This post is part of an ongoing series on our <u>Environmental Blueprint for California</u>, released by UCLA Law last week. I'll talk about the first-and, in many ways, most fundamental-recommendation in our paper: that Governor Brown do what he can to protect and restore stable, robust funding for our State's core environmental initiatives.

My coauthors and I recognize that any conversation about the State's priorities has to begin with the reality of our broken budget. But we also understand that California's economic future depends on its environmental health. Driving investment in renewable energy and environmental protection returns economic benefits to California, as we argue in more detail in <u>an op-ed</u> in yesterday's Sacramento Bee. And if we fail to recognize the importance of environmental quality, the significant public health costs of failing to protect our public health and natural resources will prove to be a drain on the State's economy.

Since everyone's talking about budgets and financial strategems these days, consider two financial metaphors. First, would you spend a dollar today to get back two tomorrow? The state is leaving money on the table when it underfunds even basic environmental regulatory activities, such as monitoring, permit-writing, and enforcement, that have significant revenue-generating potential through assessing appropriate penalties or imposing prices on activities that adversely affect the State's residents.

Second, can an asset fund manager succeed by continually writing checks against the corpus, or principal, she is charged with growing and protecting? Spending down the principal may lead to an illusion of present-day wealth, but it's an unsustainable approach. This is what we do when we rely on non-renewable resources to fuel our growth. As Tom Friedman, Robert Kennedy Jr. and others have pointed out, our fossil-fuel dependence is the equivalent of an intergenerational Ponzi scheme, with our kids left holding the bag.

The voters' repudiation of Proposition 23 in November's election shows that this message is resonating and that Californians have embraced a vision of our state as a clean-energy leader. Unfortunately, the same election's Proposition 26 may pose a new barrier to stable environmental funding. As we discuss in our earlier report on Prop 26 (available here, blog posts here and here), this recent change in the law makes it more difficult for state agencies to impose certain kinds of regulatory fees on polluting activities. Thus, part of our blueprint recommendation is that, where key funding may depend on new fees or taxes, the Governor should provide all necessary resources and support to agencies and local governments looking for ways to enact such fees consistent with Proposition 26.

Next up, a discussion of environmental monitoring and modeling.

California Environmental Blueprint: Protect and Restore Funding | 2