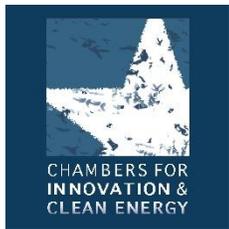


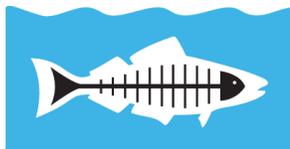


CALIFORNIA BUSINESS ALLIANCE FOR A CLEAN ECONOMY



Good for the Economy. Good for the Environment.

ENVIRONMENTAL WORKING GROUP



Heal the Bay



NORTHERN CALIFORNIA RECYCLING ASSOCIATION



Peninsula Interfaith Climate Action (PICA)

PACIFIC FOREST TRUST



SAN DIEGO GREEN BUILDING COUNCIL



UPSTREAM Real Change Starts at the Source



Voices for Progress

April 28, 2020

The Honorable Gavin Newsom
Governor of California

The Honorable Holly Mitchell
Senate Budget Committee Chair

The Honorable Toni Atkins
Senate President Pro Tempore

The Honorable Phil Ting
Assembly Budget Committee Chair

The Honorable Anthony Rendon
Speaker of the Assembly

Submitted via Email

Re: Pathways to a Just and Resilient California Economic Recovery

Dear Governor Newsom, Pro Tempore Atkins, Speaker Rendon, Chair Mitchell and Chair Ting:

First and foremost, thank you for your leadership and dedication to ongoing efforts seeing our state through this unprecedented public health crisis. The decisive and science-based steps you and other California officials have taken at the state and local level have positioned us to get through this difficult time with as little human suffering as possible. We emphatically agree that the State remain focused on responding to and providing relief for California's people, communities, frontline workers, and businesses immediately impacted by COVID-19, while upholding our values of respecting the dignity and worth of all Californians, particularly those among us most vulnerable to adverse health impacts and economic harms during a catastrophe like this.

Under your leadership, we look forward to a day when the spread of the virus and immediate risk to human life is substantially decreased. We also recognize the two additional overlapping crises of climate-induced disasters and a massive economic recession continue to escalate. Ensuring that California stays the course on its climate and environmental policy leadership will drive long-term resiliency and position the state for a strong recovery. California's robust clean energy economy is an excellent example of how the state's strategic policy leadership has created markets and driven significant investment and job growth. California has led the nation with over [500,000 jobs](#) in sectors ranging from renewable energy generation, clean fuels, electric transportation, and energy efficiency. This sector has recently [lost jobs](#) because of the COVID-19 shutdown. But, if we continue to execute our COVID-19 response thoughtfully, clean energy industries can lead as an economic engine of job growth and innovation. Additionally, and notably, these industries are not boom-bust industries affected by international oil politics and volatility.

Expanded investment in other state environmental priorities, including waste reduction, toxic air pollution mitigation, habitat restoration, and developing healthy, livable communities, will pay dividends and position the state for an economically resilient and climate-prepared future. Strong environmental standards provide major and direct economic benefits to the state in the form of reduced public health burdens; reduced economic stress on families; and driving innovation and investment in communities that are suffering the most.

In crafting a response to the economic crisis, we therefore urge you to make decisions that will promote equity, good family-sustaining jobs, and smart long-term investments to help our communities better withstand climate pollution and its many impacts; fire, flood, heat, air pollution, sea level rise, drought and more. We also recommend that the state initiate a concerted effort to ensure work resulting from these initiatives are high-quality (e.g., family-sustaining wages, career path, safe work environment, benefits, and more) and connected to programs that help those with traditional barriers to entry have access to forthcoming work opportunities, as outlined in [AB 1111](#) (E. Garcia), Chapter 824, Statutes of 2017. The state's recovery plan should prioritize the needs of our most vulnerable citizens first, and provide for a robust public process conducted in partnership with environmental justice groups.

We offer the following as pathways toward a just and resilient economic recovery for California.

1. Federal Stimulus Funds Should Flow to Proven Programs that Improve Health, Resilience and Create Jobs

As the federal government debates additional COVID-19 relief packages, California's State Government should advocate for measures that, in addition to providing direct and immediate assistance to the American people, make smart investments in sectors that can quickly create family-sustaining jobs, paid apprenticeship programs and provide services, benefits and protections for the families and workers most harmed by the current crisis. Stimulus investments in programs such as:

- Low-income household weatherization,
- Transportation electrification and active transportation infrastructure,
- Equitable building decarbonization and energy efficiency,
- Renewable energy development,
- Recycling and recycled-content manufacturing,
- Industrial clean energy technologies to lessen air pollution that causes respiratory damage,
- Support for transit agencies,
- Access to healthy outdoor recreation,
- Restoring habitat to ensure improved climate resilience and stop further biodiversity loss,
- Restoring forests and wildlands in key source watersheds to protect water supplies and mitigate fire and drought,
- Reducing wildfire risk to communities,
- Repairing water systems and infrastructure,
- Funding for school facilities to enable distance learning, to enable non-polluting off-grid operation during power outages, provide outdoor education, and to continue to feed children,
- Physical infrastructure, such as transportation routes and water systems built with climate impacts in mind,
- Emergency healthy housing development, retrofit, repair and residential services, to reduce the prevalence of respiratory illness that can exacerbate COVID-19 outcomes,

- Natural infrastructure, such as wetlands and headwater forests to protect our water supply and provide flood mitigation,
- Local and regional food distribution networks and infrastructure to help provide access to fresh food, market stability and increased market access to small and medium-sized farmers and farmers leading innovations in sustainable agriculture whose distribution pathways and markets have been disrupted,
- Social infrastructure, such as non-profit community groups, in home health care services, food banks, and financial protections for essential workers to ensure that we are doing everything in our power to minimize the human toll of disasters, and,
- Emergency food and financial support so families can buy food.

These programs can provide tangible benefits to supplement immediate economic relief measures.

California should dedicate available stimulus funds to investments that will create a more stable, equitable and resilient economy in the longer term. California must continue to address the threat of an accelerating climate crisis and build on existing strategies with a proven track record of economic development. If California pursues a state-level stimulus package, funds should also be directed to programs that advance the principles articulated above.

2. Securitize Ongoing Revenue Streams to Increase the Impact and Longevity of those Dollars

California should not wait for the federal government to act before making smart, economy-building investments. This year's budget should retain environmental and public health programs and leverage ongoing reliable revenue streams to make transformative up-front investments. Shovel-ready and capital-intensive investments abound in sectors and programs that can create family-sustaining jobs, drive economic growth, reduce health stressors, and improve resilience. These include, for example: safe, walkable, transit-rich affordable and healthy-housing; waste-reducing industrial supply chains; composting and recycling facilities; support for community organizations and nonprofit service providers; measures that reduce urban heat islands such as urban greening, cool roofs and impermeable surface replacement; clean transportation alternatives including e-bikes, electric cars, trucks, buses and freight equipment; innovative micro-mobility complements to public transit systems; investments in clean energy, energy efficiency and weatherization; habitat restoration and enhancement projects that provide increased public access and climate resiliency; and, home hardening and fire risk reduction.

In short, the types of programs currently funded by the Greenhouse Gas Reduction Fund (GGRF) and proposed to be funded through the administration's January Climate Budget are more urgent than ever. Many of these programs have a backlog of shovel-ready projects that could be expedited. We therefore propose that you consider developing an inclusive and resilient five-year spending plan heavily weighted towards 2021 and 2022 that will leverage ongoing revenue streams including the GGRF and others that may be marshalled towards a California Resilient Recovery investment portfolio. We also urge that other existing funding streams that deliver on-

the-ground projects to local communities, such as the Habitat Conservation Fund, continue to be fully funded.

3. Bonds Can Help Power California's Resilient Recovery

California should draw on all available resources when addressing this economic crisis, which is potentially many times greater than the 2008 recession. With historically low interest rates and desperate economic need throughout the state, it would be wise to also pursue substantial general obligation bonds to invest in additional climate resilience recovery measures. Funding from these measures could help promote wildfire risk reduction, flood and drought risk mitigation stem biodiversity loss, improve schools and local resilience hubs to increase broadband capability and distance learning as well as off-grid operational capability, ensure resilient food and farming systems, and improve energy efficiency and weatherization to reduce bills and improve quality of life for households that are spending more time at home. While the current strains on the state budget are significant and daunting, California's economy can and will recover if we take the long view now and make smart and strategic investments supported by today's highly favorable borrowing conditions. The alternative *de facto* austerity approach will only prolong the economic suffering, and risks perpetuating and deepening the already unacceptable economic inequality in our state.

As you work to shepherd California through this crisis, we must recognize that public funding is insufficient to address the structural inequities perpetuated by decades of disinvestment and inequitable access to decision making by low-income communities of color, and to drive the deployment of technologies critical to mitigating the climate crisis and creating a resilient, sustainable future. Significant private investment must be leveraged, and stronger public and private partnerships defined. The state must advance coordination and education efforts between existing funding and pre-development programs, new stimulus dollars, and the opportunities presented by Green Banks and green financing tools to facilitate private capital to maximize the impact of our COVID-19 recovery efforts. And of paramount importance, the state must continue to enforce the environmental and health standards – and advance current rulemakings – that have driven California's prosperity and standard of living to date.

Once again, we thank you for your leadership during this difficult time, and we urge you to call on us as you develop a plan for a rapid and resilient recovery for California. Collectively, the undersigned organizations have decades of experience developing policies that support public health and workers while fostering a green economy. We request an opportunity to discuss specific recommendations in more detail.

Sincerely,

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Environmental Defense Fund

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Friends Committee on Legislation of California

Zoe Siegel, Director of Special Projects
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Mono Lake Committee

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Miriam Gordon, Policy Director
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U.S. Green Building Council Los Angeles

Evan Minton, CA Policy & Programmatic Manager
Voices for Progress

CC: Ann O'Leary, Chief of Staff, Office of the Governor
Tom Steyer, Chief Advisor to the Governor on Business and Jobs Recovery