



**SENATE NATURAL RESOURCES AND WATER COMMITTEE AND
SENATE ENVIRONMENTAL QUALITY COMMITTEE**

**SENATORS MIN AND ALLEN
CHAIRS**

July 2, 2024, 1:30 p.m.
1021 O Street, Room 2100

JOINT INFORMATIONAL HEARING

*The Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and
Clean Air Bond Act of 2024: An Overview*

BACKGROUND INFORMATION

- 1. *Today's hearing.*** The Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024 (Bond) was amended into its present form on June 29th, 2024. Should it pass both houses of the Legislature with the requisite 2/3 vote on or by July 3rd, 2024 and subsequently be signed by the Governor, it could be placed on the November 5, 2024, statewide general election ballot to ultimately be decided by California's voters. Today's hearing is not a comprehensive assessment of the entire \$10 billion bond, but rather a venue for discussion and presentation of the Bond by the author before the relevant Senate policy committees and members of the public.

The Federal Emergency Management Agency estimates that every dollar spent on resiliency saves six in disaster relief. Between that and the California Natural Resource Agency's Fourth Climate Change Assessment estimating \$113 billion in annual climate damages annually by 2050, it is clear that proactively protecting California's natural resources today is likely to be a prudent investment.

- 2. *General provisions.*** The \$10 billion bond is divided broadly into eight categories, described briefly below. While each category of funding contains details unique to it, some general trends and requirements apply across the entire Bond.

Importantly, and in recognition of the inequitable distributions of climate and environmental harms, the Bond directs 40% of all bond funds to projects that provide meaningful and direct benefits to disadvantaged communities or vulnerable populations, consistent with the federal Justice40 Initiative. The Bond focuses on geographic diversity of investments, recognizing the fact that preparing for

California's climate future will require more than a one-size-fits-all solution. Administrative expenses are capped to ensure that the Bond moneys go to projects, and agencies are required to provide technical assistance to those who need it. Most funding provided by the Bond is competitive to ensure cost-effectiveness. In order to ensure transparency and accountability, at least annual reporting of Bond spending is required, and there are additional extensive auditing provisions and ongoing monitoring and reporting requirements. Workforce development is repeatedly provided for where possible.

- 3. *Safe drinking water, drought, flood, and water resilience - \$3.8B.*** California was the first state in the nation to statutorily recognize the human right to safe, clean, affordable, and accessible water. Nevertheless, more than a million Californians still struggle to access that. Moreover, with the increasing severity of climate impacts on California, extreme water events are expected to increase in frequency and severity; we should prepare for worse droughts and more severe floods alike, and the safety and water supply impacts those events will bring.

The largest single portion of the Bond is dedicated to California's water supply and water quality. The \$3.8 billion made available by the Bond for water-related activities would help to provide clean, safe, and reliable drinking water and protect and increase California's water supply, including dam and levee repair.

- 4. *Wildfire and forest resilience - \$1.5B.*** Extreme fires are a growing threat to public health and safety, to homes, to air quality and climate goals, and to our forests. California is experiencing fires that burn larger and hotter on average than ever before. One quarter of our state is now classified as under very high or extreme fire threat. Smoke from extreme fires can travel long distances and into urban areas many miles from the flames, negatively impacting public health and degrading quality of life.

The \$1.5 billion the Bond dedicates to mitigating and preventing wildfires would help prevent wildfires by mitigating hazards, detecting ignitions, and improving forest health and resilience.

- 5. *Coastal resilience - \$1.2B.*** Scientific estimates suggest the magnitude of sea-level rise in California could be at least half of one foot in 2030 and as much as seven feet by 2100. Encroaching seas and waves could result in negative impacts along California's coast not only through increased flooding, but also by eroding beaches and cliffs, and by raising coastal groundwater levels.

The \$1.2 billion the Bond dedicates to addressing resilience to climate impacts along California's coastlines would fund restoration, resilience, and adaptation projects, including, for example, efforts to restore our devastated kelp forests and fisheries, and address sea level rise.

- 6. *Extreme heat mitigation - \$450M.*** Every corner of our state will be impacted in years and decades to come by higher average temperatures and more frequent and severe heat waves. Extreme heat threatens public health and safety; economic prosperity; and communities and natural systems. It also poses profoundly disproportionate consequences for the most vulnerable among us.

The Bond dedicates \$450 million to mitigating the harms of extreme heat, and would establish resilience centers and help to redesign cities to keep temperatures lower, such as through urban greening and the Transformative Climate Communities Program.

- 7. *Biodiversity protection and nature-based climate solutions - \$1.2B.*** California is home to more species of plants and animals than any other state in the nation, and is considered a global biodiversity

“hotspot”. California’s people and economy depend on its biodiversity, which forms the complex ecosystems that make up California landscapes, seascapes, and freshwater systems. California’s biodiversity includes more threatened species than any other state in the U.S. in large part due to habitat loss and conversion, impacts from invasive species, and climate change.

The Bond dedicates \$1.2 billion to protecting biodiversity and accelerating nature-based climate solutions through enhancing habitat and habitat connectivity, funding the state’s conservancies, and investing in work being done by tribes.

- 8. *Climate-smart, sustainable, and resilient farms, ranches, and working lands - \$300M.*** Over a third of the United States’ vegetables and two-thirds of its fruits and nuts are grown in California. However, impacts from climate change threaten the agricultural industry in California. The scale of the industry also increases the complexity of climate adaptation due to the varied impacts to individual crops or livestock animals.

The Bond dedicates \$300 million to climate resilience in the state’s working and agricultural lands through existing and new programs intended to equitably support California’s farmers and farmworkers as they improve their environmental stewardship while meeting our food supply needs.

- 9. *Park creation and outdoor access - \$700M.*** There is substantial evidence that green infrastructure such as parks improves water quality, reduces carbon emissions, and protects communities from the impacts of climate change. California hosts many worldwide travel destinations, from national and state parks to beaches, mountains, forests, deserts, and lakes. These diverse environments support health and well-being. Yet for too many Californians, these places, recreational activities, and their benefits remain out of reach.

The Bond dedicates \$700 million to enhancing the state’s parks and outdoor access by both providing new parks where they have historically been lacking and improving the parks we have already.

- 10. *Clean energy & air - \$850M.*** Electrifying California’s economy and building a reliable, safe, affordable, and clean electric grid are cornerstones of both our climate leadership and our economic plan for the future. By moving away from fossil fuels and towards assorted renewables, California can advance its air quality goals as well. California’s plans to transition to 100% clean energy by 2045 are estimated to reduce air pollution by 71%, GHG emissions by 85%, and gas consumption by 94%, all while creating jobs and saving hundreds of billions of dollars in air pollution-related healthcare costs.

The Bond dedicates \$850 million to facilitating the clean energy transition by expanding and improving how we produce, transmit, and store renewable energy.

- 11. *Opportunity for discussion.*** While the above descriptions are by no means exhaustive, they should give a sense of the massive scope of the investments proposed in this Bond. Members of the Senate committees convened today—as well as members of the public—should take advantage of this opportunity to highlight and learn about specific programs included in the Bond that may be of interest to them. Furthermore, between today and when the fate of this Bond is ultimately determined by California’s voters, there will be more opportunities to delve into specific details touched upon today.