This is the fifth post in a series outlining climate and environmental policy recommendations for California's next governor, drawing from a roadmap report that CLEE released last month. Prior posts covered our cross-cutting strategies, ways to break down governance silos, transportation policy priorities, and energy transition.

California has been a global leader for climate change action for decades, across republican and democratic administrations, resulting in some of the most ambitious emission reduction targets in the world. Sustaining California's climate leadership and achieving these targets amid growing challenges requires implementation and integration with state economic development. Dynamic leadership and innovation will be required to navigate opposition to climate action (including from the federal government), affordability and threats of inflation, and addressing the economic and workforce nuances of the transition.

Here are some suggestions for how California can maintain its leadership:

*ESTABLISH A BOLD VISION FOR CLIMATE AND THE ECONOMY. To continue California's leadership role in international climate action, the Governor should consider new initiatives at the frontier of climate technology and policy, where California has expertise and that can bring new economic opportunities and jobs to the State. Key elements of this vision could include:

- A climate technology consortium, to replace ARPA-E's commitment to clean energy innovation, with government support, first loss insurance, university and company participation, in alignment with regional economic development strategies.
- Expanded financing and loan guarantees for the multiple "valleys of death" that technologies face as they mature to infrastructure scale.
- Leadership on battery technology development, applications, and recycling and reuse processes.
- Investment in workforce development initiatives across building decarbonization, energy transition, forest management, and resilience programs.
- Policies to accelerate carbon dioxide removal (CDR) technologies, prioritizing deployment support for approaches that are ready to scale.
- A focus on advancing high-road labor practices, racial equity, and more democratic forms of ownership so that disadvantaged communities receive meaningful, measurable, and assured benefits from public action.

*DEFEND STATE ENVIRONMENTAL SOVEREIGNTY. In the face of the federal government’s abdication and multi-front attacks on California’s sovereignty and legal authority, reassertion of the state’s position is essential.

*REAFFIRM AND STRENGTHEN CLIMATE AND ENVIRONMENTAL JUSTICE PRIORITIES. California’s commitment to equity and environmental justice would benefit from reaffirmation, paired with a broader commitment to promoting affordability and economic opportunity in underserved communities through enforceable community benefits tools.

*ENSURE THE LONG-TERM VIABILITY OF MARKET-BASED CLIMATE MECHANISMS. Working with CARB, other agency leaders, and the legislature to preserve and strengthen the Cap-and-Invest program and Low Carbon Fuel Standard can secure long-term GHG reductions, while maintaining economic competitiveness and retaining vital industries.

*SUSTAIN INTERNATIONAL COLLABORATION AND LEADERSHIP. California has outsized influence on global climate efforts through international bilateral collaboration with countries such as China and Mexico, and in cooperation with U.S. states, cities, and tribes. The Governor can help ensure that MOUs are actionable by supporting implementation and coordination pathways through durable secretariats like those that have been established at the University of California and non-governmental organizations.

*DEVELOP A STATE STRATEGY AROUND CLIMATE OVERSHOOT. As climate impacts worsen and the pace of global greenhouse gas emission reductions fail to keep pace with even the 2-degree Celsius target, California will need to develop a strategy to manage the impacts of exceeding targets for a sustained period until emissions drop to sustainable levels (i.e., overshoot).

*STRENGTHEN REGULATIONS IMPLEMENTING CLIMATE DISCLOSURE LAWS. To assist in meeting its climate goals, California has enacted climate risk and emissions disclosure laws (SB 261 and SB 253, 2024) so that companies, regulators, policymakers, and Californians have information about the emissions from and risks faced by corporations and financial institutions to assist in meeting the state’s goals. The Governor can work with CARB to include all relevant industry players in the regulation and ensure robust coverage of the State’s economy and financial sector under the law.

Commitment and consistency across decades has enabled and fueled California’s climate leadership. Continuing that leadership is essential to worldwide progress and implementation of solutions.