



On Friday, January 10, 2020, Governor Newsom released his 2020-2021 state budget proposal, the largest budget ever at \$222.2 billion. The governor will now work with the California Legislature over the next several months to address questions about the proposal and to negotiate significant additions or removals of programs and associated funding. The state budget must be passed by midnight on June 15<sup>th</sup>. The governor continues to prioritize the environment and water policy in his budget. Highlights for Western Growers members include:

- *Creation of Climate Catalyst Fund:* \$1 billion over the next four years for a Climate Catalyst Fund to support the state's transition to carbon neutrality by 2045.
- *Establishment of Climate Resilience Bond:* \$4.75 billion for a Climate Resilience Bond that will be used to support investments that reduce climate risks such as floods, droughts, and wildfires.
  - \$360 million for grants and loans to improve access to safe drinking water
  - \$220 million for support of Salton Sea projects
  - \$140 million for enhanced stream flows and fish passage
- *Cap and Trade Fund:*
  - \$50 million for agricultural diesel engine replacement and upgrades
  - \$150 million for clean trucks, buses, and off-road freight equipment
  - \$18 million to CDFA for Healthy Soils
- *Soil, Water and Environment:*
  - \$200 million for grants, incentives, demonstration projects to enhance ag land soil health and water quality
  - \$130 million for the Safe and Affordable Drinking Water Fund
  - \$60 million for support and planning projects across critically overdrafted basins, water efficiency improvements, and land use planning strategies
  - \$35 million for waste collection in the Tijuana River
  - \$28 million for New River improvement project
  - \$7.5 million for wetlands management to Department of Fish and Wildlife to modernize water conveyance systems to better manage wetlands
  - \$6.5 million to modernize fish hatchery operations
- *Pesticides:* \$350,000 to support continuance of the pesticide alternative workgroup and accelerate agriculture toward using safer, more sustainable pest management.
- *Ag Labor Relations Board:* ALRB will get \$1.05 million from Labor and Workforce Development Fund and reimbursement authority and five positions on a three-year limited term to support employer and employee outreach activities.
- *AB 5 Implementation:* \$17.5 million to Department of Industrial Relations to address workload increases. \$3.4 million to EDD. \$780,000 to DOJ for enforcement related to misclassification of employees.
- *Workforce Development:* \$500 million for career technical education projects.