

May 8, 2025

The Honorable Mike McGuire President Pro Tempore California State Senate State Capitol Sacramento, CA 95814

RE: Proposition 4

Dear Senator McGuire,

We, the San Joaquin Valley Water Collaborative Action Program (CAP), are a coalition of over 80 leaders from agriculture, water agencies, safe drinking water advocates and technical assistance providers, environmental organizations, academia, and state and federal agencies. The San Joaquin Valley is ground zero for California's water management challenges, and where innovations and partnerships are made that can provide solutions benefiting the rest of the state. Solving problems in the Valley means solving problems everywhere.

As the Legislature prepares for the annual May Revise and subsequent budget process, we urge you, as part of the larger climate resilience investment strategy made possible by the passage of Proposition 4 in November of last year, to work with the Newsom Administration to leverage these bond funds as much as possible to bolster existing state resources dedicated to water conveyance and storage, habitat restoration and environmental protection, drinking water supplies, groundwater management, and other vitally important areas. We ask that the Legislature take all steps necessary to enable state agencies to quickly issue funding guidelines and establish new programs where necessary, prioritize investments in the San Joaquin Valley, and accelerate the timeline of when these bond funds will be spent.

Invest in the San Joaquin Valley. Throughout the language of Proposition 4, certain regions are specifically cited as being eligible for funds and have been designated for specific amounts for various activities. The San Joaquin Valley has received relatively few specific line items compared to regions such as Los Angeles, the Bay Area, Lake Tahoe and others. While we recognize the need for funds in all areas of California, structural underinvestment has been a fact of life in the San Joaquin Valley, which contains hundreds of small, disadvantaged communities. In addition, because of historic inequities in the region, project proponents in the Valley tend to require more assistance to apply for bond funding, creating a systemic set of challenges to properly investing in climate resiliency.

We ask that the Legislature work with San Joaquin Valley representatives and communities to implement the following recommendations:

- Use the state budget process to allocate bond funds to specific needs in San Joaquin Valley counties and jurisdictions, especially in the areas of drinking water supply, groundwater management and habitat restoration
- Increase the amount of funding eligible for technical assistance beyond the current 10% threshold
- Establish more support frameworks, such as conservancies, where necessary

These steps will not only direct funding to where it is most needed, but also position the San Joaquin Valley to build up its project capacity and expertise for future initiatives, helping to address historic inequality and moving toward greater sustainability and prosperity for the region as a whole.

Work with the Administration to ensure processes are in place to award funds quickly. Currently, Proposition 4 does not contain an Administrative Procedure Act (APA) exemption for the establishment of guidelines and application processes for bond funds. While the APA is a useful tool for ensuring transparency in the administration of state funding programs, it is not necessarily designed for the urgent investments envisioned in Proposition 4. If agencies have to follow the full APA set of requirements, these bond funds will be delayed for years, and in some cases may not be awarded at all if additional resources are not allocated specifically for rulemaking procedures. It was not the intent of the Legislature, nor the voting public, for these valuable funds to be spent on bureaucratic process instead of beneficial environmental projects. We recommend working together with the Administration to pursue trailer bill language that would establish an APA exemption for activities associated with distribution of bond funds, while including adapted requirements for public hearings and comment to ensure public accountability and transparency.

The San Joaquin Valley keenly feels the effects of prolonged drought, unstable drinking water access, wildfires, and many other climate challenges. Uniquely among recent climate bond measures, Proposition 4 contains funds accessible directly by farmers and dairymen, signaling a desire to safeguard California's irreplaceable agricultural industry. Solving climate challenges in the heart of this industry will not only help to support the people, economy and environment of the San Joaquin Valley, but also enable us to solve climate challenges throughout the state. We stand ready to work together with you to help ensure that the Valley is able to fully participate in Proposition 4 climate investments.

Sincerely,

Ann Hayden

Environmental Defense Fund

Sarah Woolf

ll/wf

Water Wise

Co-Chairs

San Joaquin Valley Water Collaborative Action Program