

TO: Salton Sea Authority Board of Directors  
FROM: Oracio Gonzalez, Ollin Strategies  
DATE: April 2023  
SUBJECT: California State Advocacy

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

### Legislation

The Authority continues to monitor several legislative proposals related to the Salton Sea region. These measures include:

**SB 583 (Padilla):** Salton Sea Conservancy:

The measure was passed out of the Senate Natural Resources Committee with bipartisan support by an almost unanimous vote of 10 – 0. Senator Hurtado was absent from the hearing, and is the only member not recorded as supporting the measure. The measure is now before the Senate Appropriations Committee.

**SB 867 (Allen):** Resources and Resiliency General Obligation Bond.

The measure was recently amended with substantive language to authorize a general obligation bond on resources and climate resiliency. As part of those amendments, \$100 million is authorized for the Salton Sea Management Plan. The measure was passed by the Senate Natural Resources Committee and is now before the Senate Committee on Government and Finance. It will likely be passed this week and then go before the Senate Appropriations Committee.

**AB 1567 (Garcia):** Resources and Resiliency General Obligation Bond

The measure was recently amended with language to allocate \$70 million for the creation of new Conservancies, \$15 million of which will be available for the Creation of a Salton Sea Conservancy. As noted in a previous report, the bill already contained language allocating \$240 million for the Salton Sea, with \$30 million set aside for the Salton Sea Authority. The measure has been passed out of both the Assembly Water Parks and Wildlife Committee and the Assembly Natural Resources Committee. The measure is now before the Assembly Appropriations Committee.

**AB 827 (Garcia):** Public health: pulmonary health: Salton Sea region.

Would require the State Department of Public Health to conduct a study of the pulmonary health of communities in the Salton Sea region. The bill makes related findings and declarations. The measure was passed on “consent” by the Assembly Health Committee and is now before the Assembly Appropriations Committee.

**AB 1562 (Garcia):** Southeast California Desert Valleys Economic Zone.

This bill would require GoBIZ, subject to available funding, to provide technical assistance to local and regional entities around the Salton Sea on how to establish and maintain regional economic hubs through the designation of place-based economic development zones. The measure was passed on “consent” by the Assembly Jobs, Economic Development and Economy Committee. It is now before the Assembly Appropriations Committee.

**AB 1569: (Garcia):** Salton Sea geothermal resource area: Lithium Valley Office of Development.

This bill establishes, within the California Energy Commission, the Lithium Valley Office of Development to coordinate activities related to funding, economic development, construction, manufacturing, technical development and reclamation of lithium located in the Salton Sea geothermal resource area.

The measure was passed on “consent” by the Assembly Committee on Utilities. It is now before the Assembly Appropriations Committee.

**AB 1593: (Garcia)** California Workforce Development Board: Salton Sea geothermal resources area: Equitable Access Program.

This bill establishes the Equitable Access Program (EAP) administered by the California Workforce Development Board (CWDB) to prioritize employment opportunities in construction, manufacturing, technical, maintenance, operations, or reclamation activities for local residents of the Salton Sea geothermal resources area

The measure was passed unanimously by the Assembly Labor and Employment Committee. It is now before the Assembly Appropriations Committee.

**SB 471: (Padilla):** Corporation Tax: hiring credit: lithium extraction: battery manufacturers. (I-2/13/2023)

The Personal Income Tax Law and the Corporation Tax Law allow various credits against the taxes imposed by those laws. This bill would allow a credit against those taxes to a qualified taxpayer for each taxable year beginning on or after January 1, 2023, in an amount equal to the qualified wages paid to a qualified full-time employee, as defined, hired prior to January 1, 2028. The bill would define “qualified taxpayer” for this purpose to mean a person or entity located in the County of Imperial or in specified parts of the County of Riverside, and that is primarily engaged in the business of lithium extraction or electric battery manufacturing. The bill would define “qualified wages” as those wages paid or incurred for work performed by a qualified full-time employee within the 36-month period beginning on the first day the employee commences employment with the qualified taxpayer. The bill would require that, if a credit is allowed to a qualified taxpayer, and the employment of the qualified employee is terminated within the first 36 months of employment, the tax imposed in the year of termination is increased by the amount of the credit received, except as provided. This bill contains other related provisions and other existing laws.

Measure will be heard May 3, 2023 before the Senate Government and Finance Committee.