

# Policy Briefing

## Action Plan for California's Environment

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California's economic future depends significantly on the quality of our environment. We face serious environmental challenges, which have profound impact on public health and the economy.

"Jobs vs. the environment" is a false choice. Overwhelming evidence demonstrates that clean air and water result in a more productive workforce, and a healthier economy, which will contribute to a balanced state budget.

Moreover, it is children who suffer disproportionate impacts of environmental toxins. Studies show that children who live near freeways, for example, suffer significantly higher asthma rates and learning disabilities.

Therefore, a Schwarzenegger Administration will protect and restore California's air, water, and landscapes with the following initiatives:

### **1. Cut Air Pollution Statewide by Up to 50% -- and Restore Independence From Foreign Oil.**

Breathing clean and healthy air is a right of all Californians, especially our children, whose health suffers disproportionately when our air is polluted. The future health of California's environment and economy depend on our taking action now.

As Governor I will:

**Invest in Hydrogen Highways.** Several leading auto manufacturers have stated that they can have tens of thousands of competitively priced hydrogen fuel cell cars on the road by the end of this decade if the fueling infrastructure were is available.

I will create a public-private partnership to ensure that before 2010, California has a network of stations in place to allow motorists a real choice of cleaner fuels to put in their tank.

These “Hydrogen Highways” will ensure the availability of hydrogen fueling stations every 20 miles on California’s major interstate highways. I will challenge businesses to match the government’s investment in these new fueling stations.

**Fight for federal dollars for hydrogen fuel development.** The federal government plans to spend more than one billion dollars over the next five years to support hydrogen fuel development. I will fight to make sure that a substantial portion of this money is invested in California, and I will seek the maximum benefit from any federal tax incentives.

**Expedite clean fuel transportation.** Expedite private efforts to build and mass market competitively priced cleaner fuel cars, buses, trucks and generators in California before 2010. I will direct all appropriate state agencies to accelerate use of the cleanest vehicles commercially available to meet the state’s transportation needs. I will also encourage municipal, county and federal government agencies in California to do the same.

I will direct the California Energy Commission and California Environmental Protection Agency to ensure that California’s fuel marketplace offers producers and consumers a real choice of fuels that are more plentiful, cost-effective and at the same time reduce harmful pollutants and greenhouse gasses. Fuel choices should include compressed natural gas (CNG), liquefied natural gas (LNG), ethanol, hydrogen, electric, low-sulfur and non-petroleum diesel blends.

**Get gross-polluting vehicles off the road now.** Less than 10 percent of vehicles currently operating on California’s roads are contributing contribute close to 50 percent of the California’s mobile source air pollution. I will insist on strong enforcement of new federal and state requirements for significant reductions in particulate matter and other emissions from diesel-fueled trucks and buses.

I will look to expand innovative market-based mechanisms such as “scrappage” systems so that California can obtain the maximum reduction in tons of emitted pollutants at the lowest possible cost to the state. Under my Administration, the state will lead by example — identifying and permanently retiring those heavily used vehicles that do the greatest harm to our air quality.

### **Protect California’s air quality standards for industrial facilities**

I will direct the Air Resources Board to examine the impact of the federal decision to exempt new sources of industrial air pollution from "new source review". Encouraging new investment in California’s industrial facilities should result in greater protection of workers and families in adjacent neighborhoods.

### **Relieve Traffic Congestion**

I will seek to implement innovative, market-based and means of reducing congestion on California’s highways – including congestion pricing, eliminating congestion-causing tollbooths when they can easily be replaced by technology, and similar measures.

## **2. Protect California’s Rivers, Bays, and Coastline**

California is identified for its beaches and magnificent coastline more than any other single feature. Tourism contributes \$75 billion to California’s economy, and employs over 1 million Californians. As Governor, I will protect California’s coastline by fighting for a permanent ban on all oil drilling in coastal waters and will urge the federal government to purchase the remaining offshore oil leases as it has in Florida.

- **Reduce Ocean Pollution.** I will take action to protect our coasts from sewage and storm water pollution. I will direct state agencies to incorporate pollution-free coastal development techniques, accelerate the repair of leaking sewer systems, and fully implement existing water quality programs, such as municipal storm water permit programs and Total Maximum Daily Load programs. California must handle and treat its

sewage under the requirements of the Clean Water Act to protect our oceans and beaches and the people who use them.

- **Protect Drinking Water.** 22 million Californians rely on the San Francisco Bay Delta for the quality of their drinking water. Sacramento's lack of leadership in supporting state and federal cooperation on Delta water management (CAL-FED) has resulted in Congress not funding the CAL-FED program. As Governor, I will urge the Congress to fully restore CAL-FED funding immediately. With proper leadership and resources, CAL-FED can implement the most effective ways of making the best use of our water supplies and encouraging economic growth in California. This will include increased conservation efforts among both urban and agricultural users, and the use of market-based mechanisms to create environmental gains in streams for fish and economic gains for farmers, municipal and industrial users.

Our streams, rivers, lakes, and bays can be better protected through the use of watershed management. As Governor, I will direct Cal/EPA and the Resources Agency to completely overhaul their recent "California Watershed Management MOU" from a bureaucratic do-nothing document to an action plan that will clean up California's most endangered watersheds now. Emphasis will be placed on practical strategies to finance these initiatives using state or private revolving loan funds and seeking California's fair share of federal funding, and making sure that existing permitting fees are targeted toward resource management so that they benefit the environment--not bureaucrats.

- **Protect the Integrity of our Coasts.** I will protect the integrity of the California Coastal Commission, which for decades has served to protect our valuable coastal resources. I will not allow the type of political interference in Coastal Commission decisions that has characterized the current Davis Administration, where special favors were granted in return for campaign contributions, even while the Administration was pledging to protect the coast.

- **Keep Tahoe Blue.** Lake Tahoe is one of California's most precious assets. Since 1970, population in the Tahoe Basin has more than doubled, but our environmental protections have not kept pace. The Environmental Improvement Plan for Lake Tahoe implemented in 1998 by California, Nevada, federal agencies, local governments, Indian tribes and community groups to improve Lake Tahoe's clarity has not been updated for five years. As Governor, I will take action to update the plan to accelerate improvement of Tahoe's waters, trails and wildlife, in order to "Keep Tahoe Blue."

### **3. Solve California's Electrical Energy Crisis.**

An unreliable energy system discourages businesses from locating or even remaining in California, resulting in lost jobs and state revenues, I will take action to prevent brownouts or blackouts, such as those experienced during the Davis Administration in California and this year on the East Coast.

Almost one third of California's entire in-state generation base is over 40 years old. I will immediately lay the groundwork to expand the state's power supplies, with special emphasis on clean, renewable sources, through the following steps:

- **Promote Solar and Renewables.** Increase California's use of solar power in cooperation with developers, the Building Industry Association, labor, community organizations, and bi-partisan state legislators to provide incentives for new homes built in California to include solar photovoltaic (PV). The goal of this program would be that, starting in 2005, 50% of new homes would include solar PV. As Governor I will also support the extension of tax credits for businesses and commercial establishments that install on-grid solar photovoltaic and other renewable generation systems.
- **Increase the Reliability of the Grid.** I will work to improve the reliability of the electric grid serving the western United States to prevent the type of blackouts that plagued the eastern United States and Canada during the summer of 2003. I will call for a summit to bring together the state's utilities, contractors, and California Independent System Operator (CAISO) with the Federal government and other states and

regional energy interests to strengthen the grid reliability. Investments should be consistent with the CAISO's annual transmission plan and should evaluate demand, transmission, and generation alternatives.

- **Save Energy Through Green Buildings**

A host of case studies demonstrate that retrofitting commercial buildings with energy-saving lighting and other technologies is repaid in five years or less based on electricity savings. Incentives will be established, including a Green Building Bank, using private financing and targeted public loan guarantees, to swiftly retrofit as many buildings as possible, reducing the need for new power plants, saving money for businesses and taxpayers alike, and preserving air quality. The Green Building Bank will also help finance the addition of solar PV on large flat rooftops, repaid over time by the value of the new energy generated.

- **Increase Renewable Energy.** As Governor, I will fully endorse California's Renewable Portfolio Standard (RPS), which requires that 20% of the state's total power supplies be generated from renewable sources by 2017. My Administration will also direct the California Energy Commission to define incentives and implement strategies that will target achievement of the 20% standard a full seven years early - - by 2010 - - and set the state on course to derive 33% of its power from renewable sources by 2020.

#### **4. Protect and Restore California's Parks and Open Spaces**

Many California families vacation within driving distance, often camping at state parks and beaches. State parks, beaches and trails also generate significant economic activity and tax revenue as a result of fees and other spending in adjacent areas. There is general agreement that park maintenance has been allowed to deteriorate.

- **Improve Our Parks, With Special Emphasis on Access for Seniors and the Disabled.** I will order the Resources Agency to develop a comprehensive facility assessment and improvement plan for state parks, beaches, and coastal access,

with emphasis placed on investments that enhance local economies and access for California's seniors and the disabled.

Much of the initial investment for these improvements can come from already approved bond measures, but plans will also be developed to find additional ways to support this important initiative through careful public and private investment.

- **Protect the Sierra Nevada.** A decade of hard work by a broad variety of stakeholders resulted in the Sierra Nevada Framework, a policy document that has been widely hailed as a model of forest ecosystem resource protection. As Governor, I will direct all relevant state agencies to comply fully with the Framework and call on the federal government to honor its pledge to abide by the policies set forth in this unprecedented compact.

The Sierra Nevada Mountain Range is one of the state's crown jewels. Yet, unlike many of California's other natural treasures, it has no conservancy. As Governor I will propose establishment of a Sierra Nevada Mountains Conservancy.

## **5. Restore Our Urban Environments.**

There is currently no effective, widely used mechanism for identifying vacant or underutilized sites in urban areas to evaluate their potential for infill redevelopment. The result is fiscally unsustainable sprawl, traffic congestion on commuter roadways, air pollution, pressure to consume scarce infrastructure resources, and loss of valuable open space. Working with local officials, my Administration will develop an Infill Incentives Package to help local governments deal with the jobs/housing imbalance throughout the State and to spur smarter development by providing a mechanism for planners to identify and evaluate redevelopment of blighted and underutilized sites, allowing cities to accommodate mixed use, compact development and urban infill growth while curtailing urban sprawl.

- **Address Brownfield Sites.** In addition, my Administration will direct appropriate agencies to draft a plan to rapidly complete the cleanup of brownfield sites, especially the thousands of locations with leaking underground petroleum

storage tanks, enabling these sites to be developed for productive commercial uses.

- **Improve Mass Transit.** In many locales, strategic improvements or additions to bus, light rail, and subway lines can result in much greater use of existing mass transit, reducing highway congestion and air pollution. As Governor, I will ask the federal government to restore to California its fair share of gasoline tax money generated in the state, along with other federal funds, to assist with critical mass transit improvements.
- **Focus on Children's Health.** Children suffer disproportionate impacts of dirty air, water, and dilapidated urban parks. Cal/EPA and the state Parks Department will be directed to submit an inventory of projects that will immediately improve air quality along freeways adjacent to residential areas, improve aging plumbing in inner-city neighborhoods (that now cause contamination of drinking water for families), and improve parks in neighborhoods with less than two acres of parks per 1,000 residents. Agencies managing recently approved water and park bond funds will be directed to give priorities to these projects. Special emphasis will be placed on projects that measurably reduce childhood asthma by improving both indoor and outdoor air quality.

## **6. Protect California's Environment Through Tough Enforcement of Existing Laws**

Strict law enforcement is vital to assure environmental protection, prevent polluters from achieving unfair competitive advantage against complying competitors, send a message of public values, and establish conditions conducive to creativity and participation in voluntary initiatives.

My Administration will focus on keeping underlying statutes and regulations simple; simple rules are easiest to follow and comply with; unnecessarily complex rules are hard to comply with, hard to enforce, and encourage evasion. Particular attention will be given to better use of information technologies with strict, clear and rapid penalties for intentional or negligent misstatements or omissions

Government should be held accountable for environmental protection to the same extent as private parties and should be held to the same enforcement standards. To greatest possible extent, environmental enforcement settlements should be used to provide direct environmental improvement through supervised projects, rather than having all penalties go to government treasuries.