

TO: Salton Sea Authority Board of Directors
FROM: Oracio Gonzalez, Ollin Strategies
DATE: March 2022
SUBJECT: California State Advocacy

This memorandum provides a summary of state fiscal and legislative developments related to the Authority's state advocacy.

State Legislative Developments

On March 17, 2022, Assemblymember Eduardo Garcia amended one of his bills, AB 2248, to make \$100 million available to the California Environmental Protection Agency to address water quality issues arising from rivers flowing into the United States from Mexico. Half of the funding is being set aside for the New River.

To qualify for funding, a project must be consistent with the work of the California EPA Border Affairs Program to build collaboration between the federal government, the Republic of Mexico, the State of Baja California, and the cities of Tijuana and Mexicali. To this end, the bill will prioritize funding for projects that have secured a funding commitment from one of these governmental entities, and will also authorize funding for projects in the State of Baja California if the funded project or action will result in water quality improvements in river's flowing into the United States.

Note, the funding in the bill will require a separate action by either an accompanying bill or a budget bill to appropriate the \$100 million from the general fund to the California EPA.

State Fiscal Developments

As part of his 2022-2023 State Budget, the Governor has proposed an investment of \$100 million for the Salton Sea that will fund "local assistance, state operations, or capital outlay." The funding is included in AB 1624, the 2022-2023 State Budget Act.

At present, the investment is not expected to go before either the Assembly or the Senate Budget Sub Committees on resources. This is because the investment is considered to be part of the "base" budget. Absent the Governor adjusting the funding amount as part of his updated state budget proposal on May 10, 2022 (the "May Revise"), the funding will be included in the final budget that is sent to the Governor by the constitutional deadline of June 15, 2022.

Note, if approved by the legislature, there would be a remaining balance from the Governor's \$220 million commitment to the Salton Sea of \$80 million.