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March 4, 2024

The Honorable Scott Wiener
Senate Budget Committee, Chair
1021 O Street, Suite 8630
Sacramento CA 95814

The Honorable Jesse Gabriel
Assembly Budget Committee, Chair
1021 O Street, Suite 8230
Sacramento, CA 95814

The Honorable Josh Becker
Senate Budget Sub. 2, Chair
1021 O Street, Suite 4710
Sacramento CA 95814

The Honorable Steve Bennett
Assembly Budget Sub. 4, Chair
1021 O Street, Suite 7250
Sacramento, CA 95814

Dear Budget Chairs:

We, the members of the Central Coast Legislative Caucus, ask for the preservation of funding to help advance the state's response to climate change, fortify Central Coast highway infrastructure, and improve disaster recovery and mitigation.

Spanning Santa Cruz, Monterey, San Luis Obispo, Santa Barbara, and Ventura, the Central Coast embodies California's economy, values, and identity. Aside from its iconic views and attractions that draw millions of tourists, this region is the home to innovative companies, educational institutions and other assets that significantly contribute to California's booming economy. Areas like Salinas, for example, carry an estimated \$8 billion economic impact from staple crops, while San Luis Obispo generates almost \$1.8 billion in travel spending per year. Four industries, specifically aerospace/precision manufacturing, clean technology/renewable energy, and agriculture, produce \$12 billion in economic impact alone.

Despite its indisputable value, the Central Coast is increasingly vulnerable to the effects of climate change and coastal erosion, as evidenced by the 2023 winter storms and natural disasters. Moreover, our 2 million residents struggle with the worsening cost of living and the lack of interconnection, especially for rural communities with insufficient transportation, utilities, and healthcare. Because of its vital importance to the entire state, it is essential that the 2024-2025 budget include investments that will buttress our region.

The Governor's January Budget reduces the multiyear climate budget to \$48.3 billion — down 11% from the \$54 billion approved in 2022 and 7% compared to last year's budget. Among the cuts are clean transportation programs and others that address forest maintenance, watershed resilience, coastal protection and sea level rise. Although the \$48.3 billion investment still puts California at the global forefront of clean energy, climate change, and resilience, the decline in much-needed funding to essential programs poses significant challenges, especially for the Central Coast.

Because of the unique needs of our region and local communities, we strongly urge the Legislature and the Administration to preserve the following in the 2024-2025 budget:

Coastal Resilience & Sea Level Rise Adaptation

According to the California Energy Commission in its 2018 report, sea-level rise (SLR) will have “widespread adverse consequences for California’s coastal resources including coastal flooding and erosion that will affect built structures, coastal agriculture, wetland habitat, sandy beaches, tidal marshes, and estuaries” with these impacts increasing over time. With erosion threatening 70% of California’s beaches, accelerating SLR combined with a lack of ample sediment in the system will drive the landward erosion of beaches, “effectively drowning them between the rising ocean and the backing cliffs and/or urban hardscape.”

Given this immediate threat to our communities, we join the diverse coalition of stakeholders in asking for a preservation of the State Coastal Resilience Budget to Protect Communities from Storm Surge and Flooding. Funding that is being reverted from the State Coastal Conservancy and Ocean Protection Council will make our region more resilient to the flood damage, erosion, and mobilization of toxic waste and wastewater contamination.

Additionally, we ask for a preservation of funding to programs to advance climate resilience in low-income and underserved communities, who are most impacted by the effects of climate change. Underserved communities in the Central Coast region, such as the City of Salinas and Pajaro, were highly affected by water shortages from 2011-2016 and the floods in 2023.

These investments will protect people who live near and visit the coast from flooding, maintain our public beaches and habitats, and help preserve public infrastructure like power plants, roads, sewage lines, and wastewater treatment structures.

Wildfire and Flood Mitigation

Along the Central Coast, atmospheric rivers are the dominant drivers of locally extreme rainfall events and are associated with most major inland floods in California (Dettinger 2011). Our region was hit hard by the storms in January 2023, leading the Governor and President Biden to declare states of emergency. Cities such as Santa Cruz and a myriad of business, homeowners, and neighborhoods are still recovering and rebuilding.

Meanwhile, the frequency of natural disasters, including storms, floods, and wildfires will only increase. The 2021 and 2022 budgets included \$2.8 billion for forest and wildfire resilience; the new proposal maintains \$2.7 billion of that over five years. We therefore urge continued and consistent investments for various drought and flood resilience projects.

Transportation

Transportation is one of three assets the Central Coast Climate Collaborative deemed were of most concern with respect to climate hazards (Wise-West 2017). The main Central Coast transportation infrastructure, including roads, railways, and airports, are vulnerable to climate change. Increased extreme storms, sea level rise, wildfires and potential debris flows will damage roadways and railroads. Extreme hot days will increase the risk of buckling of highways and railroad tracks and may cause premature deterioration or failure of transportation infrastructure, decreasing transportation safety and creating higher maintenance costs.

The Governor's proposed 2024-2025 budget delays the Transit and Intercity Rail Capital Program formula grants from 2024-25 to 2025-26. Moreover, it delays by three years money to build charging stations. This delay is especially detrimental to the Central Coast, given the electric desert along much of Highway 1. We therefore ask for a timely release of funds and grants to our region, as well as equipping Caltrans and our counties with the tool to rebuild and maintain our transit corridors and infrastructure.

Coastal Resource Protection and Offshore Wind

Renewable energy sources such as offshore wind are essential to our global solution to climate change and puts California on a path to carbon neutrality by 2045. In December 2022, the Bureau of Ocean Energy Management announced the recipients of five leases for offshore wind development on the West Coast, putting the Central Coast at the forefront of this emerging energy.

Subsequently, the state enacted AB 1373 (Garcia, Chapter 367, Statutes of 2023), which included \$6 million for environmental monitoring and research into offshore wind. Such scientific monitoring will ensure that offshore wind development is managed in a way that protects California's ocean wildlife, ecosystems, and marine environment. We therefore strongly urge the state to allocate the funding needed to implement AB 1373. This funding is essential for providing timely information and guidance as offshore wind development unfolds in real time. In doing so, we will achieve our statewide goal of carbon neutrality while remaining committed to our values of ocean and habitat protection.

Support for the 2024 Climate Bond Priorities

While General Fund investments should be made in the budget, additional bond funding is necessary to ensure priority programs continue beyond this year. Our caucus fully supports the passage of a climate bond to be eligible for the November 2024 ballot.

Most notably, we support the direct investments that will support our communities most impacted by climate change:

- Safe drinking water
- Sustainable agriculture and biodiversity
- Extreme heat and community resilience
- Flood protection and wildfire resilience
- Coastal protection
- Parks and recreation

We understand that the current fiscal outlook of the state requires serious deliberation, reexamination, and strong decision-making. Even so, our caucus recognizes the true need for the aforementioned investments, which will protect our region and support California's economy and well-being.

Sincerely,



DAWN ADDIS
Chair, Central Coast Legislative Caucus
Assemblymember, 30th District



MONIQUE LIMÓN
Vice-Chair, Central Coast Legislative Caucus
Senator, 19th District

The Central Coast Legislative Caucus

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