smaller amount of anticipated public health benefits from implementation of the Draft Final 2016 AQMP.

However, even when accounting for the uncertainties in health benefits valuation, the revised range of public health benefits—\$66 billion to \$273 billion—is still well above the total cost of \$15.7 billion estimated for implementing the Draft Final 2016 AQMP.

- **Distributional analysis of environmental justice was updated using the revised health risks and an improved metric, but the overall conclusion of the analysis remains unchanged.**

Updates to the air quality modeling were also reflected in revisions to the distributional analysis of environmental justice (EJ), which examined the distribution of health risks within the South Coast Air Basin that are related to exposure to air pollutants. Additionally, an improved metric is now used for the distributional analysis to avoid potential theoretical issues. The updates did not alter the main findings that the overall inequality of health risks are expected to decrease in the Basin, with greater per-capita monetized public health benefits accrued in EJ than in non-EJ communities.

- **Projection of jobs and other macroeconomic impacts was updated based on *all* revised cost estimates. Revised job impacts are slightly more optimistic and the resulting impact remains minimal on the region's long-term job growth.**

As noted in the Draft Socioeconomic Report, some of the revisions to the preliminary cost estimates were not yet reflected in its jobs and other macroeconomic impact analysis. The analysis in the Draft Final Socioeconomic Report has incorporated all revised cost estimates and cost assumptions. The revisions led to slightly more optimistic job impacts, ranging from 9,000 jobs foregone on average per year to 29,000 jobs gained on average per year, in a regional economy of over 10 million payroll and self-employment jobs. The previously estimated range was 11,000 jobs foregone on average per year to 27,000 jobs gained on average per year. Long-term job growth in the region, which was forecasted to grow at an annualized rate of one percent between 2016 and 2031, would be minimally impacted by these projected job changes.