

## **Governor's 2001-02 Budget Proposal For: RESOURCES AND ENVIRONMENTAL PROTECTION**

Californians depend on our commitment to clean water, air free from pollution and stewardship of our parks, public lands and coasts. Adequate funding is necessary to implement and enforce our laws to protect the health of our citizens, develop and maintain existing parks, acquire lands to keep pace with the needs of our growing population, and protect critical habitat.

The Governor's proposed budget includes expenditures of \$4.5 billion total for natural resources and \$1.6 billion for environmental protection. Some of the major initiatives proposed in the Governor's budget for departments, boards and commissions of the Resources Agency and CALEPA are outlined below.

### **AIR QUALITY**

The Governor's proposed budget includes \$100 million (General Fund) for a diesel nitrogen oxide (NOx) reduction program. The program will operate similarly to the existing Diesel Emission Reduction program. Credits for emission reductions will be used as offsets for new power plant sitings. The budget also proposes \$50 million (General Fund) for a zero-emission vehicle incentive program.

### **RIVER PARKWAYS**

In addition to the obvious value of the water they carry to meet agricultural irrigation and urban consumption needs, California rivers provide invaluable wildlife habitat and significant recreational value. Unfortunately, many of California's rivers have been channeled and developed in ways that prevent their recreational and habitat potential from being realized.

The River Parkway program is a major feature of the Administration's effort to create urban open space and recreational areas throughout the state. The Governor's proposed budget includes \$60 million for river parkways on the Los Angeles, San Joaquin, Tuolumne, Sacramento, and Guadalupe rivers.

### **CALFED BAY-DELTA PROGRAM**

The CALFED Bay-Delta Program is an effort to implement a framework for managing one of California's most precious natural resources: water. The Record of Decision (ROD) for the Final Programmatic Environmental Impact Statement/Report (EIS/EIR) established the framework for implementation of a thirty year program. Implementation involves numerous state and federal agencies as well as local governments, Native American tribes, private and nonprofit entities. Oversight and coordination will continue to be provided by State and federal staff which are currently funded in the Department of Water Resources and the U.S. Bureau of Reclamation.

The Governor's proposed budget for the Resources Agency reflects a significant increase in expenditures for the CALFED Ecosystem Restoration Project (\$37.3 million over current year) and

\$70 million (General Fund) for the River Parkway Program. In addition to the funds included within the Resources Agency and its departments and commissions, \$108.7 million is included in the budget of the State Water Resources Control Board, and \$3.8 million to the Department of Food and Agriculture.

Table 1

2001-02 Significant Commitments to CALFED  
(Dollars in Millions)

Ecosystem Restoration	\$101.5
Environmental Water Account	30.2
Water Use Efficiency	9.8
Watershed Transfers	1.3
Watershed Management	20.0
Drinking Water Quality	26.1
Levees	23.3
Storage	18.9
Conveyance	19.2
Science	30.3
Program Management	13.9
<b>Total</b>	<b>\$294.5</b>

## CLEAN BEACHES

Beach usage in California is higher than in the other 49 states combined. The state's beaches are an important characteristic of the quality of life in California and a major force in our economy, generating 700,000 jobs and billions of dollars of economic activity. The state's public health standards for beaches are among the most stringent in the world. However, even with rigorous beach water quality standards, the state's monitoring programs indicate that beach pollution is widespread and too often exceeds acceptable levels, resulting in beach closures to prevent public health risks.

Beach contamination is primarily caused by two sources: sewage spills and urban runoff, which is the main contributor to beach contamination. The Water Resources Control Board is developing a detailed plan to coordinate the regulatory efforts of federal, state, and local agencies and identify infrastructure investments that will reduce runoff and sewage spills. The Governor's proposed budget includes \$100 million to fund this effort as follows:

- ◆ \$70 million to be allocated by the Water Resources Control Board for local diversion, catch basin, and filtration systems that will reduce untreated runoff from reaching coastal waters. These projects will be located in areas of the State where beach closures have been most prevalent.
- ◆ \$20 million for technical assistance to local communities to help target the sources of runoff and to identify bacteria and other pollutants more quickly.

- ◆ \$10 million for acquisition of strategically located wetlands that can be used to filter runoff and reduce pollutant levels.

## RESOURCES AGENCY

The Resources Agency, along with its constituent departments, boards and commissions, is responsible for maintaining and protecting California's wildlife, habitat, water and mineral resources. There are 21 departments, commissions and conservancies within the agency. The Governor's proposed budget includes \$226.6 million (\$76.9 General Fund, \$140.2 million Bay-Delta Ecosystem Restoration Account, and \$9.5 federal and other funds) for the Office of the Secretary of Resources.

### MAJOR PROPOSALS

- ◆ **California Continuing Resource Investment Strategy Project.** \$2 million (General Fund) and 2 Personnel Years are proposed for the 2nd year funding of a six-year project to assess the state's wildlife and habitat, and to develop priorities for future acquisition, protection, and investments in growth.
- ◆ **CALFED Ecosystem Restoration Program.** \$88.7 million is proposed for allocation by the Secretary to public and private entities to assist in the completion of awarded projects and for project management.
- ◆ **River Parkways Program.** \$77.7 million (\$70 million General Fund, \$7.7 million River Protection Sub-account of the Safe Drinking Water, Clean Water, Watershed Protection and Flood Protection Act of 2000)(Water Bond) is proposed for acquisition, park development, habitat restoration and public use in seven specified river areas.

Table 2

Resources Agency Expenditures: Selected Depts. and Commissions  
(Dollars in Millions)

Department	Revised 2000-2001	Proposed 2000-2001	% Change
Agency Secretary	\$131.0	\$226.6 <sup>a</sup>	73.0%
Conservation	562.0	542.4	-3.5
Parks & Recreation	1,034.3 <sup>b</sup>	576.6	-44.3
Fish & Game	296.4	281.4	-5.1
Water Resources	1,054.5	745	-29.3
Energy Commission	316.9	210.8	-33.5
California Coastal Conservancy	5.6	5.5	-1.8
California Conservation Corps	87.1	99.1	13.7
Coastal Commission	16.4	15.8	-3.7
Forestry & Fire Protection	\$554.4	\$569.5	2.7%

<sup>a</sup> Reflects \$70 million for the River Parkway Program.

<sup>b</sup> Reflects \$510.1 million in funds from the Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Protection Bond Act of 2000 (Park Bond).

## DEPARTMENT OF FISH AND GAME

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The Department of Fish and Game is charged with the management of California's diverse fish, wildlife, and plant resources, and the habitats upon which they depend. Implicit in this duty is habitat protection and maintenance in a sufficient amount and quality to ensure the survival of all species and natural communities. The department is also responsible for the diversified use of fish and wildlife including recreational, commercial, scientific and educational uses. The Governor's proposed budget includes expenditures of \$281.4 million (\$86.5 million General Fund) a decrease of 5.1 percent from current year spending.

### MAJOR PROPOSALS

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- ◆ **Bio-diversity Assessment Study.** \$3.3 million (General Fund) and eight Personnel Years are proposed for local assistance grants and funds are proposed to contract for the collection, assessment and monitoring of data relating to plant and wildlife populations, and trends in species growth or decline.
- ◆ **Refuge Water Supplies.** \$9.9 million (General Fund) is proposed to meet the state's obligatory costs to the Bureau of Reclamation associated with the Central Valley Project Improvement Act.
- ◆ **Automated License Data System.** \$4.7 million (Fish and Game Preservation Fund) is proposed to implement a system for automated licensing to assist in the timely and accurate sale of the states 150 types of fishing, hunting and commercial licenses.
- ◆ **Information Systems Modernization and Upgrade.** \$9.5 million (General Fund) is proposed to modernize the Department's computer hardware and software systems. Of this amount, \$5 million is for the upgrade of the department's software, and \$4.5 million for network infrastructure upgrades.
- ◆ **Sport Fish Restoration and Improvement Program.** \$1.1 million (\$287,000 Fish and Game Preservation Fund, \$784,000 Federal Funds and Reimbursements) and 36 Personnel Years are proposed for the continuation of on-going restoration and improvement programs in state fish hatcheries.
- ◆ **Streambed Alteration.** \$1.7 million (\$1.4 million Fish and Game Preservation Fund) and 23 Personnel Years are proposed to permit the department to continue processing the Lake/Streambed Alteration Agreements. These positions will allow staff to meet necessary processing of applications.

## DEPARTMENT OF PARKS AND RECREATION

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The Department of Parks and Recreation is responsible for preserving and managing the California's natural and cultural resources, including 266 park units including parks, beaches, trails, wildlife areas, open spaces, off-highway vehicle areas, and historic sites.

The Governor's proposed budget includes expenditures of \$276.7 million (\$137.7 million General Fund) for state operations, \$299.9 million for local assistance, and \$68.5 million for capital outlay.

**Urban Parks.** As California's population continues to grow, the state is faced with ever increasing population densities in its cities. Most of the state's urban areas have fewer than five acres of local or regional parks per 100 persons. With this growing need in mind, the Park Bond included more than \$300 million specifically for youth facilities and parks in communities lacking open space. Additionally, \$388 million was directed for distribution to cities, counties and special districts on the basis of population. The Department of Parks and Recreation is the Department responsible for the allocation of these funds. The Governor's proposed budget includes \$269.8 million for grants to local agencies pursuant to the Park Bond.

### MAJOR PROPOSALS

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- ◆ **Natural Resource Ongoing Maintenance.** The budget proposes \$11 million (General Fund) to preserve and protect the state's natural resources. Regularly scheduled inspections and maintenance will mitigate the need for future costly repairs or the loss of significant resources.
- ◆ **Lake Tahoe Environmental Improvement Program (EIP).** The budget proposes \$1.1 million for staffing and additional resources to implement and monitor Lake Tahoe EIPs within state parks.
- ◆ **Local Assistance.** The budget proposes \$299.9 million in grants to local agencies for recreational facilities, historic preservation projects, and habitat protection efforts:
  - 1) \$269.8 million from the Park Bond.
  - 2) \$15.5 million Off-Highway Vehicle Fund
  - 3) \$8.6 million Federal Fund
  - 4) \$4 million Recreational Trails
  - 5) \$2 million Habitat Conservation Fund
- ◆ **Off-highway Vehicle Environmental Compliance.** \$3.4 million is proposed for staffing and operational costs to implement environmental and public safety compliance elements at State Vehicular Recreation Areas.
- ◆ **Capital Outlay.** \$63.2 million is proposed for projects and acquisitions including critical infrastructure improvements at Border Field State Park, Cardiff State Beach, Hearst San Simeon

State Historic Monument, Prairie Creek Redwoods State Park, and Silverwood State Recreation Area; and acquisitions in San Luis Obispo County.

## DEPARTMENT OF WATER RESOURCES

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The Department of Water Resources protects, conserves, develops, and manages California's water. The department has a major responsibility for supplying suitable water for personal use, irrigation, industry, recreation, power generation, and fish and wildlife; for flood management and the safety of dams. The department also provides flood control forecasting and assistance to local agencies, and coordinates the state involvement in the CALFED Bay-Delta process. The Governor's proposed budget includes \$750 million (\$256.4 million General Fund) for the department.

### MAJOR PROPOSALS

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- ◆ **Flood Protection.** The state provides financial incentives to local agencies to plan, design, and construct flood protection projects. The budget proposes \$117.6 million General Fund for the State's share of local flood protection projects. The budget also proposes \$375,000 for the first year of a two-year program to replace flood warning system telemetry, thereby improving early flood warning capability, and \$536,000 to provide for more state oversight of federal flood protection projects pursuant to AB 1147 (Honda), Chapter 1071, Statutes of 2000.
- ◆ **Suisun Marsh Management Program.** The budget proposal includes \$8.1 million (General Fund) to manage wetlands and improve wildlife habitat in the Suisun Marsh.
- ◆ **Capital Outlay.** The budget proposes a total of \$540.3 million (\$23.3 million General Fund, \$507.4 million State Water Project funds, and \$9.6 million various special funds) including \$31.9 million (\$23.3 million General Fund and \$8.6 million reimbursements) for a variety of flood protection projects and studies.

## DEPARTMENT OF FORESTRY AND FIRE PROTECTION

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The Department of Forestry and Fire Protection provides fire protection services for range lands, timberlands, and lands owned by the state or private agencies. The Office of the Fire Marshal is responsible for protecting life and property from fire through the development of fire prevention regulations.

The Governor's proposed budget includes total expenditures of \$569.5 million (\$406.6 million General Fund) for state operations and local assistance.

## MAJOR PROPOSALS

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- ◆ **Emergency Communication Equipment Replacement.** \$7 million (General Fund) is proposed for the first year of a two-year project to replace all outdated and worn communications equipment.
- ◆ **Building Safety Inspection.** \$1.6 million (General Fund) is proposed for the State Fire Marshal to inspect publicly owned buildings.
- ◆ **California Forest Improvement Program.** \$2.7 million in (Forest Resource Improvement Fund) is proposed to improve the productivity of forest lands.
- ◆ **Urban Forestry.** \$1.3 million (Park Bond) is proposed for local assistance grants to promote urban forests.
- ◆ **Pre-Fire Planning.** \$6.6 million (Federal Fund) for "on-the-ground" projects that will reduce the risk of catastrophic wildfires by reducing fuel before fires strike. Fires will burn cooler, fewer structures will be lost, and firefighters will have safer places from which to attack fires.

## DEPARTMENT OF CONSERVATION

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The Department of Conservation protects public health and safety, ensures environmental quality, and supports the State's long-term viability in the use of California's earth resources. The department provides policy direction, education, regulation and dissemination of information concerning agricultural and open space lands and soils; beverage container recycling; geology and seismology; and mineral, geothermal and petroleum resources. The Governor's proposed budget includes \$542.4 million (\$22.6 million General Fund) for state operations and local assistance.

## MAJOR PROPOSALS

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- ◆ **California Farmland Conservation Program.** \$5 million (Park Bond) is proposed for grants to provide acquisition and agricultural conservation easements.
- ◆ **Computer Network Upgrade.** \$2.6 million (\$1.3 million General Fund) is proposed to upgrade the Department's network and support systems to prevent the loss of data vital to protecting public safety.

## CALIFORNIA CONSERVATION CORPS

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The California Conservation Corps (CCC) assists federal, state and local agencies, and nonprofit entities in conserving and improving California's natural resources while providing employment, training, and educational opportunities for young men and women. The CCC provides more than three million hours of conservation work each year. In addition to tree planting, stream clearance, trail building, park development, landscaping, energy conservation, forest improvements, plant nursery operations, and wildlife habitat restoration, the CCC responds to emergencies caused by fires, floods,

earthquakes, and other natural disasters. The Governor's proposed budget includes \$99.1 million for the CCC, an increase of \$12 million over current year.

## MAJOR PROPOSALS

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- ◆ **Restoration of Appropriate Training Levels.** \$11.2 million (General Fund) is proposed to restore CCC's emergency training levels to the intended by its mission and in statute. Additionally, these funds would allow additional infrastructure, staff coordination and program evaluation.
- ◆ **Weatherization and Energy Efficient Rehabilitation Program (WEER).** \$9.7 million (General Fund) is proposed to continue the WEER program to rehabilitate and weatherize private dwellings, schools and state buildings.
- ◆ **Infrastructure Restoration.** \$5.2 million (General Fund) is proposed for the first of a two-year effort to address the CCC's significant special repair, infrastructure, and vehicle needs.
- ◆ **Resource Conservation Grants.** \$3.5 million (Park Bond) is proposed for grants to the 11 community conservation corps in the state.

## CALIFORNIA COSTAL COMMISSION

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The Coastal Commission manages California's resources within the coastal zone. The Coastal Act addresses public access to the coast, coastal recreation, the marine environment, coastal land resources, and coastal development of various types, including energy facilities and other industrial development.

The Governor's proposed budget includes \$15.8 million for state operations and local assistance.

## CALIFORNIA TAHOE CONSERVANCY

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The California Tahoe Conservancy acquires, preserves, and manages lands in the Lake Tahoe Region to protect the natural environment, provide public access and recreational facilities, and preserve wildlife habitat. In addition, programs that benefit Lake Tahoe are funded in the Tahoe Regional Planning Council and the Department of Parks and Recreation.

The Governor's proposed budget includes \$9.8 million for state operations and local assistance.

## WILDLIFE CONSERVATION BOARD

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The Wildlife Conservation Board acquires, preserves, protects, develops, enhances and restores wetlands, riparian habitat, wildlife habitat, and lands supporting California's endangered plants, animals and natural communities.

The Governor's proposed budget includes \$2.4 million for state operations and \$21.2 million for the board's capital outlay projects.

## **SAN GABRIEL AND LOWER LOS ANGELES RIVERS AND MOUNTAINS CONSERVANCY**

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The San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy was created by the Legislature in 1999. Its purpose is to acquire and manage public lands and to provide open space, low-impact recreational and educational uses, water conservation, watershed improvement, and wildlife and habitat protection. The Governor's proposed budget includes \$652,000 (Environmental License Plate Fund) and \$14.3 million (Park Bond) for operations and capitol outlay.

## **STATE COASTAL CONSERVANCY**

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The State Coastal Conservancy was established to preserve, protect, and restore significant coastal resources and to provide public access along California's 1,100-mile shoreline. The Governor's proposed budget includes \$5.8 million and 60.1 Personnel Years for State operations and \$67.1 million for capital outlay.

## **MAJOR PROPOSALS**

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- ◆ \$6 million (Park Bond) is proposed for the San Francisco Bay Area Conservancy Program.
- ◆ \$5 million (Park Bond) is proposed for the Santa Monica Bay Restoration Program.
- ◆ \$7.2 million (Park Bond) is proposed for the Coastal Resources Enhancement Program.
- ◆ \$3 million (Park Bond) is proposed for the Southern California Wetlands Recovery Program.
- ◆ \$7.5 million (Park Bond) is proposed for the Salmon Habitat Restoration Program.
- ◆ \$1.2 million (Park Bond) is proposed for the Public Access Program.
- ◆ \$2.9 million (Park Bond) is proposed for the California Coastal Trail Program.
- ◆ \$7.5 million (Park Bond) is proposed for the Upper Newport Bay Restoration and Protection Program.
- ◆ \$9.5 million (Park Bond) is proposed for the Laguna Coast Wilderness Park.

## **ENVIRONMENTAL PROTECTION AGENCY**

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The California Environmental Protection Agency (CalEPA) is responsible for coordinating State environmental protection programs. CalEPA ensures that its constituent boards, departments, and

office consider all aspects of environmental and health risks, prioritize those risks, collaborate to reduce risks, and measure and report results. The Secretary for Environmental Protection oversees the Air Resources Board, Integrated Waste Management Board, Department of Pesticide Regulation, State Water Resources Control Board (which includes the nine Regional Water Quality Control Boards), Department of Toxic Substances Control, and Office of Environmental Health Hazard Assessment. The Governor's proposed budget includes \$11.3 million (\$6.9 million General Fund) for the Secretary's Office to fund state operations.

Table 3

<b>CALEPA BUDGET</b>			
<b>ENVIRONMENTAL PROTECTION EXPENDITURES</b>			
(Dollars in Millions)			
	<b>Revised 2000-01</b>	<b>Proposed 2000-01</b>	<b>% Difference</b>
CalEPA, Office of the Secretary	\$7.7	\$11.3	46.7%
Air Resources Board	243.1	306.1	25.9
Toxic Substances Control	169.2	228.0	34.8
OEHHA	17.2	17.8	3.5
Integrated Waste Mgt. Board	110.5	93.9	-15.1
Pesticide Regulation	62.1	63.3	1.9
Water Resources Control Bd.	\$831.3	\$872.9	5.0%

## MAJOR PROPOSALS

- ◆ **Agency-wide Activities.** The Office of the Secretary administers several ongoing programs involving agency-wide activities, including Children's Health, Comprehensive Enforcement, California-Mexico Border Pollution, the Unified Hazardous Waste and Materials Management Program that consolidates six hazardous waste regulatory programs, Environmental Justice, and Emergency Response. For 2001-02, the Governor's proposed budget includes an augmentation of \$125,000 for the California-Mexico Border Program pursuant to AB 2317 (Ducheny), Chapter 742, Statutes of 2000, and an augmentation of \$100,000 for Environmental Justice pursuant to SB 89 (Escutia), Chapter 728, Statutes of 2000. The budget also proposes \$350,000 for preparation of an integrated agency wide plan for emergency response activities.
- ◆ **Brownfields.** SB 667 (Sher), Chapter 912, Statutes of 2000, established the Cleanup Loans and Environmental Assistance to Neighborhoods (CLEAN) program to provide new financial incentives to encourage local governments, developers, and private property owners to redevelop abandoned, idled, or underused property that is suspected or known to be contaminated. Those properties are commonly called "brownfields." The 2000 Budget Act appropriated \$85 million on a one-time basis for the Urban Cleanup Initiative, which leverages private investment capital through strategic loans to identify and clean up polluted properties in urban core neighborhoods. For 2001-02, the Governor's proposed budget includes a one-time \$40 million augmentation to expand the Urban Cleanup Initiative by helping parties that clean up contaminated properties to obtain necessary insurance to reduce the risk of potential open-ended liability for existing contamination and cleanup cost overruns.

- ◆ **Environmental Management Systems Strategies.** The Governor's proposed budget includes \$1.3 million to augment and continue the Innovations Initiative which was initially approved as part of the 2000 Budget Act. Through a specified number of pilot projects, the Innovations Initiative is evaluating whether environmental management systems strategies increase environmental protection results and generate better information about environmental performance and quality. The proposed augmentation includes one-time resources to participate in regional partnerships that are developing environmental sustainability plans for their communities and regions.

## AIR RESOURCES BOARD

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The Air Resources Board helps protect the public health of Californians by ensuring that federal and State health-based air quality standards are achieved and exposure to air toxics is reduced through a variety of controls for mobile and stationary sources of pollution. The Board adopts and enforces emission standards for motor vehicles, fuels, consumer products, and toxic air contaminants. The Board's research, monitoring, and emission inventory programs are the scientific and technical foundations that support regulatory activities. The Governor's proposed budget includes \$306.1 million (\$186 million General Fund) for state operations and local assistance.

## MAJOR PROPOSALS

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- ◆ **Zero Emission Vehicles.** The Zero Emission Vehicle (ZEV) program is a critical part of the Air Resources Board (ARB) plan to meet state and federal health based air quality standards for ozone and particulate matter. ARB regulations require that a portion of model year 2003 light duty vehicles offered for sale in California be zero emission or near-zero emission cars. The proposed budget includes \$50 million to encourage the purchase of 10,000 additional ZEVs.
- ◆ **Fuel Cells.** For the last two years, California has joined with private sector participants to fund the California Fuel Cell Partnership. The proposed budget continues the state's participation by including \$2 million for Phase 3 of the Partnership. This multi-year joint effort funds a demonstration program that uses fuel cells in transit buses.
- ◆ **Diesel Replacement.** Conventional diesel engines are a major source of nitrogen oxide (NOx) and toxic fine particulate matter emissions. Reducing these pollutants is essential to ensuring the State's air quality. The Governor's proposed budget includes \$100 million to replace an estimated 5,000 to 6,000 conventional diesel engines with cleaner alternatives. The program will offer subsidies to offset the differential in cost between a conventional diesel engine and a cleaner alternative power source. This program is expected to reduce NOx emissions by about five tons per day with a portion of the credits for emission reduction earned through this program used to offset increased emissions from additional power plant operations necessitated by demands for peak electrical power production.
- ◆ **Reducing Emissions from State Vehicles.** The budget proposes \$7.5 million in the Energy Commission's budget for the purchase of clean, energy efficient vehicles used by the departments of the Resources Agency. The budget also proposes \$20.3 million in the Caltrans budget to retrofit diesel vehicles to use cleaner-burning diesel fuels and increase the number of fleet vehicles that use propane (see Transportation Section).

## INTEGRATED WASTE MANAGEMENT BOARD

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The California Integrated Waste Management Board promotes the following waste management practices including: source reduction, recycling and composting, reuse, and environmentally safe transformation and land disposal.

The board protects public health and safety and the environment through the regulation of solid waste facilities, including landfills. The Governor's proposed budget includes \$93.9 million for the board for state operations and local assistance.

### MAJOR PROPOSAL

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- ◆ **Conversion of Limited-Term Positions.** \$1.9 million is proposed to extend 23 Personnel Years to continue efforts to divert waste from landfills to recycling centers.

## STATE WATER RESOURCES CONTROL BOARD

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The mission of the State Water Resources Control Board (Water Board) and the nine Regional Water Quality Control Boards is to preserve and enhance the quality of California's water resources and ensure proper allocation and efficient use of water resources for the benefit of present and future generations. Activities include regulatory oversight of the state's surface, ground, and coastal waters; allocation of unappropriated water; control of unauthorized water diversions; and protection of water quality in watersheds and coastal waters from point source and nonpoint sources of pollution.

The Governor's proposed budget includes \$872.9 million (\$109.2 million General Fund) to the board for its state operations and local assistance programs.

## MAJOR PROPOSALS

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- ◆ **Clean Beaches.** \$100 million (General Fund) is proposed to implement an initiative to clean up Southern California beaches and restore recreational and other uses of our coastal resources. Of this amount, \$70 million will fund local projects that will be targeted to reduce the number of closure days at the most severely affected beaches by 50 percent, \$20 million will be used to identify sources of pollution, and \$10 million will be used for related wetlands restorations. These moneys will complement a commitment of local funds for operations and maintenance costs.
- ◆ **Storm Water Program.** \$8.1 million (General Fund) is proposed to identify dischargers subject to storm water regulations who have not filed the required permit, inspect more storm water dischargers on a regular basis, and respond to complaints in a timely and effective manner.
- ◆ **2000 Water Bond Projects.** \$206 million (Water Bond) is proposed to continue implementation of programs authorized by the Water Bond. This amount includes the Southern California Integrated Watershed program (\$87.9 million), Coastal Nonpoint Source Pollution Control (\$30 million), and Nonpoint Source Pollution Control (\$27 million) programs.
- ◆ **Lake Tahoe- Research and Monitoring.** \$3 million (General Fund) is proposed for research and monitoring of the specific sources of nutrients and sediment and to identify methods to remove them from the Lake Tahoe basin.

## DEPARTMENT OF TOXIC SUBSTANCES CONTROL

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The Department of Toxic Substances Control is responsible for protecting the public health and the environment by regulating hazardous waste management activities, performing cleanup activities at sites contaminated with hazardous substances, encouraging pollution prevention, and providing regulatory assistance. The Governor's proposed budget includes \$228.0 million (\$110.3 million General Fund) for the departments state operations and local assistance needs.

## MAJOR PROPOSALS

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- ◆ **Urban Cleanup/Environmental Insurance Program.** \$37.5 million (General Fund) is proposed to help parties that take on clean up responsibilities on contaminated properties to obtain necessary insurance to reduce the risk of potential open-ended liability for existing contamination and cleanup cost overruns.

## DEPARTMENT OF PESTICIDE REGULATION

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The Department of Pesticide Regulation protects public health and the environment through the nation's most rigorous and comprehensive program to evaluate pesticides and control pesticide use. The mission of the Department is to protect human health and the environment by regulating

pesticide sales and use, and fostering reduced-risk pest management. The Governor's proposed budget includes expenditures of \$63.4 million for state operations and local assistance.

## MAJOR PROPOSALS

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- ◆ **Healthy Schools Act Implementation.** \$380,000 (General Fund) is proposed to implement the Healthy Schools Act of 2000, which includes the development and maintenance of an Internet web site that describes and promotes least-hazardous practices at schools, provides a model program guidebook, and contains links with all appropriate information regarding health and environmental effects of pesticide active ingredients.

## OFFICE OF ENVIRONMENTAL HEALTH HAZARD ASSESSMENT

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The primary goal of the Office of Environmental Health Hazard Assessment (OEHHA) is to protect and enhance public health and the environment through objective, scientific evaluations of risks posed by hazardous substances. The Office provides other CalEPA programs and State and local agencies with scientific tools and information that serve as the basis for risk management decisions. Health risk assessments focus on exposure to chemicals in air, water, food, consumer products, hazardous and municipal waste facilities, fish, and sediments in bay and estuarine waters.

In 2001-02, the Office will continue performing risk assessments on chemical contaminants in drinking water, resulting in the adoption of public health goals for those contaminants. In addition, the Proposition 65 program will continue to publish, update, and improve the process for listing chemicals known to cause cancer or reproductive toxicity. The Office will also perform a life-cycle analysis of the health and environmental risks from the production and use of non-MTBE gasolines and assess the health effects of air pollutants for children.

The Governor's proposed budget includes \$17.8 million to OEHHA for its state operations and local assistance.

## MAJOR PROPOSALS

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- ◆ **Health Risks Relating to Gasoline Mixtures.** \$834,000 (General Fund) and six Personnel Years are proposed to evaluate human health and environmental risks associated with various mixtures and components of gasoline.
- ◆ **Drug Lab Removal Guidelines.** \$400,000 (reimbursements) is proposed to develop recommended guidelines by which local agencies should proceed with the removal and cleanup of illegal drug laboratories.