

# ENVIRONMENTAL PROTECTION

The California Environmental Protection Agency's (Cal EPA) programs promote the state's economy in a sustainable manner by reducing greenhouse gas emissions, enhancing environmental quality, and protecting public health. The Secretary coordinates the state's regulatory programs and provides fair and consistent enforcement of environmental law.

The May Revision includes \$5.1 billion (\$339 million General Fund, \$4.8 billion special funds, and \$12 million bond funds) for programs included in this Agency. Climate resilience efforts are discussed in the Climate Change Chapter.

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## **GROUNDWATER SUSTAINABILITY**

Groundwater is one of California's most important natural resources. Groundwater accounts for 41 percent of California's total water supply on an average annual basis—but as much as 60 percent in critically dry years. Approximately 80 percent of Californians rely on groundwater for some portion of their household needs, including for drinking water. Some communities, often those that are small, rural, and disadvantaged, can be dependent exclusively on groundwater. Groundwater also replenishes streams, creeks, rivers, and wetlands that support wildlife, and is an important resource for crop irrigation.

Groundwater overdraft has been occurring in many of California's groundwater basins for decades, causing damaged infrastructure and dried-out wells. Overdraft also has

harmed wildlife and ecosystems. Since 2014, through the Sustainable Groundwater Management Act (SGMA), the state has been working with local agencies with the goal of long-term sustainability for California's groundwater basins.

Fundamental to SGMA is the principle that water is best managed at the local level. Specifically, SGMA allows local public water and land use agencies (e.g., water districts, counties) to establish Groundwater Sustainability Agencies (GSAs), where one or more local agencies have the authority to manage pumping from California's groundwater basins. State oversight of GSA efforts has been led by the Department of Water Resources, in consultation with the State Water Board. The State Water Board is the state backstop and can temporarily intervene in the basin if groundwater sustainability plans or implementation are deemed inadequate.

During wet years like the state is currently experiencing, groundwater basins must be recharged to mitigate the impacts of over pumping—which impacts water supplies and infrastructure due to subsidence—and build up reserves for future dry years. The Administration's Water Supply Strategy: Adapting to a Hotter, Drier Future includes a range of actions to be taken by state agencies to expand average annual recharge by at least 500,000 acre-feet—enough to fill half of Folsom Lake. The actions focus on giving local water districts technical assistance on permits and projects, incentivizing local recharge, and smoothing regulatory pathways. Furthermore, the Governor's Executive Order N-4-23 set forth the conditions under which water users may divert water for recharge without state permits during the current drought state of emergency.

The May Revision includes \$4.8 million General Fund in 2023-24 and 2024-25 to support the State Water Board's oversight roles for basins deemed inadequate, as required by SGMA.

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## **SUSTAINABLE PEST MANAGEMENT**

The Department of Pesticide Regulation protects human health and the environment by regulating pesticides and fostering reduced risk pest management. Evolving science continues to support the need to reduce the environmental and climate impacts associated with pesticide use through collaborative action that accelerates a systemwide transition to safer, more sustainable pest management.

In 2021, the Department, together with the Cal EPA and the California Department of Food and Agriculture, convened the cross-sector Sustainable Pest Management Workgroup and Urban Subgroup to identify ambitious goals and actions that support

the transition to sustainable pest management in agricultural and urban contexts. The Workgroup's Roadmap, released in January 2023, outlines goals and actions that promote human health and safety, ecosystem resilience, agricultural sustainability, community wellbeing, equity, and economic vitality.

The May Revision includes \$1.9 million Department of Pesticide Regulation Fund and \$1.4 million ongoing to improve and streamline the Department's registration and reevaluation processes, identify alternatives to high-risk fumigants, and lead strategic collaborations with stakeholders and agency partners to develop plans and programs to support implementation of sustainable pest management in agricultural, urban, and wildland settings.

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## **CLEANUP OF EXIDE PARKWAYS**

The former Exide Technologies facility is located in the City of Vernon, about five miles southeast of downtown Los Angeles. The facility was involved in the recycling of lead-acid batteries starting in the 1920s until it ceased operations in March 2015. In 2020, bankruptcy courts allowed Exide to shed its cleanup responsibilities and abandon the still-contaminated facility. The state has been supporting funding for testing and cleanup efforts both at the facility and in surrounding neighborhoods. The Exide facility released lead and other hazardous contaminants onto the land at the facility and into the air.

Soil sampling and associated analysis confirms that air emissions from the facility resulted in the distribution of lead throughout the area 1.7 miles from the facility. Since that time, the Department of Toxic Substances Control (DTSC) has overseen ongoing cleanup activities at the facility and surrounding properties, including residences, schools, and parks. In 2019, DTSC sampled the grass area between the sidewalk and street, known as a "parkway," within the 1.7-mile radius area surrounding the facility, for lead, as well as select other metals. In total, samples at 6,425 parkways returned results with lead at/or above unrestricted land use screening levels, and/or showed exceedances for other metals. DTSC has prepared a comprehensive excavation and cleanup, based on this sampling.

The May Revision includes \$67.3 million from the Lead-Acid Battery Cleanup Fund over two years, including \$40.4 million in 2023-24 and \$26.9 million in 2024-25, to clean up 6,425 parkways surrounding the former Exide Technologies facility identified with high levels of lead and/or other metals. Fees on lead-acid batteries were increased in 2022, providing additional revenue that support the proposal. This proposal builds on the

investment of hundreds of millions of dollars in recent budgets to enhance protections to communities and the environment from exposure to hazardous chemicals.

### **SIGNIFICANT ADJUSTMENT**

- **Beverage Container Recycling Fund Loans**—A budgetary loan of \$100 million from the Beverage Container Recycling Fund to the General Fund is proposed from resources not currently projected to be used for operational or programmatic purposes. As a result of lower revenue projections and a resulting increase in the budget problem, the May Revision proposes this loan to assist in closing the projected shortfall and ensuring the submission of a balanced budget plan. Additionally, a budgetary loan of \$40 million from the Beverage Container Recycling Fund to the Hazardous Control Waste Account is proposed to address a shortfall of fee revenue deposited into the Hazardous Control Waste Account. The Department of Toxic Substances Control will first seek to address this shortfall with a \$15 million loan from its Toxic Substances Control Account. These loans are anticipated to be repaid over a three-year period and may be repaid sooner based on programmatic needs. These loans will not impact the Administration's ability to meet its commitments under Chapter 610, Statutes of 2022 (SB 1013) and will not result in proportional reductions in the Beverage Container Recycling Program.