



February 22, 2021

Senator Nancy Skinner
 Chair, Senate Budget Committee
 State Capitol
 Sacramento, CA 95814

Assemblymember Phil Ting
 Chair, Assembly Budget Committee
 State Capitol
 Sacramento, CA 95814

Senator Bob Wieckowski
 Chair, Senate Budget Subcommittee #2
 State Capitol
 Sacramento, CA 95814

Senator Anna Caballero
 Chair, Senate Budget Subcommittee #4
 State Capitol
 Sacramento, CA 95814

Assemblymember Richard Bloom
 Chair, Assembly Budget Subcommittee #3
 State Capitol
 Sacramento, CA 95814

Assemblymember Wendy Carrillo
 Chair, Assembly Budget Subcommittee #4
 State Capitol
 Sacramento, CA 95814

Senator Susan Talamantes Eggman
 Chair, Senate Budget Subcommittee #3
 State Capitol
 Sacramento, CA 95814

Assemblymember Joaquin Arambula
 Chair, Assembly Budget Subcommittee #1
 State Capitol
 Sacramento, CA 95814

RE: Governor Newsom’s proposed 2021-22 Regular Budget Items

Dear Chairs Skinner, Ting, Wieckowski, Caballero, Bloom, Carrillo, Eggman and Arambula:

As the COVID-19 pandemic rages on and further exposes existing inequities, we know that investments that directly support those who are most disenfranchised must be prioritized. Leadership Counsel for Justice & Accountability works alongside residents and community leaders in the San Joaquin and Eastern Coachella Valleys to advance equal opportunity for all, regardless of race, wealth, income or place. Along with the undersigned environmental and social justice organizations, we work directly with low-income, rural and BIPOC (Black, Indigenous & People of Color) communities and those facing disproportionate health burdens, housing and food insecurity, lack of affordable and safe drinking water, and climate impacts.

Collectively, we know that the health and well-being of such communities are critical to the recovery and well-being of our state as a whole.

Please see below several priorities in response to the regular budget items in the Governor's proposed 2021-22 Budget to address the urgent needs of some of the most impacted communities. We look forward to further discussion and collaboration with you to address these needs.

Regular (2021-22) Budget Recommendations

Racial Justice:

- Despite last year's landmark and long overdue legislation to advance racial justice, the Governor's budget fails to include clear, consistent investments across all areas that meaningfully and directly address the deeply entrenched injustices that have created unequal opportunities, health burdens, and access to resources. The State's acknowledgement of systemic racism must be appropriately matched with specific actions and significant ***tangible investments to directly respond to racial injustice***, particularly for Black and Brown communities. Any data related to these investments should be disaggregated across race, ethnicity, and other factors, to show the true impact on communities of color.

COVID-19 Response and Outreach:

- We urge the State to require that funding made available for ongoing ***testing and vaccine distribution*** employ meaningful partnerships with local, community-based organizations in order to succeed in combating the virus and reach Californians who are disproportionately impacted by COVID-19, such as communities of color and low-wage workers. Outreach by organizations with long-lasting and trusted relationships with community members is critical to ensuring more equitable access to these services.

Cap and Trade:

- We are disappointed to see no mention of the administration's intent to re-examine the ***Cap & Trade program*** and its ability to achieve California's climate goals despite the Environmental Protection Agency's commitment to do so June 2020. We insist that the state move beyond emissions trading schemes entirely, and adopt and enact measures through development and implementation of the upcoming AB 32 Scoping Plan to both secure sustained funding sources for community-based climate and clean energy programs and directly reduce greenhouse gas emissions and air pollution. The injustice of Cap & Trade is foundational and built-in, and is not a viable solution to addressing climate change. The devastating impacts of climate change are felt disproportionately in hundreds of low-income communities of color, who cannot continue bearing the failures of the Cap & Trade program any longer.

Climate & Transportation:

- The **Community Air Protection Program under AB 617** is a promising community-based model for reaching the state's climate, public health, and equity goals, but must receive sufficient funding to continue addressing air quality improvements in current and Year 3 617 communities and undergo much needed reforms. Due to the lack of transparency of 617 budgeting at all levels, we are unable to make a precise budget recommendation for continued funding of the program. However, we would like to see continued funding for the 617 program to support its work to shift the paradigms of local decision-making and to pioneer impactful practices such as community-led governance, neighborhood capacity building, and cross-agency collaboration. Additionally, we insist that the following policy recommendations to the AB 617 program be put into immediate effect, to resolve many of the challenges that residents, district staff, and CARB staff have long experienced:
 - CARB and air districts make public all records of enacted budgets and expensed funds for the 617 program, and publish a public analysis of funds disbursed.
 - CARB actively engage in each Community Emissions Reduction Plan (CERP) to develop a mobile source emissions reduction strategy specific to each community where mobile source emissions are a priority.
 - CARB has explicit authority to intervene and correct CERPs and related processes that are inadequate.
 - CERPs must contain:
 - Quantifiable emissions reductions and a timelined plan to measure emissions
 - Customized and enforceable regulatory strategies that ensure additional emission reductions beyond existing regulatory requirements
 - Demonstrated and verifiable support from CSCs of submitted CERPs (and each measure within the CERP) and CAMPs
 - Inclusion of area wide sources and pesticides
 - Identification of major emission sources impacting 617 community and measures adopted to significantly emissions from these sources
 - CARB and air districts deliver translated, technically accessible, and timely materials for consultation well in advance of meetings.
 - Air districts disburse stipends to resident members of CSCs for all meeting time.
 - CARB and air districts implement measures to prevent conflicts of interest for Steering Committee members.
 - In partnership with 617 communities, CARB develop baseline guidance for collaboration between agencies and CSCs, that ensures community-led processes of CSC governance, allows CSCs to set formal decision making processes, and ensures agency respect and recognition for CSCs' leadership and governance.
 - CARB provide Year 3 communities with as updated a Blueprint as feasible at the outset of Year 3 implementation, and host a participatory workshop with CSC

members from all rounds of 617 funding at the outset of Year 3 implementation to share best practices from previous cycles of 617.

- CARB develop and make accessible a public resource documenting key regulatory and incentive-based measures from all communities' CERPs, and release the document before Year 3 communities commence CERP development.
- We are pleased to see funds to support **zero emission transportation equity projects** and encourage the focus of these funds to be on programs such as the Sustainable Transportation Equity Program that provide direct benefits to under-resourced communities. Grants should prioritize community-identified and community-engaged, zero emissions (rather than “near-zero” or “carbon neutral”) projects that simultaneously increase mobility, affordability and safety, and reduce local air pollution, vehicle miles travel, and greenhouse gas emissions. These projects should additionally support rural areas and places that currently lack any shared clean mobility infrastructure. Vehicle rebates are not enough to address the multiple, intersecting issues of climate, housing and land use as they relate to transportation and these programs often remain inaccessible to many low-income households. Additionally, transportation equity necessarily must directly confront racial injustice in land use and housing. We look forward to collaborating on the CAPTI and other state efforts to advance this intersectional approach and provide sufficient, affordable and zero emission transportation for low-income communities.
- While we acknowledge the need to reduce emissions from agricultural equipment, we question the level of funding proposed and urgency ascribed to the **FARMER program**. We encourage the State to prioritize programs with more direct, community-supported and multi-benefit projects, such as the Transformative Climate Communities program, that reduce air quality and greenhouse gas emissions, ensuring a focus on directly supporting BIPOC, unincorporated and rural pollution-burdened communities. Any funding provided for agricultural equipment must be directed towards BIPOC and under resourced small-scale farmers.
- We are disappointed to see a second year in a row with no funding for the **Transformative Climate Communities (TCC) program**, which is a unique, integrated approach to addressing historic underinvestment in disadvantaged communities in California through community-driven planning and projects. The program's potential to provide not only environmental but also economic and public health-supportive community infrastructure, to advance climate resilience, and to target disadvantaged communities remains a critical need now more than ever in the light of climate change and public health emergencies. We ask the State to reinstate funding for the TCC program, or for similar programs that address climate & community resilience, air quality, and intersectional infrastructure needs, including in disadvantaged unincorporated communities.in both the early action plan and for the 2021-2022 budget years.

Food & Agriculture:

- We support ***zero funding for the Dairy Digester Research & Development Program (DDRDP)*** in the Cap and Trade expenditure plan. The DDRDP program, administered by CDFA, promotes a false solution to the problem of dairy methane emissions by further entrenching, through resource support, both the factory farm model and the natural gas industry, and further harming low-income, rural communities living near heavily-polluting mega-dairies.
- We ***oppose all funding that directly or indirectly supports dairy digesters or dairy biogas*** production in the State's budget, including within all proposed Climate Catalyst loan funds. Investment in dairy biogas and biomethane production reinforces polluting practices that disproportionately impact communities of color while simultaneously undermining state climate and clean energy goals.
- We appreciate the Governor's acknowledgement of the need to ***support frontline workers***, including agricultural workers. However, there is not a specific plan or clearly identified funding attached to this need in the Governor's budget. The inequities experienced by frontline agricultural workers continue to be exacerbated by the COVID-19 pandemic and require urgent assistance. Early action and ongoing funding should include:
 - Immediate supplemental paid sick leave for all, regardless of immigration status
 - continued support for sufficient PPE to protect workers from COVID-19, wildfires, and pesticide spray;
 - Both short and long-term efforts to deal with overcrowding and substandard housing for farm workers, beyond the Housing for Harvest Program
 - Workforce development, technical assistance, small business development supports and other opportunities for ag workers, both who want to stay in agriculture/food and those who want pathways to transition into other sectors
- We are pleased that the Governor's 2021-22 budget summary articulates support for the transition away from harmful pesticides and towards regenerative agriculture through a proposed ***risk-based tiered mill assessment for pesticide sales***. However, we are disappointed to see no mention of funding for the critical, direct community protections required to mitigate exposure for communities who are impacted by pesticides at home, school, or at work, who are disproportionately low-income communities of color. We support the use of these funds for strengthened enforcement, air monitoring, community engagement and resources to transition farmers towards agroecological practices, but given that DPR's mission is "to protect human health and the environment by regulating pesticide sales and use, and by fostering reduced-risk pest management," we urge the Administration to explicitly and bindingly include community protections in the budget, including but not limited to:
 - Protection zones and green space zones between treated fields and sensitive sites, to be developed alongside the most impacted communities
 - Indoor air filters for nearby sensitive sites

- Personal protective equipment for workers and impacted community members
- Air monitoring that is tied to meaningful and implementable enforcement
- Notification that provides clear, culturally appropriate and timely information to impacted communities
- For all of the above, a process by which residents in the most impacted areas of the state have authority to decide and prioritize protections based on their local pesticide and air quality conditions and what will work best for them

We look forward to working with the Administration to ensure that proposed uses of the funds also include such protections and facilitate an overall move for California away from harmful pesticide use and towards more just, health-protective, regenerative agriculture.

- We support the inclusion of \$3.35 million early action General Fund dollars to **assist small/mid-scale and underserved farmers** with grants and technical assistance. We urge the State to ensure that these dollars prioritize Black, Indigenous and People of Color (BIPOC)-owned or managed farms, who have been disproportionately impacted by COVID-19 in a multitude of ways due to longstanding institutional racism in the agricultural sector, and to provide *culturally-appropriate* outreach and technical assistance. We also encourage the Administration to, longer-term, consider how this assistance can be tied to broader-scale efforts to support BIPOC growers in accessing land and other resources to advance regenerative agriculture that protects community well-being, air and water quality, public health, and ecosystems.
- We support the \$10M from the General Fund for the **Farm to School program**, and want to emphasize this an opportunity for the State to prioritize local procurement that supports BIPOC and small-scale farmers and farmers using organic or regenerative practices that enhance air and water quality, ecosystems, and worker wellbeing.
- Echoing anti-hunger leaders across the state, we urgently request an ongoing budget investment to modernize the **California Food Assistance Program** to provide state-funded nutrition benefits to any Californian who is currently ineligible for CalFresh solely due to their immigration status. Too many immigrants are explicitly and unjustly denied access to our most effective anti-hunger programs: CalFresh and the state-funded California Food Assistance Program. This systemic discrimination exacerbates racial disparities in health and wealth, and hinders California's ability to weather this and future recessions.

Golden State Stimulus

- While we are pleased to see \$2.4 billion for **Golden State Stimulus** for individuals, which includes EITC workers and undocumented workers who filed taxes last year with an Individual Taxpayer Identification Number (ITIN), we join advocates accross the state in urging the state to ensure all undocumented individuals and families are supported.

As has been widely documented, undocumented individuals and families have been left out of previous state and federal stimulus programs and many are not ITIN filers.

Just Transition & Workforce Development:

- We are pleased that the Governor's budget initiates the urgent work of preparing for a complete and just transition in California. In order for the ***transition away from a polluting and extractive economy*** to be successful, we request that:
 - \$5 million be allocated for a dedicated public process to provide guidance and review of OPR's Just Transition Roadmap before it's projected release in July 2021.
 - The state fund and undertake a multi-year state-wide planning and engagement process to 1) establish public processes throughout local communities in the state to develop community priorities and a local vision for climate and economic justice, 2) document these local dialogues and the resulting climate justice priorities and vision, and 3) develop partnerships with local governments and across sectors to mobilize resources in support of the vision set forth by local communities.
 - California's just transition framework be inclusive of the priorities and impacts in inland and rural regions. The just transition framework should represent the priorities of inland California residents to move away from geographically extractive practices and towards clean and meaningful jobs, clear and inclusive pathways to these jobs, and local economies that build community capacity and locally retain wealth generated by their work.
 - Communities and workers impacted by the shifts in the fossil fuel, agricultural, warehousing, and logistics industries are involved in shaping and scaling workforce development programs, as impacted workers uniquely positioned to do so.
 - All funded High Road Training Partnership (H RTP) programs must work to reduce the racial wealth gap in the communities they intend to serve.
 - The \$25 million allocated for H RTP must be prioritized for community- and worker-driven collaboratives focused on achieving the state's climate, environment, environmental justice, public health, and racial equity goals.

Housing

- In light of the housing crisis that so many Californians are facing, and in particular the extreme vulnerability of hundreds of thousands of tenants throughout the state, we recommend an ***immediate allocation of \$20 million in the current budget year for community outreach and legal services*** to ensure that all tenants have access to the protections included in AB 79 / SB 91 in addition to an additional funding in the 21-22 budget year. We look forward to working with you to ensure that tenants have the protections they need during this ongoing health crisis, and in its aftermath so that all Californians can realize the promise of the much anticipated recovery.

- Hundreds of families are currently living in ***deplorable conditions in a mobile home park in Thermal, California***. They are living in both uninhabitable conditions while also facing severe intimidation by their landlord. Without other options, they have little choice but to remain in these circumstances. Accordingly, we request \$30 million dollars in state funding to assist in relocation and provide alternative living opportunities.
- While we are supportive of the \$500 million total allocation for the ***Infill Infrastructure Grant Program***, we urge the state to ensure geographic equity in program investment. In particular, we would like to highlight the importance of supporting infrastructure investments in disadvantaged unincorporated communities ripe with opportunity for affordable housing development. Investment in small communities and unincorporated communities is consistent with the state’s planning and equity priorities.

Sustainable Groundwater Management

- The State should ensure that the total of \$60 million allocated to Department of Water Resources for implementation of the ***Sustainable Groundwater Management Act*** includes:
 - 1) funding for CBOs to continue capacity-building and support for engagement of disadvantaged and severely disadvantaged communities;
 - 2) funding to assist GSAs in identify the impacts of the plans on these communities’ drinking water (this must be done by obtaining complete information about all drinking water users’ locations and well depths, and ensuring that GSAs’ modeling will show the impact of GSAs’ policy decisions and activities on drinking water users); and
 - 3) funding to develop and implement drinking water mitigation plans to address the predicted negative impacts of plan implementation.
 - Additionally, any funding provided to GSAs should be contingent on demonstrated completion of (2) and (3) and meaningful engagement of disadvantaged communities and people facing vulnerable water supplies.
 - At a minimum, we request that at least 10% of the funding be used for technical assistance grants to ensure continued engagement of impacted disadvantaged communities in plan implementation and at least 30% of the funding go to projects that protecting drinking water, including implementing drinking water mitigation programs, in a manner that provides direct and tangible benefits to disadvantaged communities related to water supply and/or quality, and are supported by an adequate analysis of and mitigation for their water supply and water quality impacts.
 - We’d also recommend that the budget committees gain a better understanding of how DWR, in conjunction with the State Water Board, intends to assess every GSP for adverse impacts to community drinking water supplies, and what steps DWR and the State Water Board will then take to mitigate those drinking water impacts.

Safe and Affordable Drinking Water:

- We are pleased to see the State's continued commitment to investing in **safe and affordable drinking water**. We look forward to working with the State Water Resources Control Board, the Legislature, and the Governor to ensure the successful implementation of this program and expand tools available to secure safe drinking water for all. As discussions regarding the long-term viability of cap and trade continue, safe and affordable drinking water must remain a priority.
- We are very concerned about rising **water and utility debt**, a concern that is heightened by the results of the State Water Resources Control Board's recent survey of public water systems showing more than \$1 billion in household debt in the state. It is critical that the state quickly distribute federal funding for water and utility debt relief in an equitable manner that is accessible by households served by small water systems and undocumented residents. To the extent that federal funding does not meet the need, the state must consider appropriation of state funds to ensure that families do not face water shutoffs when the moratorium is lifted.
- We appreciate the proposed appropriation of funds for site cleanup and, in particular, efforts to detect and remediate **PFAS** pollution. We note that PFAS chemicals appear to be widespread throughout the state, and more funding will be needed to better understand the scope of the problem and remediate polluted sources of drinking water.

Energy

- We **do not support** any funds, particularly Climate Catalyst Funds, that promote or result in **biomass incineration** or attempts at wildfire mitigation that will simply shift air pollution burden from forest areas into already overburdened communities, particularly areas of nonattainment. The State should focus on clean alternatives such as solar, wind and non-combustion options that prioritize energy justice & democracy and meet the needs of underserved communities.
- As the Governor's budget notes, rural areas and Tribal lands are disproportionately impacted by the lack of **broadband**, an essential tool for daily life during the COVID-19 pandemic for health, distanced learning, remote work, and daily life. Broadband also remains unaffordable for many low-income Californians in cities and towns across the state. We are glad to see the efforts to implement Broadband for All, and expect the State to direct investments towards infrastructure that prioritizes underserved communities and include funding for technical assistance to make sure nonprofits and others can assess unmet needs and support adoption.
- We **do not support the CEC PIER program's funding** for research to continue production and use of natural gas. In particular, we oppose any funds dedicated to the Natural Gas Program at the CEC for research on expanding the development and

applications of biomethane. This energy source is a false solution to California's climate goals. It incentivizes this continuation and expansion of massive dairies which disproportionately harms disadvantaged communities air and water. California needs to focus on real solutions to California's energy and transportation goals.

Salton Sea and Multibenefit Investment

- The **Salton Sea** continues to pose considerable threats in the areas of community health and wellbeing, environmental quality, and habitat and wildlife sustainability. However, the Salton Sea can also be a tremendous asset to its region and the state. In order to mitigate the continued threats of the Sea while simultaneously building on the opportunities it provides, we recommend investment in multibenefit projects in the Salton Sea area that provide neighborhood amenities and climate resilient infrastructure to the communities that surround the Sea and mitigation projects.

Thank you for your consideration of these recommendations for the State's 2021-2022 budget. We look forward to working with you to ensure the budget meets the longstanding and urgent needs of inland and underserved residents of California.

Sincerely,

Julia Jordan, Policy Coordinator
Leadership Counsel for Justice &
Accountability

Nayamin Martinez, MPH, Director
Central California Environmental Justice
Network

Genoveva Islas, MPH, Founder & Executive
Director
Cultiva La Salud

Kevin D. Hamilton, Co-Founder &
Co-Director

Central California Asthma Collaborative

Jane Sellen & Sarah Aird, Co-Directors
Californians for Pesticide Reform

Pastor Trena Turner, Executive Director
Faith in the Valley

Nancy Xiong, Executive Director
Hmong Innovating Politics

Sarait Martinez, Ed.D., Executive Director
Centro Binacional para el Desarrollo
Indígena Oaxaqueño (CBDIO)

CC:

Governor Gavin Newsom
Speaker of the Assembly, Anthony Rendon
Senate Pro Tempore, Toni Atkins
Assembly Member Robert Rivas, Chair, Agriculture Committee

Assembly Member Bill Quirk, Chair, Environmental Safety and Toxic Materials Committee
Assembly Member David Chiu, Chair, Housing and Community Development Committee
Assembly Member Sabrina Cervantes, Chair, Jobs, Economic Development, & the Economy Committee
Assembly Member Mark Stone, Chair, Judiciary Committee
Assembly Member Luz M. Rivas, Chair, Natural Resources Committee
Assembly Member Laura Friedman, Chair, Transportation Committee
Assembly Member Eduardo Garcia, Chair, Water, Parks, and Wildlife Committee
Assembly Member Jim Wood, Chair, Health Committee
Senator Andreas Borgeas, Chair, Senate Committee on Agriculture
Senator Benjamin Allen, Chair, Senate Standing Committee on Environmental Quality
Senator Richard Pan, Chair, Senate Committee on Health
Senator Scott D. Wiener, Chair, Senate Housing Committee
Senator Thomas J. Umberg, Chair, Senate Standing Committee on Judiciary
Senator Henry I. Stern, Chair, Senate Committee on Natural Resources and Water
Senator Lena A. Gonzalez, Chair, Senate Committee on Transportation
Senator Richard D. Roth, Chair, Senate Standing Committee on Business, Professions and Economic Development