

May 24, 2023

The Honorable Nancy Skinner Chair, Senate Budget Committee 1020 O Street, Room 502 Sacramento, CA 95814 The Honorable Phil Ting Chair, Assembly Budget Committee 1021 O Street, Suite 8230 Sacramento, CA 95814

RE: Continued Funding Request - California Green Business Program

Dear Chair Skinner and Chair Ting:

I write to you today on behalf of the City of Berkeley Office of Economic Development to request the Legislature maintain investments in critically important funding for the California Green Business Program (Program), currently funded by the California Environmental Protection Agency (CalEPA). The Program, promoted by our department at the local level and managed by the non-profit California Green Business Network (CAGBN), has received \$7 million in state funding over the last five fiscal years. This state funding has allowed the Program to support our local program with staff time, rebates, funding for related events, and targeted outreach to key sectors. The CAGBN has also expanded into new jurisdictions and developed standards for business sectors including nail salons, labs and agriculture. Unfortunately, state funding has always been one-time and the most recent appropriation (appropriated in FY 2021-22) is set to run out in Fall 2023. Due to the growth of the program and the continued role it will play in ensuring the "greening" of California's small and medium businesses, the Program is requesting a \$3 million appropriation for both FY 2023-24 and FY 2024-25 for a total of \$6 million.

Green Business certification programs are operated by local governments that certify small and medium businesses that voluntarily adopt environmentally preferable business practices, including, but not limited to, increased energy efficiency, reduced greenhouse gas emissions, water conservation, pollution prevention, and waste reduction. If done correctly, all of these environmentally-friendly changes can help small and medium businesses save money by reducing operating costs, while helping California achieve its environmental policy goals. The Alameda County Green Business Program delivers technical assistance to these businesses and validates sustainable business activities, strengthens the green marketplace, and tracks measurable outcomes using state and federally-endorsed calculators. The CAGBN has worked closely with CalEPA, the California Air Resources Board (CARB), and CalRecycle.

As noted, the Alameda County Green Business Program targets a critical sector of California's business community, which contribute significantly to California's poor air quality and environmental

woes, and yet positively to the economy. These businesses typically have the lack of expertise, time, knowledge, and funding to implement important conservation practices, even if it would benefit their bottom line. Many small businesses do not take advantage of rebates and resources that are available, but with the Program's support, the City of Berkeley has been able to help approximately 150 businesses to operate in an environmentally friendly manner, including <u>caterers</u>, schools, <u>hair salons</u>, retail businesses, <u>dentists</u>, and more.

Continued investment in the California Green Business Program is an investment in small businesses, in people and our community, and in the environment. The Program is a proven, cost-effective investment and California should maintain investment in the Program to ensure its continued success. The additional investment made as part of this budget request will help the state accomplish its air quality, waste diversion, water conservation, greenhouse gas reduction, and environmental policy goals, while helping small to medium businesses' bottom line and resiliency.

Looking ahead, we expect the Alameda County Green Business Program to contribute to the overall goals of the statewide California Green Business Network for Greenhouse Gas Emissions reductions, water conservation, and solid waste diversion, to name a few metrics. The additional funding provided will allow the program to grow and work towards achieving these long-term goals.

For these reasons, we strongly support CAGBN's request for \$3 million in funding annually for the next two fiscal years. I greatly appreciate your leadership on this issue, and we look forward to continuing to work with you and your staff to ensure investment in this valuable program.

Sincerely,

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