May 18, 2020

The Honorable Gavin Newsom  The Honorable Holly Mitchell
Governor, State of California  Chair, Senate Committee on Budget and
State Capitol, First Floor  Fiscal Review
Sacramento, CA 95814  State Capitol, Room 5050
The Honorable Toni Atkins  Sacramento, CA 95814
Senate President pro Tempore
State Capitol, Room 205
Sacramento, CA 95814
The Honorable Anthony Rendon  The Honorable Phil Ting
Speaker of the Assembly  Chair, Assembly Committee on Budget
State Capitol, Room 219  State Capitol, Room 6026
Sacramento, CA 95814  Sacramento, CA 95814

Re: Principles & Policies for a Just Economic Recovery

Dear Governor Newsom, Pro Tem Atkins, Speaker Rendon, Senator Mitchell and
Assemblymember Ting:

COVID-19 has placed into stark relief the urgent and long-standing needs of the most
disenfranchised communities in our state. It has made clearer the principles and conditions
necessary to build an equitable society. The Governor’s May Revise Budget properly recognizes
the need to prioritize investment in public health and those hit hardest by the COVID-19
emergency. While we applaud the continued investment in some of the state programs most
critical to maintaining a stable society, we believe this year’s budget can — and must — be more
aggressive in its vision and implementation of a just and equitable state. We recognize the severe
impact that the present crisis has had on state revenue. Given this reality, your leadership is
required now more than ever. This moment requires unwavering focus and creative thinking to
ensure that the California that emerges from the crisis is more equitable, more resilient and stronger than the one we left behind.

The impacts of generations of inequitable investment in the state’s low-income communities and communities of color have never been more obvious. Low-wage workers in several industries continue to be deemed essential yet not sufficiently so to receive adequate protections and pay; undocumented workers and families are locked out of necessary protections; health care access is shamefully unequal; affluent neighborhoods can take refuge on tree-lined streets and paths while lower income communities are told to stay in their own neighborhoods, many with few trees and no parks. We must direct funding towards development and implementation of community-identified priority programs, including projects that promote improved air and water quality and climate resilience, provide increased access to green space and infrastructure, and promote social cohesion.

This letter and the recommendations herein represent a continuation of decades of human rights and civil rights advocacy for basic needs and dignity. If we do things right, our social and economic recovery from COVID-19 can continue our arc toward justice. In order to comprise a truly just economic recovery, all spending, policies, and programs responding to the COVID-19 public health and economic crises must adhere to the following **Principles for a Just Economic Recovery**:

1. **Follow the lead of disadvantaged communities, low-income communities, and communities of color** and ensure that residents from these communities hold decision-making power and are meaningfully engaged in all processes comprising a just economic recovery.
2. **Recognize clean water, clean air, healthy food, and safe and stable housing as universal and incontrovertible physiological needs, and basic human rights.**
3. **Prioritize investments to meet basic human needs and critical resource gaps**, and recognize these disparities as foundational inequities barring communities from economic resilience.
4. **Prohibit the advancement and further entrenchment of false solutions to economic, public health, or climate crises**, such as corporate and fossil fuel industry bailouts and investment in industries that fail to uplift workers and that degrade the environment and quality of life in disadvantaged communities.
5. **Ensure protection of disadvantaged communities and low-income workers**, who have experienced disproportionate and staggering impacts of COVID-19. Moreover, recognize and respond to built historic, institutional, and present injustices by rejecting the unfair status quo in which a zip code can determine access to resources, a clean environment, and economic opportunity.
6. Develop equitable local and regional economies that are self-determined, foster community resilience, and provide clean, safe, quality jobs and careers for the people living there.

7. Swiftly transition away from extractive practices, including the extraction of wealth and resources from low-income communities, disadvantaged communities, and communities of color.

8. Be place-based, recognizing that our diverse regions and populations across California will require diverse solutions, and that significant investment has long been needed in California’s inland, rural, and unincorporated communities.

9. Be accessible to all Californians regardless of race, color, national origin, socioeconomic status, income level, immigration or documentation status, sexual orientation, gender identity, or ability/disability.

10. Ensure long-term climate and environmental justice by strengthening rather than rolling back environmental protections, minimizing the impacts of climate change by promoting community climate adaptation and resilience planning and projects, and building mechanisms that hold polluting industries accountable.

The following Policies for a Just Economic Recovery are informed by our longstanding community advocacy and the needs that residents have uplifted in recent community meetings.

1. Ensuring Inclusive Public Processes that Foster Grass-Roots Democratic Governance

   The COVID-19 pandemic has forced agencies, the legislature, and many other workplaces to become creative with remote participation in daily activities, including meetings, hearings, and other decision-making and information-gathering processes. To further the goal of ensuring a robust and fair democratic process, we recommend the following measures:

   1.1. Adopt equitable remote participation processes to ensure that all Californians—including non-English speaking individuals, people with hearing loss, and people unable to travel to in-person meetings and hearings — are able to access the democratic process.

   1.2. Invest in technological tools, infrastructure, and grassroots community education and outreach to support effective remote participation for all Californians.

   1.3. Adopt policies requiring effective outreach and engagement to increase access to state programs and resources, and to enhance public health in disadvantaged communities (DACs).

   1.4. Ensure adequate DAC representation and decision-making power in state, regional, and local task forces, initiatives, planning and investments that address the COVID-19 crisis and recovery.
2. Building Diverse Regional Economies That Uplift Workers, Create Thriving Localities, and Advance Environmental Health

COVID-19 further revealed that lower income workers and workers of color are disproportionately threatened by public health, environmental, and economic crises. Less likely to have adequate paid leave, more likely to be excluded from critical resources and rights, more likely to be relied on in times of crisis, yet still more likely to suffer severe job insecurity. COVID-19 is further revealing that such a system is not and will not be tenable. We have an opportunity to make this recovery a shared recovery that supports economic and environmental well being. To realize this opportunity, the state should:

2.1. Ensure benefits and protections for all workers, particularly those most vulnerable to climate change impacts and widespread public health crises, including farmworkers, warehouse workers, truck drivers, and other essential workers by:
   2.1.1. Mandating that safety and protective equipment be made available for free to all workers impacted or threatened by environmental and health emergencies, including wildfires and infectious diseases.
   2.1.2. Continue expanded unemployment insurance and paid sick leave access benefits to workers, regardless of employer size or employee immigration status, and ensure protection against worker retaliation for taking leave.

2.2. Provide access to high-quality healthcare to all Californians, regardless of employment and immigration status.

2.3. Require that all economic relief efforts and investments designed to create jobs and protect business interests support a Just Transition\(^1\) to a clean energy, zero-emissions economy.

2.4. Prioritize those negatively impacted by the extractive, fossil fuel economy, as well as those at risk of job loss due to automation, in local training programs that provide low-wage workers and residents with employment barriers a pathway to green, safe jobs with living wages.

2.5. Allocate funding to train health professionals who will serve underserved areas, address those regions’ healthcare gaps, and maintain cultural and linguistic abilities and backgrounds to serve communities of color, immigrants, and low-income rural areas.

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2.6. Invest in regional economies that improve environmental health, support high quality jobs, and remediate economic and environmental disparities impacting communities of color and lower income communities.

3. **Ensuring Access to Safe and Affordable Water & Wastewater Service For All**

Hundreds of thousands of Californians still lack access to safe and affordable drinking water and/or wastewater infrastructure despite the codification of water as a human right in 2012. The State took a step forward with SB 200 (2019), which is in the early stages of implementation. The Governor’s Executive Order N-42-20 banning water shut offs during the emergency was also critically important. However, more must be done to ensure that all people have access to safe water for drinking, cooking and washing their hands, as well as safe wastewater infrastructure. We recommend the following:

3.1. Invest in drinking water and wastewater solutions to ensure that all Californians have access to safe and affordable drinking water and wastewater service by 2025 and to support creation of good clean jobs.

3.2. Extend the prohibition of water shut offs past the end of the health emergency, recognizing that economic impacts will persist beyond stay-at-home orders, with the goal of ending residential water shutoff as a collection tool.

3.3. Prevent the inability to pay for water and wastewater service from undermining economic security for lower income households and hindering economic recovery by:

3.3.1. Requiring waiver of all past due amounts, including penalties, late fees and interest, for water and wastewater service incurred during the state of emergency; and

3.3.2. Providing grants and/or loans, prioritizing small water systems serving disadvantaged communities, to ensure that the systems can afford to waive repayment.

3.4. Support small water and wastewater systems serving disadvantaged communities by replacing lost revenue caused by the COVID-19 emergency.

3.5. Establish effective state-wide water and wastewater affordability programs, including low-income rate assistance, crisis intervention for households with overdue water and wastewater bills, utilization of tools to mandate drinking water consolidation, funding to subsidize septic tank maintenance and repairs for low-income households, and funding and technical assistance to support equitable rate design.

3.6. Avoid further water emergencies through strong regulation of discharges from industrial dairies and agriculture and effective sustainable groundwater management that protects communities’ drinking water resources.
3.7. Support climate-resilient water planning, so that water systems and private domestic wells are safe from drought impacts. This must include connecting communities and households to more resilient water systems through consolidation and extension of service.

3.8. Create and implement a strong human right to water policy applicable to the State Water Resources Board, Department of Water Resources, Department of Pesticide Regulation, Office of Environmental Health Hazard Assessment, the Department of Public Health, and CalOES that clearly defines each agency’s role and responsibilities.

4. **Ensuring Access to Clean and Affordable Energy for All Californians**

   In 2018, California committed to sourcing 100% of its electricity from non-carbon or “renewable” sources, as defined, by 2045. This was an important step in the right direction, but new information collected since then and the need to invest in clean energy to recover from the current emergency demonstrate that we must go further while ensuring that all Californians can access clean energy. We must:

   4.1. Build on SB 100 (2018) by committing to source 100% of the state's electricity from clean, renewable, zero-emission, non-polluting energy by 2030.

   4.2. Transition California to 100% reliance on clean energy, zero-emission energy sources across sectors, including transportation, built infrastructure, manufacturing, industrial, water, and agriculture.

   4.3. Prohibit public funding towards the construction or operations of dairy digesters and biomass incinerators; additionally require current projects to install air and water quality monitors, track usage and contamination, and publicly report data.

   4.4. Develop and fund programs that increase access to clean, zero-emission, affordable energy sources and appliances in disadvantaged communities.

   4.5. Prohibit the issuance of new oil and gas permits in California and phase out existing oil and gas operations.

   4.6. **Expand California Alternate Rates for Energy and Family Emergency Rate Assistance programs to include:**

      4.6.1. Auto-enrollment for families who meet requirements;

      4.6.2. Broadened eligibility to include families just above current income caps, potentially by implementing a tiered benefit.; and

      4.6.3. Ensure that families in regions of the state with relatively more high heat days and/or that are disproportionately impacted by poor air quality, have access to more electricity at discounted rates, similar to medical baseline.
5. Bridging the Digital Divide for Lower-Income Households and Rural and Disadvantaged Communities

The internet was one of many important public forums for sharing ideas, engaging in democracy and accessing education prior to the current emergency. Now, in many cases, it is the only effective public forum, making California’s success in bridging the digital divide for households and communities that lack access even more crucial. COVID-19 has highlighted like never before that access to government decision-making processes and education is severely curtailed for households without quality affordable internet and the devices needed to access it. Rural and disadvantaged communities throughout the state have particularly struggled with this divide. To bridge the digital divide we must:

5.1. Provide access to affordable, quality broadband service for all by:
   5.1.1. Quickly implementing short-term solutions in all communities that currently lack broadband while permanent infrastructure is being built.
   5.1.2. Ensure that all communities in California have at least one broadband provider by 2025.
   5.1.3. Require that all internet service providers offer low-cost or free broadband service so that no Californian is denied quality access to the internet because of an inability to pay.

5.2. Establish and fully fund programs to provide laptops and/or tablets to low-income households, with a goal of universal quality access to the internet.

6. Realizing a Right to Decent, Affordable Housing for All People

COVID-19 has dramatically highlighted both the stark need for decent, permanent affordable housing for residents across California and the gaping disparities in access to housing opportunity that impacts lower-income residents, residents of color, farmworkers, and undocumented immigrants, and other vulnerable populations. Millions of low-income tenants and homeowners struggled with housing-cost burdens before the crisis and are now unable to make rent and mortgage payments after losing jobs and access to family support. These tenants face the threat of informal eviction now as well as formal eviction once courts begin to process unlawful detainer actions again. These threats to housing stability and public health are compounded by overcrowded and substandard housing conditions, inadequate legal representation, and a particular lack of resources and support for undocumented residents and residents in rural and inland California. We call on state policy-makers to:

6.1. Enact a Human Right to Housing and require that all state and local agencies implement the right in all policies, programs, and activities.
6.2. Cancel housing debts for renters and homeowners who are unable to make payments during the state of emergency. Identify funding mechanisms to make resources available to do so and actively support efforts to cancel rents and mortgages at the national level. Focus resources on low-income households and small landlords experiencing financial hardship.

6.3. Establish a right to counsel and significantly expand California’s tenant protections. Guarantee that all tenants have access to legal counsel to enforce their rights in housing court and reform California landlord-tenant law to significantly enhance protections for vulnerable tenants to level the playing field with landlords. This includes prohibiting evictions for failure to pay rent during the state of emergency, reducing and extending to all tenants, including mobile home park the statewide rent cap established under AB 1482, permanently expanding notice periods (e.g., notices to pay or quit and to respond to unlawful detainer actions), and enhancing translation requirements.

6.4. Create an affordable housing acquisition fund, and support the creation a fund federal fund, for non-profit organizations, public housing agencies, cooperative housing associations, community land trusts, and state and local agencies to purchase housing to ensure tenants have access to safe and habitable housing conditions, prevent financial hardship for rental property owners, and prevent a mass exist in the rental housing market.

6.5. Deeply invest in the preservation and production of permanently affordable housing, prioritizing housing for residents with the greatest housing needs.

6.6. Require enforcement of state habitability requirements by local governments for rental units and by HCD for mobile homes, while providing a right of return for impacted tenants and relocation assistance where return is not possible.

6.7. Implement and enforce fair housing and anti-discrimination laws, including the Fair Employment and Housing Act and Government Code sections 8899.50, 11135, 65008, in the private sector and all programs, policies, and activities of all state and local agencies.

6.8. Adopt statewide inclusionary zoning requiring new development to include affordable housing or pay an in lieu fee to further fair housing opportunities, increase the supply of affordable housing, and advance the realization of smart growth principles and sustainable communities.

7. Ensuring Healthy Land Use Practices That Create Opportunity in All Communities

Historic and ongoing land use policies and practices have concentrated environmental burdens in lower income communities and communities of color, concentrated healthy community amenities in affluent communities, and relegated lower income households and people of color to polluted areas with poor infrastructure and few options. Land use and the
funding that supports it is the physical backbone of our society and represents the foundation of our vision for our state. As we rebuild, we can and must rebuild, redesign, and reinvest in land use planning and regulation that support public health, access to opportunity, and environmental vitality for all Californians. We recommend that the state:

7.1. Ensure that policies and programs designed to stimulate the economy are protective of air and water quality, particularly in disadvantaged and environmentally burdened areas, and do not exacerbate the displacement of existing households.

7.2. Target and prioritize funding for greenspace, parks, and recreational spaces in disadvantaged communities and designate adequate areas for greenspaces in local and regional land use and transportation plans.

7.3. Strengthen, adopt, align, and enforce policies to prevent development and expansion of polluting industries within and around disadvantaged and vulnerable communities to prevent exacerbation of poor health outcomes and to comply with anti-discrimination laws.

7.4. Enforce rules and requirements (e.g., municipal code performance standards, permit conditions, CEQA mitigation measures, air district rules, etc.) designed to reduce adverse impacts of development on disadvantaged communities.

7.5. Enhance public notice and engagement requirements for development projects (new and expanding) that have the potential to adversely impact disadvantaged communities, to ensure that resident input is considered and incorporated in project development and approval.

7.6. Mandate specific truck routing requirements to avoid heavy-duty vehicle pollution, noise, and threatened safety near neighborhoods, schools, and other sensitive receptors, and ensure alignment between state and local government to effectively disincentivize truck routing through communities.

8. Building Local and Regional Agriculture that Supports Under-resourced Farmers, Farmworkers and Impacted Communities and Creates a Just, Agroecological Food System

Our current food system is broken, as evidenced by strained food banks, destruction of food in the fields, and farmworkers without adequate protection and safety nets. The COVID-19 crisis has only highlighted the unjust, unsustainable, and environmentally destructive agricultural status quo. The inequitable public health impacts and labor conditions of corporate, industrial agriculture, as well as the lack of food access in low-income and rural communities must be addressed not only to alleviate current, newly-exposed problems, but to build a stronger, healthier, more just and agroecological food system. We recommend the following:
8.1. Strengthen and spur the development of local and regional food systems that prioritize agroecological farming practices -- such as those that eliminate pesticide use and protect groundwater -- and support small-scale farms and farmers of color.

8.2. Invest in agricultural marketing and distribution support to enhance local and regional economic opportunity and equitable food access by, for example, developing local cooperatives, aggregation, food recovery and distribution networks.

8.3. Support a Just Transition for farmworkers and those in the agricultural industry that will be displaced by mechanization, automation and other industry changes, as well as by the impacts of climate change.

8.4. Expand culturally appropriate technical assistance that supports farmers of color, immigrant farmers, women farmers and small farmers and that focuses on agricultural practices that protect the environment and public health.

8.5. Provide resources -- funding, technical assistance, business support and training -- to support local, small and micro start-up farms and food businesses, community kitchens, community gardens, to grow local food economies, prioritizing businesses led by people of color.

8.6. Address the problem of food insecurity, especially in unincorporated and farmworker communities, by increasing access to healthy and affordable grocery stores, community gardens, food distribution hubs, and food banks and in low-income communities and food deserts.

8.7. Eliminate subsidies and policies that reinforce unsustainable factory farming practices including animal agriculture that degrades air and water quality, public health, and animal welfare.

9. Strengthening Air Quality and Environmental Protections & Promoting Community Resilience to Climate Change Impacts

Air pollution has surfaced as a critical factor exacerbating the COVID-19 public health crisis in communities of color. It has never been more important than now to strengthen environmental regulatory standards, improve social determinants of health in disadvantaged communities, eliminate exposure to harmful pollutants, and support community resilience to interconnected climate and health impacts. We advise that the state:

9.1. Declare a human right to clean, healthy air and require that state and local governments enact policies to realize that human right.

9.2. Prioritize the sustainability and efficacy of CARB’s Community Air Protection Program (established through AB 617) and mandate enforceable emissions reductions in all AB 617 communities.
9.3. Prioritize the sustainability and efficacy of the Transformative Climate Communities (TCC) program and allow all disadvantaged unincorporated communities to be eligible to apply for program funding.

9.4. Tie enforceable emission reduction plans to any public financial support of polluting operations.

9.5. Develop and implement enforcement mechanisms to reduce air emissions from area sources, including agricultural sources such as pesticides, energy use, and soil management.

9.6. Dramatically expand the network of air quality monitors in the state, prioritizing neighborhoods without existing air quality monitoring and exposed to significant polluting activities that fall within CalEnviroScreen’s air pollution exposure indicators such as toxic releases from facilities, pesticide use, and traffic density.

9.7. Revise state funding programs for air quality improvement and emissions exposure reductions to ensure the prioritization of neighborhoods with the worst air pollution burdens.

9.8. Align state agency guidance, programs and planning to adequately address the impacts of freight on air quality, public health, and equity by strengthening coordination in the development and implementation of CARB and CTC’s sustainable freight plans.

9.9. Address the growing threat of Salton Sea emissions by investing in dust suppression projects that are developed with nearby community input and ensure the maximum benefit for these communities.

9.10. Require CARB and SWRCB to hold quarterly joint meetings for the purpose of coordinating to reduce greenhouse gas emissions and water pollution caused by overapplication of nitrogen fertilizer.

10. Advancing Transportation Justice by Investing in Safe, Community-identified, Zero-emission Mobility Options for All

During the pandemic, active transportation has been critical for mental and physical health and mobility, and highlights the need for ongoing investment in pedestrian and bike infrastructure. Additionally, with transit remaining a crucial service for essential workers and many low-income families, it is clear that the future of transportation must prioritize safe, community-identified, active and shared, zero-emission transportation that protects public health, mobility, and access.

10.1. Prioritize and expedite community-identified active transportation infrastructure projects in low-income, disadvantaged and rural communities to support walkable/bikeable neighborhoods, particularly in existing communities that lack them.
10.2. Prioritize active transportation and transit over highway widening and road expansion which increase congestion, greenhouse gas emissions, and degraded air quality.

10.3. Invest in community-identified, safe, low-cost or free, zero-emission public transit and shared mobility options, including charging and other supporting infrastructure in both urban and non-urban areas.

10.4. Ensure that all transportation infrastructure investments are coupled with strong anti-displacement policies that prioritize existing communities’ needs.

10.5. Prioritize existing transportation dollars, such as SB 1 investments, on community-identified projects, including infrastructure repair and climate resilience and adaptation in disadvantaged communities.

10.6. Develop aggressive policies and prioritize investments to support zero-emission light, medium and heavy-duty vehicles to build towards a full electrification of the transportation sector.

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We thank you for your consideration of these recommendations and look forward to working together to realize a just recovery for all Californians. Please contact Shayda Azamian at sazamian@leadershipcounsel.org or 661-575-7457, or Phoebe Seaton at pseaton@leadershipcounsel.org or 310-980-6494 if you would like to set up a time to discuss this letter.

Sincerely,

Shayda Azamian
Policy Coordinator, Leadership Counsel for Justice & Accountability

Phoebe Seaton
Co-Director, Leadership Counsel for Justice & Accountability

CC:
Senator Lena Gonzalez
Senator Richard Pan,
Senator Bob Wieckowski
Assemblymember Joaquin Arambula
Assemblymember Richard Bloom
Secretary Jared Blumenfeld, California Environmental Protection Agency
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