

Climate Resilience Bond Update

August 2024

Final Bond Breakdown (Content)

BOND CHAPTER	FUNDING ALLOCATION
Safe Drinking Water, Drought, Flood, and Water Resilience	\$3.8 billion
Wildfire and Forest Resilience	\$1.5 billion
Sea Level Rise and Coastal Resilience	\$1.2 billion
Protect Biodiversity and Accelerating Nature-Based Climate Solutions	\$1.2 billion
Clean Air	\$850 million
Park Creation and Outdoor Access	\$700 million
Climate Smart, Sustainable, and Resilient Farms, Ranches, and Working Lands	\$300 million
Extreme Heat Mitigation	\$450 million
TOTAL	\$10 billion

Comparison of SB 867 – Climate Resilience Bond Package – With Statewide Coalition Funding Request

WATER RESILIENCE FUNDING CATEGORY	SB 867	COALITION REQUEST
Safe drinking water*	\$610 M	\$500 M
Groundwater storage*	\$386.25 M	\$750 M
Water recycling and desalination*	\$448.75 M	\$1 B
Water storage*	\$75 M	\$550 M
Water conservation*	\$75 M	\$400 M
Regional conveyance*	\$75 M	\$600 M
Dam safety*	\$480 M	\$700 M
Flood protection and reactivation + stormwater management*	\$660 M	\$950 M
Watershed resilience	\$100 M	\$700 M
State Water Project public benefits*	\$0	\$500 M
Land repurposing program	\$200 M	\$0
Water data management	\$15 M	\$0
Rivers, lakes, streams, wetlands	\$335 M	\$0
Salton Sea Management Plan	\$170 M	\$0
Streamflow enhancement	\$150 M	\$0
Nature education facilities	\$20 M	\$0
TOTAL	\$3.8 B	\$6.65 B

*Includes "water infrastructure projects"

Coalition request: Allocate 2/3 (66%) of \$10B climate resilience bond to water infrastructure investment

SB 867 water infrastructure investment: ~\$2.81B = 28% of total bond allocation

What's Next?

- Senate President Pro Tempore Mike McGuire signed the climate bond on July 3 to place it onto the General Election ballot
- Proposition 4 on November 5 General Election ballot
- Stakeholders (final position on SB 867):
 - ACWA – Neutral
 - State Water Contractors – Neutral
 - Northern CA Water Association – Neutral
 - WaterReuse – Neutral
 - CA Municipal Utilities Association – Support
 - Environmental Community – Support
 - Labor – Neutral
 - Individual water agencies – Varied
 - Business Community – Neutral
 - Agricultural Community – Varied



Political Considerations

- Proposition 1 on **March 2024 primary election** ballot
 - Passed with only 50.2% of affirmative vote – with full support by Governor
- **PPIC polling**
 - *“64% of voters say this is a bad time to issue state bonds for state programs and infrastructure projects”* (PPIC June 2024, November Election, State fiscal ballot initiatives discussion)
- **California economy + State fiscal condition**
 - \$29 billion budget shortfall for 2024-25
 - Projected \$28 billion budget shortfall for 2025-26
- **Proposition 2 on November 2024 General Election ballot** is a \$10 billion school facilities bond measure

QUESTIONS?