



# CALIFORNIA ENVIRONMENTAL VOTERS

The Honorable Gavin Newsom  
Governor  
1021 O Street, Suite 9000  
Sacramento, CA 95814

The Honorable Toni Atkins  
Senate President Pro Tempore  
State Capitol, Room 205  
Sacramento, CA 95814

The Honorable Anthony Rendon  
Speaker of the Assembly  
State Capitol, Room 219  
Sacramento, CA 95814

The Honorable Nancy Skinner  
Chair, Senate Budget and Fiscal Review  
State Capitol, Room 5094  
Sacramento, CA 95814

The Honorable Philip C. Ting  
Chair, Assembly Committee on Budget  
State Capitol, Room 6026  
Sacramento, CA 95814

The Honorable Richard Bloom  
Chair, Assembly Budget Subcommittee 3  
State Capitol Room 2003  
Sacramento, CA 95814

The Honorable Bob Wieckowski  
Chair, Senate Budget Subcommittee 2  
State Capitol, Room 4085  
Sacramento, CA 95814

***Re: Budget requests for climate courage, climate justice, and California democracy.***

Governor Newsom, President Pro Tempore Atkins. Speaker Rendon, and Chairs Skinner and Ting,

California Environmental Voters joins dozens of environmental justice, conservation, public lands, racial justice, and other not-for-profit organizations in commending the Governor and Legislature for approving a \$15.1 billion climate budget package 2021, and in commending the Governor for proposing an additional \$22.5 billion in January 2022. equating to \$37.6 billion total in climate investments over the next five years with public health, housing, transportation, infrastructure, disaster response, and education.

While historic, these proposed investments are still insufficient to meet our biggest challenge – decarbonizing our state in ways that are rapid, permanent, and angled toward racial and economic justice. The level of investment on climate must be *at least* 5 percent of the state’s annual spending to match the scale of the climate crisis and the significance of its impacts on the people of California, our environment, and our economy. From 2022-2027, that comes out to about \$75 billion – a doubling down on the multi-year \$37.6 billion total from the Governor’s proposal on January 10.

We have come to this conclusion in conversation with partners with deep expertise in drinking water access, public lands advocacy, clean energy and transportation policy, and from communities continuing

to live with the physical legacies of environmental racism. We believe that doubling down for a climate courage budget – doubling the investments that the state commits to over the next 5 years to set a firm baseline for climate spending across all sectors of state government for the rest of this critical decade – is the only appropriate response to climate catastrophe, petro-dictatorship, and the increased economic uncertainty for millions of people in a world still wrestling with war and COVID. The California Way has always combined innovation, tolerance, and ambition – all rooted in courage, the first of human qualities which guarantees all others. With a commitment to climate courage in mind, we encourage you to consider what “doubling down” on the state climate budget looks like by sector:

**Transportation: \$18.4 billion in additional spending for a total of \$28.4 billion.**

Recognizing that the demand for fossil-fuel dependent transportation is one of the major drivers of California’s carbon emissions and air pollution sources, clean transportation must be the single largest investment in our recommendations for the State’s climate budget. We join TransForm in their request for at least \$2.5 billion in operations-eligible funding for public transit systems, as well as \$1.5 billion to the Active Transportation program. We also support the Charge Ahead coalition’s budget request for \$8.5 billion, with \$1.5 billion for clean transportation equity programs, \$2 billion for the Clean Transportation Program, and \$4.8 billion for zero-emission trucks, buses, and off-road equipment. We share with our partners at SPUR an interest in ensuring that operating dollars are used for fare policy integration, supplying \$450 million to encourage equity and innovation competitively between transit systems in a “race to the top,” \$100 million to support cities implement parking management, and \$10 million to improve scoping and delivery for the large transit projects our state needs. Finally, as part of providing \$2.5 billion in operations-eligible funding for public transportation to support frequent and reliable service, we support allocating \$500 million for free and affordable, integrated fares for youth and transit riders, as a first investment toward free transit fares statewide. Movement has always been part of the California Way, and ending the use of the internal combustion engine requires infrastructural investment as ambitious as the development of the freeway system or of BART, adjusted for a much larger population, with more diverse needs.

**Clean Energy and Building Decarbonization: \$10.6 billion in additional spending for a total of \$12.6 billion.**

We find the investments in clean energy and their intersection with building decarbonization heartening – transitioning appliances, supporting wind and storage, and setting a Clean Energy Investment Plan are all crucial to hitting our clean energy targets and we will follow the state’s exploration of green hydrogen with interest. We feel, however, as do our partners, that more investment, on both electrification and grid development, is necessary. For building decarbonization, we’re asking for a doubling of investment – from \$600 million over 2 years to \$1.2 billion for electrification for low-income Californians, and a doubling of rebates spending from \$300 million to \$600 million. While appreciating the investment in wind energy, we feel that in many places – Humboldt County comes to mind – the grid may not yet have the export capacity for the wind energy we’ll be generating when projects are finally online, to say nothing of the ongoing danger of wildfire, seismic, or other disaster damage to the grid. Consequently, while applauding the \$380 million for energy storage and \$45 million in offshore wind infrastructure, we’re asking for \$5.7 billion to create MACRO (Modernization and California Resilience Opportunity) Program at the CEC, with \$3.6 billion for a million solar batteries for homes, \$1 billion for resilient solar, and \$1.1 billion for panel upgrades. This is in addition to \$2 billion to the CPUC to invest in good, union jobs in transmission expansion and buildout, \$1 billion in utility debt relief, and \$1 billion (in addition to the \$1 billion already proposed) for Community Resilience Centers, which won’t only generate and store clean energy, but incubate and nurture workforce transition and provide broadband, cooling, and public health support in the face of climate emergency. COVID has re-taught us the life-changing power of air conditioning, internet, and backup power in the face of isolation – our clean power hubs can be our people power hubs as well.

As part of this investment, we recognize the ongoing work and discussion around Lithium Valley and would caution the Administration that the Imperial and Coachella Valleys require substantial investment –

in transportation, utilities, broadband, and other infrastructure, as well as substantive engagement with residents about public health impacts and potential mitigation measures – before any extraction can take place. In communities where strong winds lead to power and Internet outages, the massive influx of personnel and materiel associated with lithium extraction would put enormous strain on systems already reeling from the COVID-19 pandemic. We invite you to join residents of the region and local organizations to consider what investments would be necessary ahead of any permitting processes.

The California Way has derived substantial success from natural resources – but the Gold Rush has taught us that injustice is, too often, the price of speed. California's continuing leadership on clean energy demands both alacrity and attention to detail.

**Water: \$2 billion in additional spending for a total of \$7.2 billion.**

We join the Community Water Center and water advocates in asking \$1.5 billion in addition spending on Low-Income Ratepayer Assistance (LIRA), emergency drought impacts, and water efficiency upgrades for low-income households, though we exceed the requests in that letter by requesting \$600 million over 2 years for free and low-cost efficiency upgrades, and \$600 million over two years for ratepayer assistance. While transportation and energy remain two of the great drivers of our climate crisis, water access – or lack thereof – remains one of the great consequences, and our investment in solutions for the latter requires a similar attention and ambition to spending on the former.

**Wildfire Prevention, Suppression, and Resilience: \$915 million in additional spending for a total of \$2.4 billion.**

We recognize the state's aggressive investment in suppression staffing and equipment, mental health for our firefighters, and support for Native fire management practices. While supporting those investments, we hope that our partners in the Wildfire Resiliency Group's recommendations are well-received. These include \$17.1 million for smoke warning systems, \$30 million for Cal/OSHA safety enforcement, \$100 million over two years for community hardening, and an additional \$50 million for Cultural Fire Training Centers on top of the \$100 million in the governor's proposal for supporting tribal initiatives. We mention other items (like the additional \$1 billion in SGC Community Resilience Programs, \$240 for CalFIRE and CNRA for community forestry and urban greening) elsewhere in other letters but, as with the initial climate budget, we recognize that investments cross sectors. Fire is a clear, present, and increasing danger in our state – but, with insight and investment, foresight and fortification – it is one we can live with and defend lives and livelihoods from. While fire is part of California's ecology, California must always balance natural processes and the needs and safety of our residents, wherever we come from and wherever we settle.

**Nature-based climate solutions and public lands and habitats: \$4 billion in additional spending for a total of \$7.7 billion.**

We recognize and support the \$1.15 billion proposed in the January proposed budget for multi-benefit nature-based climate solutions over the next two years, including support for Tribal conservation initiatives and implementation of the proposed "Pathways to 30x30" and Natural and Working Lands Climate Smart Lands strategies. We propose to increase this to \$2 billion over two years (\$1 billion annually) for biodiversity conservation and \$1 billion for coastal protection and resilience and invite you to consider a 50% investment set-aside for biodiversity conservation actions focused on climate vulnerable communities as one approach to ensure communities who historically have seen little or no conservation investment have access to funding for the acquisition and/or restoration of lands and waters for conservation purposes. Moreover, we support the Pacific Forest Trust/CalCAN letter with its requests for \$1 billion to the Wildlife Conservation Board, \$125.5 million to the Department of Conservation for sustainable agriculture, and \$600 million to the Sierra Nevada and Coastal Conservancies. The California Way is one leading to natural treasures – from the gold at Sutter's Mill to our public lands, we've protected those treasures as our shared heritage.

**Racial justice and democracy: additional spending of \$625 million.**

We believe, to quote Heather McGhee, "Inequality and climate change are the twin challenges of our time, and more democracy is the answer to both." With this in mind, we support crucial funding for voter outreach (\$85 million) a state Office of Racial Equity (\$40 million) and, as housing and climate conversations begin converging, support for organizations working to keep low-income Californians housed through a new Community Anti-Displacement and Preservation Program (CAPP) (\$500 million.) While we recognize ourselves and our partners are primarily rooted in the climate crisis, we firmly believe that informed voters, people secure in their homes, and a state angling policy toward racial justice are integral parts of a healthy, just future. From the Unruh Fair Housing Act to the California Citizens Redistricting Commission, the California Way has always valued full civic participation, fair housing, and our shared responsibilities to one another.

**Workforce transition and job training and development: \$17.7 billion for a total of \$18.1 billion.**

Recognizing the enormous space in this request, we'd like to emphasize our commitment to climate solutions that center workers – both organized and unorganized – and that defend and expand their power in the workplace, their collective bargaining rights, and the organizations they've built and will build for themselves. Consequently, we have full-throated support for the Labor Network for Sustainability's suggestions about workforce transition. This joint proposal from environmental justice groups and labor unions to the Governor's Office supports the creation of the (CETFW), California Equitable Transition Board (CETB), Community Transition Support Set Aside Fund (CTSAF), and Community Transition Committee (CTC) – with a future amendment to add representation from Los Angeles County. The proposal includes \$5 billion in seed money for CETFW, \$2.5 billion in seed money for CTSAF, \$10 billion for workers whose employers fail to pay pension benefits, \$200,000 for a California fossil fuel pension solvency study, and an additional \$1.5 billion annually. As we strive to meet our statewide climate goals, California must prioritize safety nets for displaced fossil fuel workers and support communities to maintain and expand critical services. Approximately 37,000 oil and gas industry workers will need re-employment as oil and gas operations decline to meet our 2030 commitments and workers will need health care coverage, wage insurance, retraining and re-employment guarantees, peer counseling, access to and support for continuing education, opportunities to transfer credentials, and pension guarantees. As the fossil fuel industry phases out, the state must also support local cities and counties to maintain and expand critical services for communities as they lose related tax revenue. Tax base replacement dollars will need to come from multiple sources, including polluters, but setting aside state funds while there is a surplus may catalyze action sooner rather than later. As with our budget commitments on displacement, racial equity, and voter outreach, a healthy, climate justice future must center workers. The California Way has been, for all our history, union-made.

You may be familiar with some of these requests – in many places, we are either echoing or expanding the requests from organizations with which we partner, and who have signed on in support below. We offer these suggestions as not an end but the best means for California to regain its world leadership on climate and expand its leadership on civic participation, humane and just immigration policy, rights and safety in the workplace, and racial justice – all integral parts of a climate justice future. Please find attached a collection of the budget letters we've used to inform this letter. Please do not hesitate to contact our Senior Legislative Manager, Melissa Romero ([melissa@envirovoters.org](mailto:melissa@envirovoters.org)), or our State Advocacy Coordinator, Samuel Sukaton ([samuel@envirovoters.org](mailto:samuel@envirovoters.org)), with questions or if we can be a resource as you continue to invest in California's future.

Respectfully,

Mary Creasman | Chief Executive Officer, California Environmental Voters

**Co-signers:**

Romero Institute

SPUR

Communities for a Better Environment

Alianza Coachella Valley

Environmental Protection Information Center

East Yard Communities for Environmental Justice

Environmental Center of San Diego

People's Collective for Environmental Justice