

Governor Shelves Plan to Reorganize Cal/EPA

The decision is the latest instance in which he is backing off from one of his stated top priorities.

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May 4, 2005

SACRAMENTO — Gov. Arnold Schwarzenegger's administration is shelving yet another part of its once ambitious effort to refashion state government.

After months of discussions, officials have decided against going forward this year with a reorganization of the state's environmental agency, according to an internal administration e-mail obtained Tuesday.

The postponement is the latest instance in which the administration has given up, at least for the short term, on one of Schwarzenegger's top priorities in his first year in office: his desire to reorganize California's vast bureaucracy, which the governor called "a mastodon frozen in time and about as responsive."

The Republican administration last year created the California Performance Review, which examined all state agencies and made more than 1,000 recommendations. But so far, only changes to the prison system have been passed by the Legislature, which is dominated by Democrats.

In February, Schwarzenegger withdrew a plan to eliminate 88 state boards and commissions, one of the central proposals in the California Performance Review. It was widely panned as unwise in hearings before the state's Little Hoover Commission, which evaluates all reorganization plans before submission to the Legislature.

Much of the California Performance Review's recommendations on reorganizing environmental oversight had been deeply criticized when they came out in August. In particular, environmentalists and others strongly opposed abolishing the independent boards that establish rules and standards for air quality, waste management and water.

The administration had wanted to give these boards' regulatory responsibilities to agencies that report directly to the governor, but opponents said that would have made rule-makers too susceptible to political pressure from industry.

"They are less vulnerable to mismanagement by the executive branch," said Ann Notthoff, the California advocacy director for the Natural Resources Defense Council, a national nonprofit with

offices in Los Angeles and San Francisco.

But other parts of the plan have been more warmly received by environmentalists and Democrats. The California Performance Review had concluded that there were needless jurisdictional disputes within the California Environmental Protection Agency, with the hodgepodge of regulatory departments and boards in charge of overseeing solid and hazardous waste, oil spills and other environmental hazards.

"We know there are limited dollars to go around, so efficiency is good for the environment," said Bill Allayaud, state director of Sierra Club California.

The review noted, for example, that responsibility to prevent and deal with oil spills is split among three separate parts of the state bureaucracy; consolidating them, the report said, would eventually save \$1.9 million a year. Pollution prevention efforts also are divided among multiple entities.

"Creating a centralized point of authority would increase responsibility and accountability for cleanup and public health protection," the report states.

In an e-mail sent Monday to other members of the administration, Alan Lloyd, Cal/EPA's secretary, wrote: "This is to inform you that after much discussion a decision has been made not to proceed with a governor's reorganization plan for Cal/EPA in the current year. We will continue to work with the governor's office and internally to improve our organization."

Terry Tamminen, Schwarzenegger's Cabinet secretary, said that the administration still hoped to reformulate Cal/EPA next year or later. He said the administration was likely to submit reorganization proposals for several other parts of state government in time for the Legislature to consider them before adjourning in August, but he would not name which ones.

"It takes a terrific amount of work for people to do this right," Tamminen said. "It's a tremendous amount of work to take what [the California Performance Review] gave us last year, which was a year's worth of work, and then to get stakeholder input" and forge a proposal.

Democratic lawmakers said they may move forward with some agency reorganization on their own. Sen. Liz Figueroa (D-Fremont), who heads a panel examining government efficiency, said Schwarzenegger has been spending too much time on planning a special election this fall.

"I'm really disappointed that the governor seems so preoccupied with these ballot initiatives and has pretty much dropped the ball on reformulating the way government operates," she said. "He started this discussion."

Sen. Sheila Kuehl (D-Santa Monica), who heads the Senate's Natural Resources and Water Committee, said she is considering ideas such as combining some of the separate boards within Cal/EPA, and making other "targeted" changes. She said Schwarzenegger had overstepped by trying to do such a comprehensive overhaul, given the incredible complexity of many of the bureaucracies.

"It seems like all the other things he bit off, it seemed to be chock-full of everybody's ideas of what should be done," Kuehl said. "I think it was good of the governor to abandon this kind of wholesale, across-the-board, unfocused approach."
