

ENVIRONMENTAL PROTECTION

The California Environmental Protection Agency (CalEPA) remains committed to advancing the state's environmental protection mission through science-based decision-making, strong partnerships, and a continued focus on equity, climate resilience, and public health. The Governor's Budget reflects these priorities by supporting programs that reduce pollution, accelerate the transition to a clean and sustainable economy, and allow all Californians—especially those in vulnerable and overburdened communities—to benefit from a healthier environment.

The Budget highlights key Administration initiatives, including investments that strengthen environmental enforcement, advance climate adaptation, and improve the efficiency and transparency of the state's permitting and regulatory processes. CalEPA's boards, departments, and offices continue to work collaboratively to implement statewide environmental and climate goals while maintaining operational readiness and delivering essential public services.

AIR RESOURCES BOARD

California is making significant strides in achieving federal air quality targets and reducing greenhouse gas emissions required by state climate targets. These efforts cross transportation, industrial, natural working lands, and other economic sectors.

MAJOR ACCOMPLISHMENTS

Since 2019, the California Air Resources Board (CARB) has advanced key initiatives aimed at enhancing clean air, climate action, and public health benefits for California.

- **Methane Satellite Program**—Supported by a one-time \$105 million Greenhouse Gas Reduction Fund (GGRF) investment, CARB launched and operationalized satellite-based methane monitoring to detect large methane plumes, resolve major leaks, and drive emissions reductions. This initiative was among the world's first successful large-scale demonstrations of methane plume detection technologies and is now one of the first programs globally to operationalize satellite-based methane plume imaging. Since May 2025, the program has been receiving actionable satellite data, publicly posting methane plume detections, issuing operator notifications, and progressing toward future results. In the oil and gas sector, the program is projected to yield 431,235 metric tons of carbon dioxide equivalent in avoided emissions (equal to emissions from 93,700 passenger vehicles for one year) in 2026, and more in subsequent years as additional satellites are launched.
- **Community Air Protection Program (CAPP)**—CAPP, co-implemented by CARB and local air districts, improves air quality and protects public health in the most impacted areas of California. From 2019-20 through 2025-26, the state has invested approximately \$1.7 billion (\$90 million General Fund) for CAPP. Beginning in 2026-27, there is now ongoing funding for CAPP from the GGRF, which will allow CARB and local air districts to focus on air quality improvement for almost half of California's disadvantaged population. Community air protection is improving air quality and is one of the most cost-effective programs, ranking third in Nitrogen Oxides and fifth in fine particulate matter reductions per million spent, based on an assessment of 86 California Climate Investment Programs. To date, CAPP has supported over 6,200 projects, achieving lifetime reductions in emissions of 10,200 tons of Nitrogen Oxides, 590 tons of Reactive Organic Gases, 390 tons of Particulate Matter, and 129,800 metric tons of greenhouse gases.
- **Statewide Mobile Monitoring Initiative**—As a commitment in CARB's CAPP Statewide Strategy, CARB launched a first-ever program to measure street-level emissions in 62 disadvantaged communities around the state using mobile monitoring platforms. The 2022 Budget included \$30 million one-time GGRF for mobile monitoring to fund a comprehensive, publicly-accessible dataset of criteria pollutants, toxic air contaminants and greenhouse gases—data that will help communities better understand their air quality and address community concerns. This new data will fill

air monitoring gaps and support additional actions to reduce emissions and exposure. Mobile monitoring launched in June 2025, and data will be made available to the public in June 2026.

- **Defense of Clean Air and Public Health**—CARB is challenging federal regulatory rollbacks by submitting multiple comment letters, including from multistate coalitions, providing testimony challenging the U.S. Environmental Protection Agency's proposed actions, and coordinating closely with California's Attorney General's Office. These efforts positioned the state for future litigation and reinforced its national climate leadership.

SIGNIFICANT BUDGET ADJUSTMENTS

- **Hino Motors Settlement**—\$95.6 million one-time Air Pollution Control Fund (APCF) over three years to implement the Hino Settlement, including certification, testing, enforcement, and other efforts to address air pollution, consistent with the terms of the settlement. The Hino Motors Settlement is a \$1.6 billion settlement that the state and federal government reached with Hino Motors, a subsidiary of Toyota, for violations of the Clean Air Act related to the submission of false and fraudulent engine emission testing data. Of the \$1.6 billion, the state directly received \$236.5 million, of which \$132.2 million was appropriated in the 2025 Budget.
- **Advanced Clean Fleets**—\$1.7 million ongoing APCF and 10 positions to implement the state and local government elements of the Advanced Clean Fleets regulation.
- **Community Air Protection and Monitoring (SB 352)**—\$1.6 million ongoing GGRF for 5.2 positions to update the statewide air monitoring plan every five years. These updates will support the use of rapidly evolving monitoring techniques, from low-cost sensors to advanced volatile organic compounds and metals analyzers, mobile platforms, and satellite systems, and will maintain California's leadership in air monitoring innovation.

STATE WATER RESOURCES CONTROL BOARD

The State Water Resources Control Board, along with the nine Regional Water Quality Control Boards, promote proper allocation and use of California's water resources, and preserve, enhance, and restore the quality of California's water resources for the protection of the environment and public health.

Since 2019, the State Water Board has made significant strides in investing in infrastructure to diversify, increase and protect California's water supply, expand safe and affordable drinking water for communities across California, modernize the administration of water rights, and safeguard water quality.

MAJOR ACCOMPLISHMENTS

- **Water Infrastructure**—The state has invested over \$11 billion (\$1.4 billion General Fund) in loans and grants for drinking water, wastewater, water recycling, stormwater and ground water projects.
- **Clean Water Projects**—The State Water Board has provided more than \$5.7 billion (\$754 million General Fund) toward clean water projects, including over \$1.9 billion of financing for 80 water recycling projects since 2019. These water recycling investments will deliver approximately 282,000 acre-feet per year of recycled water by 2030, generally equal to the annual water usage of over 560,000 households, helping California become more drought resilient.
- **Safe and Affordable Funding for Equity and Resilience (SAFER) Program**—Since the SAFER Program's inception, the State Water Board has distributed over \$1.6 billion (\$593 million General Fund) in grants for projects in disadvantaged communities, and 321 water systems serving over 3.3 million people have returned to compliance with drinking water standards. Additional SAFER accomplishments include:
 - Planning/design funding benefiting 97 water systems and approximately 2 million people.
 - Technical assistance benefiting 644 water systems and approximately 1 million people.
 - Interim assistance benefiting 348 communities, approximately 186,000 people.
 - 170 consolidations completed, serving over 660,000 people.
- **Updating Water Rights Data for California (UPWARD)**—The State Water Board's UPWARD project represents a significant achievement by directly addressing critical needs in water management. With this \$61.3 million investment, the State Water Board will continue to modernize the state's water rights data collection and management systems, a vital step for ensuring efficient and effective decision-making, especially during periods of hydrological stress like droughts.

- **Per and Polyfluoroalkyl Substances (PFAS)**—The State Water Board has committed approximately \$307 million (\$21 million General Fund) to projects that address PFAS contamination, benefiting over 5.9 million people.

SIGNIFICANT BUDGET ADJUSTMENT

- **U.S. Supreme Court's Sackett Decision**—\$2.6 million ongoing special funds and 12 positions to expand essential water quality permitting and enforcement work. In light of the U.S. Supreme Court's decision in *Sackett v. Environmental Protection Agency* (which narrowed federal Clean Water Act jurisdiction), the State Water Board has continued its commitment to the protection of water quality in surface waters and wetlands across the state.

DEPARTMENT OF TOXIC SUBSTANCES CONTROL

The Department of Toxic Substances Control (DTSC) protects California's people, communities, and environment from toxic substances, enhances economic vitality by restoring contaminated land, and compels manufacturers to make safer consumer products. In this effort, DTSC regulates more than 100,000 entities to prevent the release of hazardous waste, cleans up contamination, and enforces the safe handling of hazardous waste across the state.

MAJOR ACCOMPLISHMENTS

Since 2019, DTSC has overseen the cleanup of thousands of properties to support the revitalization of land for housing and other productive uses, held regulated entities accountable through enforcement of hazardous waste laws, reduced the backlog of continued permits, and taken numerous regulatory actions that will result in the long-term removal of dangerous chemicals from products used every day in California.

The 2021 Budget included significant reforms to DTSC's governance and fees, which has allowed for fiscal stability, improvements in existing programs, and the implementation of new programs. Reform has allowed for the transformation of DTSC to more fully meet its mission of protecting the people and environment of California from exposures to hazardous materials.

- **Cleanup in Vulnerable Communities Initiative**—This initiative provides funding to incentivize cleanup and beneficial reuse of land in vulnerable communities in

California, investigate former dry-cleaner sites for contamination, help communities in the engagement process in cleanup activities, and more. One program—the Equitable Community Revitalization Grant—provided \$131 million (\$86 million General Fund) to support investigation, assessment, and remediation in disadvantaged communities.

- **Cleanup of Residential Properties Surrounding Exide Facility**—DTSC has overseen the cleanup of residential and other sensitive properties that were contaminated by the Exide battery recycling facility in Vernon. These efforts will reduce residents' exposure to lead and other dangerous metals. To date, DTSC has cleaned up 6,004 properties, exceeding the target of 5,940 set in 2021.
- **Permitting Reform**—DTSC has incorporated a number of accountability measures into the permitting process to reduce the number of hazardous waste facilities operating on continued permits (i.e., permits that continue beyond their expiration date). The total number of continued permits has decreased from 31 in 2020-21 to 10 in 2024-25.
- **Safer Consumer Products**—This program addresses pollution at the source by promoting product innovation and preventing regrettable substitutions through research, rulemaking, and upstream prevention. In response, manufacturers are reformulating their products with safer alternatives, including a shift away from ortho-phthalates in vinyl flooring, PFAS in carpets and rugs, and PFAS in textile and leather treatments. SCP's actions prevent up to a quarter million pounds of PFAS from reaching California homes and workplaces, and up to 2 million pounds of nonylphenol ethoxylates from being discharged into California's waters and impacting aquatic ecosystems each year.

SIGNIFICANT BUDGET ADJUSTMENTS

- **Exide Residential Cleanup**—\$70 million (\$50 million General Fund) in 2026-27 and 2027-28 to continue the clean-up of residential properties contaminated by the former Exide battery recycling facility in Vernon. This funding will support the remediation of an additional 1,000 properties.
- **National Priorities and Orphan Sites**—\$40.2 million one-time special funds to clean up contaminated brownfields and Superfund sites to protect public health and encourage revitalization. Over half of these sites are located in disadvantaged communities.

DEPARTMENT OF PESTICIDE REGULATION

The Department of Pesticide Regulation (DPR) protects people and the environment through regulation of pesticides and by fostering sustainable pest management.

MAJOR ACCOMPLISHMENTS

Since 2019, DPR significantly advanced protections for human health and the environment, including by fostering sustainable pest management, fast-tracking access to safer pesticide alternatives, restricting the use of specific high-risk pesticides, and increasing community engagement across the state.

The 2024 Budget included legislation to update the mill assessment, the primary source of funding for pesticide regulation in California, to provide stable, long-term funding to support the DPR's core functions and to better integrate and align sustainable pest management practices through research, innovation, and adoption.

- **Safer Alternatives**—DPR accelerated the availability and adoption of a broad range of alternative approaches by funding 63 projects totaling over \$19 million special funds since 2019. These include projects that address pest management impacts from extreme heat and demonstrate sustainable pest management in practice. DPR also launched CalPEST, a streamlined, electronic system that modernizes the pesticide registration process to move safer alternatives and other pest management tools more swiftly through the Department's rigorous evaluation process.
- **Mitigating Risks**—DPR took action to mitigate high-risk pesticides, including ending virtually all uses of chlorpyrifos as of December 31, 2020; adopting crop-specific mitigations for neonicotinoid insecticides, which are expected to reduce use by 40 percent; and imposing restrictions on the use of fumigant 1,3-dichloropropene, which reduced emissions by 29 percent in the first year.
- **Expanding Transparency**—In 2025, DPR launched SprayDays, a first of its kind notification system for restricted material pesticides. SprayDays provides the public with timely information about nearby pesticide applications before they occur, connecting thousands of Californians with real-time pesticide information.

SIGNIFICANT BUDGET ADJUSTMENTS

- **SprayDays**—\$809,000 ongoing special fund for the continued operations, maintenance, and outreach for SprayDays.
- **Evaluation and Mitigation of Fumigant Exposure**—\$394,000 ongoing special fund and 2 positions to expand evaluation, mitigation, and regulations related to fumigant exposure.

LANDFILL SUPPORT, RESPONSE AND ENFORCEMENT

Addressing Subsurface Elevated Temperature (SET) events and other emerging issues at California's landfills is crucial for safeguarding public health and the environment. These complex challenges, amplified by evolving waste streams and climate-related risks, demand a proactive and coordinated approach. By investing in enhanced detection, rapid response, robust enforcement, and updated regulatory frameworks, California can significantly mitigate the risks of fires, toxic emissions, and water contamination associated with these events. Furthermore, strengthening interagency collaboration and community engagement informs and protects affected populations. This strategic focus not only enhances landfill safety and sustainability but also builds greater resilience across communities facing the impacts of modern waste management challenges.

SIGNIFICANT BUDGET ADJUSTMENTS

The Budget includes a coordinated effort to address SET events at Class III Landfills and control the public health threat posed by these events. Specifically, this proposal includes the following departmental resources for support, response, and enforcement of these SET events:

- **CalEPA**—\$606,000 ongoing special funds and 2 positions to address the diffuse and complex regulatory environment surrounding landfills and the critical need for inter-agency coordination, to effectively coordinate responses to landfills and SET events.
- **DTSC**—\$2.1 million ongoing special funds and 4 positions to address SET events at Class III Landfills, including the Chiquita Canyon Landfill and other Class III permitted landfills to control the emerging threat to public health.

- **CalRecycle**—\$1.95 million ongoing special funds and 4 positions to address the workload concerning oversight and cost recovery of landfills experiencing SET events, in addition to assisting local governments and landowners on mitigating illegal disposal as result of landfills experiencing early closures or reduced operations.
- **State Water Board**—\$463,000 ongoing special funds and 2 positions to strengthen the Los Angeles Regional Water Quality Control Board's technical and operational capacity to prevent, investigate, and respond to landfill SET events and other landfill-related threats to water quality and public health that go beyond day-to-day landfill regulation activities.