



TO: Salton Sea Authority Board of Directors
FROM: Oracio Gonzalez, Ollin Strategies
DATE: February 2024
SUBJECT: California State Advocacy

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

Fiscal

As noted in last month's report, the Governor proposed an investment of \$65.2m for the Salton Sea as part of his 2024-25 budget proposal. Investments proposed in the budget, much like legislation proposed by legislators, is assigned to specific committees of jurisdiction for consideration and approval. The proposed investment for the Salton Sea will be assigned to Assembly Budget Subcommittee 4 on Climate Crisis, Resources, Energy and Transportation and Senate Budget Subcommittee 2 on Resources, Environmental Protection and Energy. As of the writing of this memoranda, Assembly Budget Sub 4 has noticed a hearing for consideration of the proposed investment on March 6, 2024, at 9:30am. The Senate has not yet scheduled the item for a hearing.

Legislative

General Obligation Bonds:

As the Board recalls, in June 2023, the legislature reduced the magnitude of Salton Sea restoration funds that the Governor proposed to "shift" to a climate obligation bond. The final budget signed by the governor reduced the magnitude of shifted funds from \$169 million to \$119 million.

While it was expected that both Assemblymember Garcia and Senator Allen would reintroduce their respective climate bond proposals from last year, that will no longer be the case. Instead, both of last year's measures, which were stopped by the Senate and Assembly Appropriations Committees, will be allowed to move forward this year. That being the case, it is likely both authors will propose amendments lowering the overall size of their respective bond proposals. It is unclear when those amendments will take place. For reference, below are the current amounts each proposal includes for the Salton Sea.

- AB 1567 (Garcia), would have placed a \$15.9 billion general obligation bond before voters on March 5, 2024. Of this amount, \$400 million was proposed for the Salton Sea, consisting of \$119 million in “shifted” funds and \$281 million in new dollars for Salton Sea restoration. Of the new dollars, the bond would set aside \$30 million for the Salton Sea Authority and \$15 million for a Salton Sea conservancy.
- SB 867(Allen), would have placed a \$15.5 billion general obligation bond before voters on March 5, 2024. The measure included \$100 million for Salton Sea restoration activities.

Air Quality

Both Assemblymember Garcia and Senator Padilla have introduced legislation to address air quality concerns in the Salton Sea region.

- AB 1834 (Garcia), is a spot (“intent”) bill that would authorize the public health agencies of Imperial County and Riverside County to conduct an assessment to identify the specific communities or neighborhoods of the Salton Sea region that are most likely to be negatively affected by degrading air quality and increasing heat stress.
- SB 967 (Padilla), would require the University of California to develop and implement a pilot project in the County of Imperial and the Coachella Valley designed to develop a 3-day wintertime regional dust forecast capability and a dust storm early warning system for the monsoon season. In developing the project, the University would be directed to identify community strategies and focus on providing actionable information to historically underserved communities.

With respect to AB 1834, the measure will have to be amended with substantive language by March 11, 2024, in order for it to be referred to a policy committee for consideration. SB 967, as introduced, is likely substantive enough to be referred to policy committee without the need for additional amendments.

In addition to policy considerations, the primary hurdle both measures will face as they progress through the legislative process will be cost. With the state facing a significant budget shortfall, the cost of each measure will be heavily scrutinized when they are heard before each house’s appropriations committee.