

# Endangered Species

## Reform Should Balance Environment Protections, Economic Growth

### Summary

#### Background

A long-term problem confronting the California business community is how to provide enough private land for housing, agriculture, transportation and basic infrastructure needs, including water, gas and electricity, in the face of ever-encroaching environmental laws such as the federal and state endangered species acts.

The California Chamber of Commerce supports reforming endangered species laws to achieve a balance between protecting the environment and accommodating growth.

#### Current Federal/State Policy

California is one of a handful of states that is subject to regulation by three endangered species laws—the federal Endangered Species Act, the California Endangered Species Act and the California Fully Protected Species Act. Endangered species laws require that no activity be allowed which threatens the well-being of the listed species unless permission to “take” the species is granted. Federal law requires critical habitat designations within one year of listing.

#### Impact on Business, Employers, Economy

At a great expense, farmers and ranchers have been forced to alter farm management practices to accommodate species living on their land. Timber companies have spent millions of dollars preserving species habitat on timberlands while losing millions on trees that cannot be cut.

The cost of new housing and commercial developments continues to rise in part due to the mitigation measures imposed under endangered species acts. Basic infrastructure needs like highways and wastewater facilities take twice as long to complete and invariably cost much more than originally budgeted due to regulatory impacts of the species.

#### Anticipated Actions

A couple of court rulings handed down the last couple of years affect decisions made by state agencies regarding endangered species. A U.S. federal court ruled that the State Water Project and the Central Valley Project had to reduce water deliveries in order to protect the Delta smelt. The court found that the biological opinions rendered by the U.S. Fish and Wildlife Service did not comply with the federal Endangered Species Act and must be reissued. Settlement hearings are under way.

Other decisions are pending for possible protections for Chinook salmon and the longfin smelt that might further limit water supplies. Meanwhile a federal appeals court overturned the state Fish and Game Commission’s decision declining to list the California tiger salamander as an endangered species. The commission has a petition before the California Supreme Court to review the appellate court’s decision.

The Center for Biological Diversity filed five separate lawsuits concerning what it considers to be the Bush administration’s political interference in designating critical habitat for six western species with populations in California.

Finally, the U.S. Fish and Wildlife Service served public notice that it is considering increasing the red-legged frogs’ critical habitat to 1.8 million acres, basically tripling the affected areas.

Business, agriculture and transportation and water agencies must participate in stakeholder groups to provide comments and amicus briefs to stem the tide of encroaching endangered species act provisions further eroding land use and shutting down economic development.

### CalChamber Position

The CalChamber supports reforms to state and federal laws that achieve a balanced approach between environmental protection and socioeconomic progress.

### Reasons for Position

- Environmental regulations should be based on sound science, subject to peer review.
- Economic impacts should be evaluated to ensure that the benefits outweigh the social costs of imposing mitigation measures.

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