

California Environmental Protection Agency

The California Environmental Protection Agency (CalEPA) was created in 1991 to better coordinate state environmental programs, reduce administrative duplication, and address the greatest environmental and health risks. The Secretary for Environmental Protection oversees: the Air Resources Board, Integrated Waste Management Board, Department of Pesticide Regulation, State Water Resources Control Board, Department of Toxic Substances Control, and Office of Environmental Health Hazard Assessment.

While progress has been made toward achieving the goals set forth for CalEPA, there is substantial room for improving the efficiency, effectiveness, and accountability of environmental operations. Toward this end, the Secretary for Environmental Protection has initiated an intensive review of the manner in which environmental programs are delivered, the structure of environmental organizations, and the funding mechanisms that are used to support environmental activities. The review is expected to be completed in early 2000, at which time the Secretary will recommend appropriate changes to the structure of environmental programs to better meet environmental objectives.

Initiatives

The Governor's Budget includes substantial new funding for several CalEPA initiatives: Air Quality and Alternative Fuels, Children's Health, Water Quality, California-Mexico Border Pollution and Comprehensive Enforcement. More on these initiatives can be found in the Protecting the Environment section.

Figure EPA-1

California—Mexico Border Pollution

As growth continues near the border between California and Mexico, pollution problems have increased. Discharges to air, water, and land have led to a host of concerns for both California and Mexico. The Budget proposes \$2.5 million to assess environmental impacts in the border region and support Mexican and binational efforts to improve the border environment and public health. Part of this effort will involve participation in the California Border Environmental Cooperation Commission, which is composed of members from both countries working toward solutions to border pollution problems.

CalEPA Agency

The Budget proposes \$433,000 to coordinate a number of high-priority environmental activities, including funding for an environmental justice coordinator pursuant to Chapter 690, Statutes of

1999. This coordinator will ensure the fair treatment of people of all races, cultures, and incomes with respect to the implementation and enforcement of environmental laws and regulations. The Budget also proposes to establish a Children's Environmental Health Center pursuant to recent legislation to provide expert advice on children's issues, assist CalEPA boards and departments to assess the effectiveness of regulations and programs designed to protect children from environmental hazards, and coordinate with other state agencies on environmental issues that relate to children.

Fees

The environmental fee structure that supports the regulatory activities of various boards and departments within CalEPA presents significant concerns. Historically, the various boards and departments within CalEPA have been supported by an ever-changing mix of fees and funding sources, including the General Fund.

Under the "polluter pays" principle, costs imposed on society to regulate activities that generate environmental pollution are borne by those who cause the pollution rather than the general taxpayer. Toward this end, the Administration is reviewing the regulatory fee structure of various environmental programs in CalEPA to ensure that polluters, to the extent practical, pay for the cost of regulation. Fair, equitable fees will ensure that sufficient funds are available to provide a high level of environmental protection while continuing the State's commitment to a healthy and growing economy.

Air Resources Board

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 scientific and technical foundation supporting the regulatory activities is provided through the Board's research, monitoring, and emission inventory programs.

The Board also oversees the regulatory efforts of 35 local air pollution control districts. The districts are primarily responsible for controlling sources of industrial pollution. Each district adopts and enforces its own rules in compliance with applicable federal and state requirements. As a function of its oversight role, the Board reviews district rules for effectiveness, approves district clean air plans required under the federal and California Clean Air Acts, and audits district compliance programs. Controlling particulate matter and toxic compounds, investigating health impacts, and developing zero-emission technology are among the challenges for air quality in the state. In particular, the Board recently adopted a "Phase 3" gasoline regulation to implement the Governor's Executive Order banning the use of MTBE in California gasoline by December 31, 2002. This regulation preserves significant current emission benefits while adding new air quality benefits by lowering limits for sulfur and benzene in gasoline.

Old School Bus Replacement—In order to reduce children's exposure to diesel exhaust—a toxic air contaminant—the Budget includes \$50 million to replace older school buses with buses that use less-polluting fuels such as compressed natural gas. The Board will implement this program by providing grants to local air pollution control districts to fund the replacement of pre-1977 diesel school buses, which emit at least three times more pollutants than cleaner alternative fuel vehicles.

Fuel Cell Partnership—The Budget also includes \$5.2 million to participate in the California Fuel Cell Partnership. The partnership represents a cooperative effort by government and industry to bring fuel cell vehicles to California beginning in 2000. These funds will be used to offset the cost

of hydrogen-powered fuel cell buses that will be demonstrated by transit agencies in California under the partnership program.

In addition, \$4 million is proposed to increase air monitoring efforts in communities throughout the state, \$1.7 million to conduct a focused investigation of two highly toxic substances (dioxins and asbestos), \$900,000 to implement recently enacted legislation regarding children's environmental health, and \$941,000 to expand vapor recovery programs.

Integrated Waste Management Board

The Integrated Waste Management Board continues to address the State's solid waste reduction and management needs in the areas of facility permitting, environmental monitoring, assistance to local governments, market development programs, and public education efforts to reduce the amount of material disposed in landfills. By promoting the waste diversion tenets of "reduce, reuse, recycle, and buy recycled," the Board has assisted in the State achieving an overall diversion rate of 33 percent. Currently, over 329 cities and counties have met or exceeded 25 percent diversion or have shown a good faith effort toward meeting that diversion level and 73 of these jurisdictions already have met the mandate to divert 50 percent of their waste from landfills by the year 2000.

The Budget provides \$1.3 million to expand investigation and enforcement activities at over 2,675 closed, illegal, and abandoned solid waste disposal sites, which pose public health and safety problems. The Budget also contains \$421,000 to assist manufacturers in complying with state law regarding the rate of plastic packaging container recycling and the use of recycled content materials. In addition, \$324,000 is included to provide grants and technical assistance to expand the collection and distribution infrastructure of locally operated reuse programs.

The Budget includes \$303,000 to assist state agencies in developing model integrated waste management plans and implementing appropriate waste reduction programs. An additional \$261,000 is proposed to promote inclusion of "green" or sustainable practices in the design and construction of more cost-effective, environmentally friendly, resource and energy-efficient buildings.

The Playground Safety and Recycling Act of 1999 requires the upgrade and repair of public playgrounds through the use of recycled content materials and playground equipment. The Budget includes \$146,000 to improve school playground equipment and prevent injuries. The Budget also includes \$2.0 million for grants to school districts that will be provided through the Department of Education. Also, Proposition 12 will provide \$7.0 million for matching grants to local agencies to assist them in meeting state and federal accessibility standards relating to public playgrounds. Fifty percent of the funds must be used for the improvement or replacement of playground equipment or facilities using recycled materials.

The Budget proposes \$112,000 to expand and coordinate public education and technical assistance activities to address regional environmental issues along the California-Mexico border. Specifically, funding is provided for waste management education and public outreach for Baja California teachers, industrial managers, and municipal recycling coordinators.

Department of Pesticide Regulation

The Department of Pesticide Regulation protects public health and the environment with the nation's most rigorous and comprehensive program to evaluate pesticides and control pesticide use. The mission of the Department is to regulate all aspects of pesticide sales and use,

recognizing the need to control pests while protecting public health and the environment and fostering reduced-risk pest management strategies. The Department's oversight includes scientific evaluation of pesticides before they are licensed for sale; local enforcement to ensure pesticides are used safely; residue testing of fresh produce; environmental monitoring to detect, reduce, and prevent contamination; and programs to encourage the development and use of pest control practices that are both environmentally sound and effective.

The Budget includes an augmentation of \$675,000 to develop allowable residue limits for new reduced-risk pesticides and evaluate new federal risk assessment policies and procedures. Also included is an increase of \$205,000 to develop and assess exposure mitigation measures for pesticide active ingredients, and to evaluate trends in pesticide use and reduced-risk pest management methods.

State Water Resources Control Board

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

In 2000-01, the SWRCB will participate in a number of programs that combine the efforts of several departments and agencies within California to provide a more comprehensive approach to improved water quality and environmental management.

The Budget also includes an augmentation of \$864,000 for the SWRCB to address water quality issues in the Tijuana, New, and Alamo Rivers resulting from surface water discharges by assisting the Mexican government to implement pollution abatement projects in Baja California.

The Budget includes \$1.4 million for the SWRCB to continue technical review and regulatory activities supporting the CALFED program in the Bay-Delta, \$581,000 to participate in a multiagency watershed assessment program in the North Coast, and \$238,000 to develop and evaluate alternatives for treating and managing ballast water discharges pursuant to recently enacted legislation.

The SWRCB's efforts to enforce waste discharge and water rights requirements will be enhanced through an augmentation of \$1.1 million to monitor compliance of municipal and industrial point source discharges with permit limitations and identify water diversions requiring a permit.

Growers in the San Joaquin Valley and Kern-Tulare Lake basin will benefit from a \$1 million augmentation to develop and implement regional and onsite farm management practices that will reduce salt levels in agricultural drainage waters. Also, an augmentation of \$1.1 million will allow the SWRCB to begin a two-year intensive review of Salinas Valley groundwater problems resulting from seawater intrusion and to formulate a plan of action to resolve these problems.

Department of Toxic Substances Control

The Department of Toxic Substances Control is responsible for the prevention and remediation of environmental damage caused by hazardous substances. The Department oversees the cleanup of contaminated sites and monitors and regulates hazardous waste transportation, treatment, storage, and disposal in California. The Department's programs cover site mitigation, hazardous waste management, pollution prevention, waste minimization, and technology development.

In recent years, the Department's approach to enforcement has more heavily embraced compliance assistance, voluntary compliance, and educating industry and the public on proper hazardous waste management over the more traditional approach of investigations and inspections. Voluntary compliance and education will continue to play an important role in the mix of enforcement tools used to protect public health and the environment. Greater enforcement needs have been identified, however, in order to fully protect public health and the state's environment. Consistent with this policy, \$2.9 million is included in the Budget to deal with the most egregious environmental violations through increased investigations and inspections. The funds will also be used to increase enforcement training.

Recent information suggests that hazardous substances may pose a health risk to children and teachers in our public schools. To address this problem, the Budget includes \$3.3 million to investigate and provide technical assistance related to the clean up of hazardous substances at both existing and potential school sites.

A total of \$689,000 is proposed to expand hazardous waste management activities along the California-Mexico border and implement pollution prevention projects with Mexico.

Office of Environmental Health Hazard Assessment

The primary goal of the Office of Environmental Health Hazard Assessment is to protect and enhance public health and the environment through objective, scientific evaluations of risks posed by hazardous substances. The Office provides risk assessment to various programs under the CalEPA as well as other state and local agencies. The Office provides these programs with scientific tools and information upon which to base risk management decisions. Health risk assessments focus on exposure to chemicals in air, water, food, consumer products, hazardous and municipal waste facilities, fish and shellfish, and sediments in bay and estuarine waters.

Under Proposition 65, the Office is responsible for maintaining a list of chemicals known to cause cancer or reproductive harm, and businesses are required to post a warning when exposing employees or the public to a listed chemical unless they can demonstrate that exposure levels to the chemical do not present a significant risk. The Budget includes \$670,000 for the Office to develop safe exposure levels for chemicals, thereby assisting businesses in determining whether risks are significant enough to require warning signs.

MTBE is being phased-out as an additive to gasoline because of adverse effects on the state's environment. Recently enacted legislation requires the Office to perform a life-cycle analysis of the health and environmental risks from the production and disposal of alternative gasoline mixtures. The Budget contains \$803,000 for this purpose.

As part of CalEPA's Children's Health Initiative, and consistent with requirements in recently enacted legislation, the Office will use a proposed \$647,000 augmentation to evaluate the health risks and exposure patterns of children and infants to air pollutants. In addition, \$843,000 is proposed to evaluate the cancer risk to children from exposure to non-air pollutants and to develop school risk assessment guidelines. The Office, which is participating in CalEPA's California-Mexico Border Initiative, will use a \$100,000 augmentation to provide risk assessment training and education to local agencies along the border.

