

## ENVIRONMENTAL PROTECTION

The California Environmental Protection Agency works to restore, protect, and enhance environmental quality. The Agency coordinates state environmental regulatory programs and promotes fair and consistent enforcement of environmental law.

The Budget includes total funding of \$4.8 billion (\$75.2 million General Fund) for all programs included in the Agency.

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### CAP AND TRADE EXPENDITURE PLAN

The California Global Warming Solutions Act of 2006 (AB 32) established California as a global leader in reducing greenhouse gas emissions (GHGs). To meet the goals of AB 32, the state has adopted a three-pronged approach to reducing emissions, including adopting standards and regulations, providing emission reduction incentives via grant programs, and establishing a market-based compliance mechanism known as Cap and Trade. The Cap and Trade program, as one component of the state's comprehensive approach, sets a statewide limit on the GHG sources responsible for 85 percent of California GHGs. Through an auction mechanism, it establishes a financial incentive for industries subject to the statewide cap to make long-term investments in cleaner fuels, more efficient energy use, and transformational technological and scientific innovations. A portion of the auction proceeds generated from the sale of allowances are available to the state for expenditure to further the purposes of AB 32 and reduce GHGs.

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Consistent with the provisions of Chapter 36, Statutes of 2014, (SB 862) the Budget includes 60 percent of 2015-16 auction proceeds to public transit, affordable housing, sustainable communities, and high-speed rail. The Administration is committed to working with the Legislature to enact legislation to appropriate additional Cap and Trade funding before the end of the legislative session.

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### **STATE WATER RESOURCES CONTROL BOARD**

The State Water Resources Control Board and the nine Regional Water Quality Control Boards preserve and enhance the quality of California water resources, and protect the proper allocation and effective use of state water.

Significant Adjustment:

- Bay Delta Water Quality Control Plan—An increase of \$7.8 million General Fund and 16 positions to complete the comprehensive update of the Bay Delta Water Quality Control Plan. The Water Action Plan, a comprehensive five-year water infrastructure and management strategy to support sustainable water management, identified the need to update the Bay Delta Water Quality Control Plan. This proposal will develop flow criteria and an adaptive management framework that identifies water quality objectives needed to protect and balance competing uses of water, including municipal and agricultural supply, hydropower, fishery protection, and recreational uses.

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### **DEPARTMENT OF TOXIC SUBSTANCES CONTROL**

The Department of Toxic Substances Control protects California residents and the environment from the harmful effects of toxic substances by restoring contaminated properties, enforcing hazardous waste laws, reducing hazardous waste generation, and encouraging the manufacture of chemically-safer products.

The Department continues to make progress in implementing reforms initiated in its “Fixing the Foundation” initiative, which is designed to improve the efficiency and effectiveness of cleanup, permitting, enforcement, and safer consumer products programs.

Building on these existing reforms, the Budget includes the establishment of an independent review panel to identify improvements to the Department’s operations.

The panel will submit its first recommendations to the Governor and the Legislature in January 2016. The Budget also reflects the establishment of a dedicated Assistant Director for Environmental Justice position in the Department to provide outreach and information to communities disproportionately affected by hazardous waste facilities.

### Significant Adjustments:

- **Enhanced Enforcement Initiative**—An increase of \$2.1 million from various special funds annually for three years, and 11 positions to implement and evaluate approaches to address serious environmental violations that occur in California’s most disproportionally impacted communities. This initiative will focus inspection and enforcement resources on metal recycling and hazardous waste transportation activities.
- **Enhanced Permitting Coordination**—An increase of \$1.6 million Hazardous Waste Control Account annually for two years, and 16 positions to improve the effectiveness and timeliness of the permitting process and reduce the backlog of permit applications. This will build on the Department’s existing Permit Enhancement Work Plan.
- **Improving Hazardous Waste Enforcement Program Performance**—An increase of \$1.4 million Toxic Substances Control Account annually for two years, and 11 positions to improve the efficiency and effectiveness of the hazardous waste enforcement program and conduct a statewide community assessment.
- **Hazardous Waste Reduction**—An increase of \$840,000 Toxic Substances Control Account, and six positions for two years to support pilot projects that address hazardous wastes generated in significant quantities, posing the most significant public risks, and disproportionately affecting disadvantaged communities. This pilot program is designed to effectively leverage the Department’s goal of a 50-percent reduction of hazardous waste by 2025 by using the best available technologies and systems to reduce such waste, and will be guided by a public advisory panel to improve public participation, especially in disadvantaged communities.

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