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Re: California Environmental Justice Alliance Comments on the Community Economic Resilience Fund and California's Just Transition

Dear members of the Office of Planning and Research, Labor and Workforce Development Agency, Workforce Development Board, and Senate and Assembly Budget Committees:

The California Environmental Justice Alliance (CEJA) offers the following comments on the proposed Community Economic Resilience Fund and the Just Transition Roadmap, as directed by Governor Newsom's Executive Order N-79-20 (EO N-79-20) last year. CEJA is a statewide alliance of grassroots community-based organizations across California working together to advance environmental justice in state policy. Our member and partner organizations work directly with low-income communities and communities of color in some of the most polluted and socioeconomically burdened areas of our state. CEJA unites

the powerful local organizing of our members to create comprehensive opportunities for change at a statewide level. Our comments represent years of engaging in the state's economic development programs, and underscore the need for a collaborative, community-engaged process that builds local capacities of historically excluded groups to meaningfully participate at every step of the state's development processes.

Community Economic Resilience Fund

We submit the attached language for the Community Economic Resilience Fund (CERF) with a primary goal of ensuring California's transition away from polluting industries accurately represents the values, goals, and visions of local communities developed through what needs to be the most inclusive, collaboratively administered public process the state has yet undertaken. Our amendments address agencies which should be involved in collaboratively administering the CERF, how public participation must be cultivated through ongoing public processes, and how labor standards should be applied, to name some of the amendments.

Fundamentally, our amendments seek to ensure decision making processes are established and utilized that fully involve community members and impacted workers, and that sustained funding is secured to ensure every community member is able to participate of their own volition and that California's transition is not limited to just a handful of regions. The success of California's transition and the CERF must hinge upon the following, at least: a) a collaborative and robust community process that reflects shared decision making and an engaged public; b) the elimination of classist, racist, and unjust patterns of development; c) improved and measurable economic, health, and environmental outcomes for lower income and historically disadvantaged BIPOC communities and neighborhoods; d) dignified job quality standards and requirements; e) career transition training and support that results in job placement; f) alignment with state climate, environmental, and racial justice goals; and g) a concentrated focus on industries that promote health, environmental justice, and environmental sustainability.

Just Transition Roadmap

Historical Context

After attending the recent workshops hosted by OPR and the CWDB on the Roadmap, we felt that a key component was missing from the overall framework. In order for a Just Transition Roadmap to tell us where we're going, the roadmap also needs to review how California has arrived at this point in time and economic development. At the very outset, **the Roadmap should include a historical analysis of California's regional development** that provides context for the need and causes of a transition to more sustainable and equitable practices. The establishment of a shared understanding of the history and foundational realities of each region should become a part of the framework

itself and continue to be developed in implementation. This is essential to ensuring that agencies, community members, workers, business partners, and local governments alike are all ready to collaborate from the same shared reality and baseline understanding of the widespread yet varied impacts of California's extractive economy. The historical analyses should include data and narrative on California's historical inequity and exclusion of certain communities from economic decision making and economic benefit, the rise and expansion of polluting and extractive industries, current environmental justice issues and health burdens resulting from this historic inequity, the impacts on workers of polluting industries, and wealth inequality.

Additionally, we recommend OPR examine three resources to inform the Roadmap. One important resource that begins to explore these historical conditions and look to future needs around a just transition is [*A Roadmap to an Equitable Low-Carbon Future: Four Pillars for a Just Transition*](#) authored by researchers Dr. Mijin Cha, et al. for the Climate Equity Network. We highly encourage OPR to review this research and incorporate its critical findings into the Roadmap. We recommend examination of a recent report from Labor Network for Sustainability, [*Workers and Communities in Transition: Report of the Just Transition Listening Project*](#), for unique perspectives from actual workers regarding a just transition. We also recommend the Political Economy Research Institute (PERI) Report on [*A Program for Economic Recovery and Clean Energy Transition in California*](#) authored by researchers Dr. Robert Pollin, et. al. and endorsed by 19 unions in California.

Community Partnerships & Decision Making

While we recognize the need to build trusted relationships with all stakeholders, the imbalance in resources benefits representatives of business and impacted industries who often have far greater ability to access and shape both planning and implementation. Each California resident has not only the right to benefit from a sustainable and prosperous economy, but also to contribute to its construction. A primary duty of administering agencies should be to balance those scales by actively incorporating the views and interests of impacted communities and workers into decision-making platforms for transition planning and in the implementation of those plans. Administering agencies should ensure that partnerships by industry are formed and sustained with the goal of increasing communication and understanding between businesses and impacted communities and workers. Through the cultivation of an ongoing process of shared understanding, the needs and realities of disproportionately impacted groups must be adopted as a collective responsibility.

Additionally, the Just Transition Roadmap should detail how agencies and stakeholders involved in industrial planning will ensure alignment between the developing transition plans and the local economic vision determined by impacted communities and workers through public processes. We request that there be a mechanism in the process of industrial planning that will ensure the intentions, planning, and implementation of the transition embody the vision and values uplifted by the most impacted yet historically excluded stakeholders whose lifelong health and economic wellbeing are most at risk.

Diversification, Labor Standards, and Worker Transition Support

Diversification should be expansive in nature and look towards reinforcing and supporting regenerative and sustainable sectors that are built on shared values and can support safe, healthy, high-road, union jobs. If executed sustainably, bolstering our healthcare system through developing the ‘Caring Economy’ is one such example.

Fundamentally, these jobs should require and enforce strong labor standards to the fullest extent of the law for publicly funded projects and private industry, including industry-specific or economy-wide wage and benefit standards, such as prevailing, living, and minimum wages; recognition of existing and facilitation of new collective bargaining agreements; direct hire of workers instead of contracting out; enforcement of all labor and employment laws, and proper classification of employees; and collective bargaining rights.

Adequately supporting impacted workers and communities must be a fundamental component of the just transition, and safety nets should be established as soon as possible to create confidence in impacted regions with an anti-austerity framework before major shifts begin. These supports should include both immediate relief for impacted people, as well as long term security. Safety net innovation should be developed with workers’ and communities’ identified needs at the center. Among the new safety net programs needed are those that replace tax revenue and charitable contributions generated from current industries in highly impacted regions, guarantee pensions until 2030 for workers in affected industries who will retire, guarantee re-employment for workers facing displacement, guarantee healthcare, provide sustained wage replacement and retraining support, as well as other recommendations informed by those impacted.

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We thank all staff for their work to develop a roadmap and investment program for the just and widespread transition needed in California. We ask that the state administration and legislature ensure the Just Transition Roadmap and Community Economic Resilience Fund set the stage for the most inclusive and robust public process seen in California to date, by incorporating the asks described above and incorporating the attached amendments into the Community Economic Resilience Fund. We look forward to working with your offices to implement the work of a just transition and catalyze widespread public participation. Please contact Shayda Azamian at sazamian@leadershipcounsel.org for continued discussion or with any questions.

Sincerely,

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