

**CAL-EPA PROPOSALS**

**MAY 7, 1991**

Figure 1

**Criteria for Evaluating Reorganization Proposals**

1

Does the reorganization result in an overall increase in program effectiveness? Do the benefits of the reorganization outweigh the program disruption?

2

Does the reorganization correct an existing problem that impedes the effective implementation of environmental programs?

3

Does the reorganization need to be done now, done later and/or phased in over time? Are there incremental changes that can be done to reduce the program disruption but still allow for program improvement?



Figure 2

**Proposals to Reorganize Environmental Programs**

| Proposal   | Governor's Reorganization Plan  | AB 1122 Introduced (Sher)   |
|--|---|---|
| Creation of Environmental Protection Agency                | <p>1. Creates Environmental Protection Agency (EPA) with new Secretary of EPA</p> <p>2. EPA consists of:</p> <ul style="list-style-type: none"> <li>• Air Resources Board</li> <li>• State Water Resources Control Board and Regional Boards</li> <li>• California Integrated Waste Management Board</li> <li>• Toxic Substances Control Department (created by plan)</li> <li>• <i>Department of Pesticide Regulation (created by plan)</i></li> </ul> | <p>1. Creates Environmental Protection Agency (EPA) with new Secretary of EPA</p> <p>2. EPA consists of:</p> <ul style="list-style-type: none"> <li>• Air Resources Board</li> <li>• State Water Resources Control Board and Regional Boards</li> <li>• California Integrated Waste Management Board</li> <li>• Department of Toxic Substances Control (created by bill)</li> <li>• <i>Energy Resources and Development Commission</i></li> </ul> |
| Creation of Toxics Department                              | <p>3. Creates Toxic Substances Control Department consisting of:</p> <ul style="list-style-type: none"> <li>• Hazardous waste management and cleanup (DHS)</li> </ul>   | <p>3. Creates Department of Toxic Substances Control consisting of:</p> <ul style="list-style-type: none"> <li>• Hazardous waste management and cleanup (DHS)</li> <li>• <i>Radioactive materials (DHS)</i></li> <li>• <i>Pesticide regulation (DFA)</i></li> </ul>   |
| Creation of Department of Pesticide Regulation             | <p>4. <i>Creates Department of Pesticide Regulation. Transfers the pesticide regulatory program in DFA to the new department.</i></p>   | <p>4. <i>Transfers the pesticide regulatory program (DFA) to the new Toxics Department.</i></p>   |
| Creation of Advisory Council                               | <p>5. Creates by executive order an Environmental Policy Council to coordinate implementation of environmental programs and make recommendations.</p>   | <p>5. Creates Council on Environmental Quality</p> <ul style="list-style-type: none"> <li>• Required to report biannually on environmental priorities and recommendations</li> </ul>  |
| Reorganization of Public and Environmental Health Programs | <p>6. <i>Creates Office of Environmental Health Hazard Assessment within the EPA. Transfers environmental risk assessment functions from DHS to new office.</i></p>   | <p>6. <i>Creates the Department of Public and Environmental Health consisting of all public and environmental health programs currently in the Department of Health Services</i></p>  |



Legislative Analyst's Office

LAO

## Tanner Hearing

### Introduction

- Name,---Requested to...
- Office policy to not take postions on bill
  - However we can provide information that may help the committee evaluate the differences between the proposals and we would be happy to work with A Sher
- Both proposals for the most part represent solid attempts to address some of the larger problems with the current organization of environmental programs.
  - Specifically, environmental programs involving pollution control and human health protection are decentralized which interferes with environemntal problem solving.
  - Many of the programs, as you know, are quit interrelated such as water quality at SWRCB, hazardous waste at DHS, pesticides at DFA, and air pollution at ARB. To effectively and efficiently address intermedia env problems many of these programs have to work together closely.
  - Having them in different agencies increases the chance of duplication of effort, and makes coordination and sharing or expertise more difficult.

## Figure 1--Our Criteria in evaluating the Reorganization Proposals

- Figure 1 describes the criteria we applied when evaluating the proposals.
- The committee may or may not decide to use the same criteria and in applying the criteria the committee would need to make its own determination about the relative weights to assign to each criteria
- (read through the criteria)

## Figure 2--Chart comparing the two proposals --differences highlighted in bold letters.

- Differences between GRP and AB 1122 include:
  1. Makeup of a Cal-EPA
  2. Organization of Pesticide Regulatory Program
  3. Organization of the Radioactive Materials Program
  4. Organization of Risk Assessment Activities
- In general the more important difference between the proposals is the organization of RA because this issue could have greater impact on the effectiveness of environmental programs. The other differences involve what regulatory programs to move and when. The GRP proposes a more conservative approach and moves only a core set of programs now, which is consistent with our criteria. AB 1122 proposes a larger reorganization now rather than putting those changes off to the future.

We'll take the more important issue of risk assessment first

1. Organization of Risk Assessment

- Ab 1122 maintains the DHS risk assessment activities within a newly created Dept of Env and Public Health and the GRP shifts the DHS risk assessment responsibilities to the Office of Environmental Health Hazard Assessment within the new Cal-EPA.
- Based on our criteria there are advantages to the approach taken by AB 1122. This is because maintaining risk assessment's strong health linkage would:
  - ensure that risk assessment focus remains public health protection
  - avoid most program disruption
- In addition it does not appear that the current relationship between the the DHS risk assessment group and the regulatory agencies is disadvantaged significantly by the cross agency communication required by the current organization.
- We have not evaluated AB 1122 proposal to create a new Dept of Pub and Env Health. We would be happy to get back to the committee on this issue if you have specific questions or concerns.

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Pesticides risk assessment (ra)

AB1122 shifts pesticide RA to new DEPH and GRP shifts to new pesticides dept in Cal-EPA

- Advantages of AB 1122 is separation of RA and RM --less possibility for compromising PH protection
- Other techniques are available that would cause less program disruption and provide increased PH protection. For example the committee could choose to leave the RA for pesticides in the pesticides regulatory program but give the new department of Pand E health oversight and review and approval authority over pesticide RA.

## 2. Makeup of the Cal-EPA

- The difference between the proposals involves the Energy Conservation and Development Commission which AB 1122 shifts to the Cal-EPA. The GRP keeps the commission under the Resources Agency.
- To evaluate this issue the committee will need to determine what they think is the primary mission of the Energy commission. Is it primarily an environmental agency or an energy agency. If it is more of an env org it may fit in the Cal-EPA. But if it is an energy org than the committee should consider how this shift would affect its relationship with the PUC. In addition legislation has been introduced to reorganize energy commission with PUC. Determining the Legislature's priorities for the mission or major thrust of the commission may determine the best organization for the commission.

3. Organization of Pesticide Regulatory Program

- AB 1122 shifts pesticide program from DFA to the new toxics department and GRP shifts the program from the DFA to a new pesticides department. Issue is where to put pesticides in the new Cal-EPA. which we believe is a relatively minor organizational issue
- The issue the committee needs to address is whether the pesticide and toxic program will benefit from being in the same organization or whether the organization will somehow disadvantage one or both programs. Both programs do have similarities in that they regulate haz substances although the regulatory processes do not overlap that much. If the committee did want a separate dept, the pesticide program is large enough to stand on its own.

#### 4. Organization of Radioactive Materials Program

- Ab 1122 shifts most but not all of the radioactive materials program to the new Toxics dept from the DHS. GRP does not propose any changes to the program.
- The radioactive materials program clearly has programatic relationships to the programs that will be shifted to the Cal-EPA especially with regard to haz waste and low level radioactive waste.
- In making a determination of how to org these activities the committee may want to consider the program disruption from shifting part of the program. Possibly all the program should be shifted, or less shifted, to avoid some of the programatic disruptions.

#### Conclusion

Both proposals make strong attempt to address current org problems. The GRP has a more conservative approach than AB 1122 in terms of what regulatory programs to shift at this time. The more significant difference however is the issue of how to organize risk assessment. Should it be centralized? If so should it be centralized in an environmental org or an public health organization. Would the benefits of such a shift outweigh the possible costs?

We hope that we have been able to point out some of the issue that need to be addressed when deciding what reorganization is the most effective. We would be happy to answer any questions.