



March 27, 2013

The Honorable Jim Beall, Chair
Senate Budget Subcommittee #2
State Capitol, Room 4062
Sacramento, CA 95814

The Honorable Richard Bloom, Chair
Assembly Budget Subcommittee #3
State Capitol, Room 3132
Sacramento, CA 95814

The Honorable Fran Pavley, Chair
Senate Natural Resources and Water Committee
State Capitol, Room 4035
Sacramento, CA 95814

The Honorable Wesley Chesbro, Chair
Assembly Natural Resources
1020 N Street, Room 164
Sacramento, CA 95814

Dear Senators Beall and Pavley and Assemblymembers Bloom and Chesbro:

The 2012-13 Final Budget (0540-001-4-40, provision 2) provided that the secretary for natural resources determine by April 1, 2013, whether the Tahoe Regional Planning Agency's (TRPA) regional plan update is consistent with the Bi-State Compact. I am writing in response to this budget requirement and to provide an update on the status of issues involving TRPA.

Following consultation with the California Attorney General's Office, I have determined that the regional plan update adopted by the TRPA Governing Board in December 2012, is in fact, consistent with the Bi-State Compact. I have come to this determination for several reasons. The plan – a result of significant public comment and months of collaboration between diverse stakeholders and the states of California and Nevada – addresses the compact's environmental threshold requirements to achieve restored water quality and clarity. Notably, the plan also builds upon existing California state law designed to put into practice sustainable community strategies (SB 375) that encourage more walkable, bikeable communities with increased mass transportation options.

In February, a lawsuit was filed in federal district court seeking to block implementation of the adopted plan. While we do not challenge the rights of parties to pursue litigation, we do believe that this plan is balanced and is scientifically defensible. The plan also enjoys widespread community and diverse stakeholder support and offers the roadmap needed to secure environmental protections in the coming years. However, if a court should find any deficiency, we remain committed to work with the state of Nevada and TRPA's Governing Board to expeditiously address any issue.

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Finally, it should be recognized that this regional plan update was adopted after the state of Nevada enacted SB 271 in 2011. This law puts Nevada on a course to abandon the Bi-State Compact in the coming years. This legislative session, the Nevada State Legislature will consider whether it wants to change its course (SB 229), especially in light of the progress achieved through the completion and adoption of the plan. Similarly, you and other members of the California State Legislature will consider this session whether to put into place a contingency plan should Nevada choose not to reverse its course (SB 630). Despite these litigation and legislative challenges, I firmly believe that the adopted regional plan update – coupled with the new start generated by renewed cooperation among the stakeholders in the Lake Tahoe basin – will result in California and Nevada having taken a huge step forward to balance the region's threatened environment and struggling economy.

Thank you for the opportunity to comment on the progress made by the adoption of the TRPA regional plan update.

Sincerely,

A handwritten signature in black ink, appearing to read "John Laird". The signature is written in a cursive, flowing style.

John Laird
Secretary for Natural Resources