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CONTACTS:

Jon Christensen, jonchristensen@ioes.ucla.edu or (650) 759-6534 Refugio Mata, refugio@resource-media.org or (805) 428-4075

New UCLA study shows positive impacts of funding that prioritizes equity

As lawmakers consider a new 2020 environmental bond measure, report research finds valuable lessons from Proposition 1 funding implementation to help deliver more water improvement projects to disadvantaged communities

LOS ANGELES – Nearly halfway through funding implementation, a new study, titled "Striving for Equity in Public Investments in Water in California: An Analysis of Prop 1 Implementation," evaluates whether or not Prop 1 funds are benefiting disadvantaged communities and makes a strong case for policymakers to ensure support goes to the communities that need it the most. The report calls for explicitly making equitable allocations in future environmental and climate resilience funding – including a new bond measure to conserve and increase water supply, provide flood protection, and reduce wildfire impact – and for continued prioritization of funding to disadvantaged communities for remaining Prop 1 funds. The study was conducted by the UCLA Institute of the Environment and Sustainability and can be accessed here: https://www.ioes.ucla.edu/project/prop1

"Prop 1 funding is being spent thoughtfully and effectively in the ways intended by the measure that California voters approved, and our analysis shows that when you prioritize equity, funding does go to the disadvantaged communities that most need it," said Jon Christensen, an adjunct assistant professor in the Institute of the Environment and Sustainability at UCLA, and author of the report. "The lessons we are learning from Prop 1 implementation need to be front and center as California policymakers make important decisions about future funding for water and other environmental projects."

The analysis shows that of the \$2.8 billion assigned to projects so far, 30% is going to projects benefiting disadvantaged communities, 29% is going to projects benefiting communities that are not disadvantaged, and 41% is going to projects where it is unknown whether disadvantaged communities are benefiting. Key recommendations outlined in the report include:

- **Making equitable allocations**: Future environmental funding measures should continue to draw lessons learned from Prop 1 implementation to refine implementation guidelines so that funds benefit communities most in need.
- **Prioritizing technical assistance**: Technical assistance helps disadvantaged communities to participate in applying for funding by providing training, guidance, and hands-on assistance in preparing plans and applications.

- **Setting additional funding mechanisms:** Prop 1 helped communities develop plans for projects in disadvantaged communities that will require future funding to implement, whether through another bond measure or other funding measures.
- Developing a more effective method to assess benefits to disadvantaged communities: Convene a task force that includes stakeholders to come up with an improved methodology to determine whether projects are benefiting disadvantaged households and communities.

"In order to fulfill the promise our state has made for all Californians to have access to clean water and healthy communities, it's critical that disadvantaged communities across the state are able to access the funding they need," **said Jonathan Nelson, Policy Director of the Community Water Center**, which has worked with local residents from over 80 California communities and secured more than \$17 million in state funding, including from Prop 1, to improve access to safe, clean, and affordable water.

"We cannot overstate how important it is to ensure investments made in community engagement and technical assistance are complemented by implementation support, with a strong focus on prioritizing funding for communities with the greatest needs," **continued**Nelson. "These lessons are more relevant than ever given passage of the Safe and Affordable Drinking Water Fund and in light of the need for additional bond funding to support capital drinking water projects."

The UCLA study found that while 452 community water systems had received technical assistance to plan for badly needed improvements, very few of those projects will receive funding for implementation under Prop 1 because most of that funding has already been located. However, those projects will now be better prepared to apply for future funding.

"California has had a longstanding need to develop a steady stream of funding to fulfill our state's promise of a human right to water, as well as equitable access to other environmental benefits," **said Christensen**. "Our state has taken significant steps towards that goal, but there is still much work to be done. Investments in projects take time, care, and patience, especially in disadvantaged communities requiring technical assistance."

Prop 1 built on lessons learned from Prop 84, a previous environmental bond measure that prioritized equitable investments by setting specific targets for spending in disadvantaged communities for individual areas or chapters of expenditures. As happened with Prop 84, sections of Prop 1 that established explicit goals for serving disadvantaged communities are doing better at serving those communities than sections that did not establish clear goals.

For example, as of April 2019, \$398 million or 90% of the funds assigned to projects to improve drinking water and wastewater treatment is going to 241 projects serving disadvantaged communities, which were prioritized in that chapter. In some chapters, the stated goals for serving disadvantaged communities are even being surpassed. By contrast, those chapters that did not prioritize funding allocations in disadvantaged communities did not fare as well –

spending in disadvantaged communities is at less than 1% in a chapter that allocated \$395 million for flood management, and at zero in a chapter that made \$2.7 billion available for water storage projects to improve the operation of the state water system that serves 23 million Californians and 750,000 acres of agriculture.

The study on Prop 1 is being released as state leaders are considering a handful of proposals to put a new bond measure on the ballot to conserve and increase water supply, provide flood protection, and reduce wildfire impact. A <u>brand new poll</u> shows that two-thirds (67%) of California voters would support a new bond measure, driven by the value Californians continue to place on protecting water quality and water supplies for the future and increasing concern about wildfire risks. Voters identify providing and protecting safe drinking water, along with protecting rivers, lakes and streams, among the top priorities for a future bond measure.

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