



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

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This memorandum provides a summary of legislation impacting the Salton Sea adopted and passed to the Governor prior to the Legislature's adjournment for the year on August 31, 2024.

SB 583: Salton Sea Conservancy

Shortly after returning from summer recess for the final month of the legislative session in August, Senator Padilla made a motion to move SB 583 from the inactive file, where it had sat since September 2023, to the unfinished business file, effectively reviving the measure. On the last week of the legislative session, the measure was amended to reflect an agreement with the Governor's office to strictly limit the proposed conservancy to the operation and maintenance of projects completed pursuant to the Salton Sea Management Program. The Authority had spent considerable time briefing the Governor's office, and these amendments reflected the Authority's position. Prior to engaging the Governor's office, the Authority had also spent time aggressively lobbying Senators and Assemblymembers as the measure moved through the legislative process. While the Authority did secure amendments when the measure was heard before the Assembly Water, Parks and Wildlife Committee, including membership on the conservancy board for all authority member agencies, the permanent vice presidency of the conservancy, and a requirement that the conservancy develop a plan to minimize duplication with the conservancy, we remained concerned the conservancy would encroach on the Authority's role as the lead entity on restoration activities.

With the conservancy limited to O&M of completed projects, the language requiring the Authority to serve as the permanent vice president of the conservancy, as well as the required operating plan to minimize duplication was also stricken from the bill.

As noted in last month's report, the climate resiliency bond that will go before voters in November 2024 sets aside \$10 million for either the Salton Sea Authority or "the creation of a Salton Sea Conservancy." With SB 583 likely to get signed, the Authority will have to assess how much of the \$10 million it should request for its purposes, and how much should be left for the creation of a conservancy. Note, language was added to SB 583 making its enactment contingent on the passage of the climate resiliency bond. In the event the bond fails, SB 583 will not go into effect.

A copy of the amendments made to the measure prior to passage are included at the end of this memoranda.

AB 2757 (Garcia): Southeast California Economic Region.

This measure will establish, until January 1, 2030, the Southeast California Economic Region to align state and federal programs, services, and funding within communities most impacted by the extraction and processing of lithium or other minerals from the Salton Sea via stimulating economic development. The measure enacts a recommendations of the Lithium Valley Commission to create a zone to align state and federal programs, services, and funding within communities most impacted by lithium recovery and processing of lithium and other minerals from the Salton Sea. As part of the measure, the state will form an Inter-Agency Leadership Team, consisting of representatives from Labor and Workforce Development Agency, the Office of Planning and Research, and GO-Biz, to prepare a list of state programs that must use the Southeast California Economic Region designation for planning and funding purposes.

AB 2922 (Garcia): Capital Investment Incentive Program

Reinstates the Capital Investment Incentive Program (CIIP) until January 1, 2035, and expands the program to cover lower initial investment amounts if a project proponent meets additional job creation requirements. Specifically, the program will be opened to qualified manufacturing facilities with assted value that exceeds \$25 million if they develop a plan outlining the types of jobs that will be created, their compensation, and explicit commitments across fringe benefits, wage rate and overall dollar amount that will be used to compensate workers. The plan must also provide targeted hiring preferences for local residents, community area residents and disadvantaged workers.

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

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

**SECTION 1.** Division 23.6 (commencing with Section 33810) is added to the Public Resources Code, to read:

**DIVISION 23.6. Salton Sea Conservancy**

**CHAPTER 1. General Provisions**

**33810.** This division shall be known, and may be cited, as the Salton Sea Conservancy Act.

**CHAPTER 2. Definitions**

**33811.** For purposes of this division, the following definitions apply:

(a) “Board” means the board of directors governing the Salton Sea Conservancy.

(b) “Conservancy” means the Salton Sea Conservancy established pursuant to Section 33812.

~~(c) “Final Imperial Streams Salton Sea and Tributaries Feasibility Study” means the study conducted by the United States Army Corps of Engineers in partnership with the State of California and the Salton Sea Authority together as joint local sponsors, pursuant to a Resolution of the U.S. Senate Committee on Environment and Public Works, 114th Congress, 2nd Session (April 28, 2016).~~

~~(d)~~

(c) “Fund” means the Salton Sea Conservancy Fund established pursuant to Section 33825.

~~(e)~~

(d) “Local public agency” includes, but is not limited to, a city, county, city and county, district, association of governments, or joint powers authority.

~~(f) “Long Range Plan” means the plan prepared by the Salton Sea Management Program to comply with State Water Resources Control Board Order (revised) WR 2017-01342002-0013. The plan must be consistent with the requirements of the order and the Salton Sea Restoration Act established pursuant to Chapter 13 (commencing with Section 2930) of Division 3 of the Fish and Game Code, including the objectives set forth in subdivision (c) of Section 2931 of the Fish and Game Code.~~

~~(g)~~

(e) “Nonprofit organization” means a private, nonprofit organization that qualifies for tax exempt status under Section 501(c)(3) of Title 26 of the Internal Revenue Code.

~~(h) “Quantification Settlement Agreement” has the same meaning as defined in subdivision (a) of Section 1 of Chapter 617 of the Statutes of 2002.~~

~~(i)~~

(f) “Region” or “Salton Sea region” means the geographic boundaries of the Salton Sea ecosystem, as described in subdivision (d) of Section 2931 of the Fish and Game Code.

~~(j)~~

(g) “Salton Sea Authority” has the same meaning as subdivision (d) of Section 2941 of the Fish and Game Code.

~~(k)~~

*(h)* “Salton Sea Management Program” means the Natural Resources Agency, the Department of Water Resources, and the Department of Fish and Wildlife working under the direction of the Assistant Secretary for Salton Sea Policy to carry out the terms of State Water Resources Control Board Order WR 2017-0134.

~~*(i)* “Salton Sea Management Program Phase I: 10-Year Plan” means the plan for action over the 10-year period from 2018 to 2028. The plan’s goal is to improve conditions around the Salton Sea by constructing projects that create habitat and reduce dust from exposed lakebed on 30,000 acres.~~

~~*(m)*~~

*(i)* “Tribe” means any federally recognized Native American tribe or a nonfederally recognized Native American tribe.

### CHAPTER 3. Salton Sea Conservancy

**33812.** (a) The Salton Sea Conservancy is hereby created as a state agency within the Natural Resources Agency for ~~all~~ both of the following purposes:

~~(1) To oversee the operation, maintenance, and management of projects~~ operate, maintain, and manage projects, as they are completed, that are planned ~~and or~~ built under the authority of the Salton Sea Management Program to fulfill the state’s obligations as detailed in State Water Resources Control Board Order WR 2017-0134.

~~(2) To acquire, hold, and manage~~ land or land and property ~~rights~~ rights, including easements and water rights, within the Salton Sea region after restoration or mitigation projects are built.

~~(3) To provide increased opportunities for equitable outdoor recreation.~~

~~(4) To undertake efforts to enhance public use and enjoyment of lands owned by the public.~~

~~(5) To assist the regional economy through the operation of the conservancy’s program.~~

~~(6) To support efforts that advance both environmental preservation and the economic well-being of Salton Sea region residents in a complementary manner.~~

~~(7) To support efforts that advance climate resiliency and equity.~~

~~(8) To create a public forum for discussing ongoing land management and other relevant issues within the Salton Sea region.~~

(b) The conservancy’s jurisdiction is limited to the Salton Sea region.

**33813.** The conservancy shall carry out programs, projects, and activities to further the conservancy’s purposes specified in Section 33812. This may include any one, any combination, or all of the following:

(a) Expending funds and awarding grants and loans to develop and implement programs and projects that are designed to further the conservancy’s purposes specified in Section 33812.

~~(b) Engaging community members and stakeholders through education, outreach, opportunities to provide input, and volunteering on programs and projects.~~ stakeholders.

~~(c) Coordinating, collaborating, and partnering with federal, tribal, state, regional, and local jurisdictions and stakeholders to develop and implement programs that enhance beneficial uses, promote public health and recreational uses, and improve the operational efficiency of the completed projects.~~

(4)

(c) Identifying and working to resolve any barriers or impediments to the conservancy's progress, including capacity or organizational deficiencies.

#### CHAPTER 4. Governing Board

33814. (a) By January 1, 2026, the conservancy shall be governed by a board of directors.

(1) The board shall consist of 15 voting members appointed as follows:

(A) ~~Two~~ One public ~~members~~ member appointed by the ~~Governor subject to confirmation by the Senate, Governor,~~ who ~~are~~ is not an elected ~~officials~~ official and who ~~reside~~ resides within 50 miles of the conservancy's territory.

(B) One public member appointed by the Speaker of the Assembly, who is not an elected official and who resides within 50 miles of the conservancy's territory.

(C) One public member appointed by the Senate Committee on Rules, who is not an elected official and who resides within 50 miles of the conservancy's territory.

(D) One member who is appointed by the Riverside County Board of Supervisors and is a resident of that county, or their designee.

(E) One member who is appointed by the Imperial County Board of Supervisors and is a resident of that county, or their designee.

(F) One member who is appointed by the Coachella Valley Water District and resides within the district's boundaries, or their designee.

(G) One member who is appointed by the Imperial Irrigation District and resides within the district's boundaries, or their designee.

(H) One member who is appointed by the Torres Martinez Desert Cahuilla Indians, or their designee.

(I) One representative of a nongovernmental organization focused on environmental justice work in the region appointed by the Secretary of the Natural Resources Agency.

(J) One representative of a nongovernmental organization focused on fish and wildlife habitat work in the region appointed by the Secretary of the Natural Resources Agency.

(K) The Director of Finance, or the director's designee.

(L) The Secretary of the Natural Resources Agency, or the secretary's designee.

(M) The Director of Fish and Wildlife, or the director's designee.

(N) The Director of Water Resources, or the director's designee.

(O) The Director of the Department of Parks and Recreation, or the director's designee.

(2) The board shall also consist of ~~six~~ seven ex officio nonvoting members designated as follows:

(A) The Secretary for Environmental Protection, or the secretary's designee.

(B) The Chairperson of the State Water Resources Control Board, or the chairperson's designee.

(C) The Chairperson of the State Air Resources Board, or the chairperson's designee.

(6)

(D) One representative of the United States Bureau of Land Management, designated by the United States Secretary of the Interior.

(7)

(E) One representative of the United States Fish and Wildlife Service, designated by the United States Secretary of the Interior.

(8)

(F) One representative of the federal Bureau of Reclamation, designated by the United States Secretary of the Interior.

~~(F)~~

(G) One representative of the United States Army Corps of Engineers, designated by the United States Department of Defense.

(b) The local agencies specified in subparagraphs (D) to (G), inclusive, of paragraph (1) of subdivision (a) shall ensure that one of the appointed members of those agencies is the president of the Salton Sea Authority, so that the president of the Salton Sea Authority is always represented on the board.

(c) The public members appointed by the Governor, the Senate Committee on Rules, and the Speaker of the Assembly, and the representatives of nongovernmental organizations appointed by the Secretary of the Natural Resources Agency, shall each serve a four-year term.

(d) The locally appointed members specified in subparagraphs (D) to (G), inclusive, of paragraph (1) of subdivision (a) shall serve at the pleasure of the appointing board of supervisors or water or irrigation district.

(e) The tribal representative shall serve at the pleasure of the Torres Martinez Desert Cahuilla Indians.

(f) Each voting member specified in subparagraphs (A) to (O), inclusive, of paragraph (1) of subdivision (a) shall have demonstrated interest and expertise in at least one of the conservancy's purposes described in subdivision (a) of Section 33812. This demonstrated interest and expertise shall include, but is not limited to, any of the following:

(1) Experience with any of the following:

(A) A land conservation nonprofit organization.

(B) A public agency focused on land conservation.

(C) Public land management.

(2) Experience as a professional with expertise in one or more functions of the board, including operations and maintenance.

(3) Experience with activities that benefit disadvantaged communities identified pursuant to Section 39711 of the Health and Safety Code.

**33815.** The Secretary of the Natural Resources ~~Agency~~ Agency, or the secretary's designee, shall serve as the chairperson of the ~~board and the president of the Salton Sea Authority shall serve as the vice chairperson of the board.~~ board. The board's voting members shall annually elect from among themselves a vice chairperson of the board. If the vice chairperson's position becomes vacant, a new vice chairperson shall be elected by the board's voting members to serve for the remainder of the term.

**33816.** ~~A majority~~ Eight of the voting members shall constitute a quorum for the transaction of the business of the conservancy. The board shall not transact the business of the conservancy if a quorum is not present at the time a vote is taken. A decision of the board requires an affirmative vote of ~~five~~ eight of the voting membership, and the vote is binding with respect to all matters acted on by the conservancy.

**33817.** The board shall adopt rules and procedures for the conduct of business by the conservancy.

**33818.** The board may establish advisory boards or committees, hold community meetings, and engage in public outreach.

**33819.** The board ~~shall~~ may maintain a headquarters office within the Salton Sea region. The conservancy may rent or own real and personal property and equipment pursuant to applicable statutes and regulations. The conservancy may also enter into access agreements, such as easements, to further the conservancy's purposes described in subdivision (a) of Section 33812.

**33820.** (a) ~~The board~~ Before January 1, 2027, the Secretary of the Natural Resources Agency shall appoint an executive officer of the conservancy. The executive officer shall be exempt from civil service.

(b) On or after January 1, 2027, the board shall determine the qualifications of, and shall appoint, an executive officer of the conservancy, who shall be exempt from civil service. The board shall employ other staff as necessary to execute the powers and functions provided for in this division.

~~(b) Within two years of hiring an executive officer, the board shall prepare and adopt a strategic plan to achieve the goals of the conservancy, consistent with Sections 33812 and 33813. The strategic plan shall describe its interaction with local, regional, state, and federal agencies and the Torres Martinez Desert Cahuilla Indians. The strategic plan shall establish priorities and criteria for ongoing and long term operations, maintenance, and management of projects that are planned and built under the authority of the Salton Sea Management Program to fulfill the state's obligations as detailed in State Water Resources Control Board Order WR 2017 0134 based upon an assessment of project requirements, institutional capabilities, and funding needs throughout the Salton Sea region. The strategic plan shall be consistent with the Salton Sea Management Plan, the Long Range Plan, and the final Imperial Streams Salton Sea and Tributaries Feasibility Study, and shall outline a plan that avoids any duplication of roles between the conservancy, the Salton Sea Management Program, and the Salton Sea Authority.~~

**33821.** The board may enter into contracts with private entities and public agencies to procure consulting and other services necessary to achieve the purposes of this division.

**33822.** The conservancy's expenses for support and administration may be paid from the conservancy's operating budget and any other funding sources available to the conservancy.

**33823.** The board shall conduct business in accordance with the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code).

**33824.** The board shall hold its regular meetings within the Salton Sea region.

#### **CHAPTER 5. Powers, Duties, and Limitations**

**33825.** The Salton Sea Conservancy Fund is hereby created in the State Treasury. ~~Moneys in the fund, including authorized proceeds from the sale of bonds and allocations from the Salton Sea Lithium Fund pursuant to Section 2951 of the Fish and Game Code, shall be available, upon appropriation by the Legislature, only for the purposes of this division.~~ The Legislature intends to support the fund through authorized proceeds from the sale of bonds and allocations from the Salton Sea Lithium Fund pursuant to Section 2951 of the Fish and Game Code.

**33826.** The conservancy may engage in partnerships with tribes, nonprofit organizations, local public agencies, including the Salton Sea Authority, and landowners.

**33827.** In implementing this division, the conservancy shall cooperate and consult with the city or county in which a grant is proposed to be expended or an interest in real property is proposed to be acquired, and shall, as necessary or appropriate, coordinate its efforts with the Salton Sea Authority, and with other state agencies, in cooperation with the Secretary of the Natural Resources Agency.

**33828.** (a) The conservancy may require a grantee to enter into an agreement with the conservancy on terms and conditions specified by the conservancy.

(b) The conservancy may require a cost-share or local funding requirement for a grant. The conservancy may make that cost-share or local funding requirement contingent upon the total amount of funding available, the fiscal resources of the applicant, or the urgency of the project. The conservancy may waive cost-share requirements.

- (c) The conservancy may fund or award grants for plans and feasibility studies consistent with its plans.
- (d) The conservancy may seek repayment or reimbursement of funds granted on terms and conditions it deems appropriate. The proceeds of repayment shall be deposited in the fund.
- (e) The conservancy may require any funds that exceed the costs of eligible or approved projects or of acquisition to be returned to the conservancy, to be available for expenditure when appropriated by the Legislature.
- (f) The conservancy may award grant funds to state agencies, local public agencies, tribes, and nonprofit organizations to further the purposes of this division.
- (g) The conservancy may provide advance payment of up to one-half of the total grant award for a project that satisfies both of the following criteria:
  - (1) The project proponent is a nonprofit organization or a disadvantaged community, or the project benefits a disadvantaged community.
  - (2) The total grant award for the project is less than one million dollars (\$1,000,000).

**33829.** (a) The conservancy may provide grants and loans to state agencies, local public agencies, tribes, and nonprofit organizations to further the purposes of this division.

(b) An entity applying for a grant from the conservancy to acquire an interest in real property shall specify all of the following in the grant application:

- (1) The intended use of the property.
- (2) The manner in which the land will be managed.
- (3) How the cost of ongoing operations, maintenance, and management will be provided, including an analysis of the maintaining entity's financial capacity to support those ongoing costs.

**33830.** The conservancy may sue and be sued.

**33831.** (a) The conservancy may acquire from willing sellers or ~~transferors~~ transferors, including state agencies, interests in real ~~property~~ property, including access and water rights, and improve, lease, or transfer interests in real property, in order to carry out the purposes of this division.

(b) The conservancy may, before the completion of restoration or mitigation projects, enter into easements for property rights to be assigned to the conservancy after completion by the Salton Sea Management Program.

(c) The acquisition of an interest in real property under this section is not subject to the Property Acquisition Law (Part 11 (commencing with Section 15850) of Division 3 of Title 2 of the Government Code). However, the conservancy may request the State Public Works Board to review and approve specific acquisitions. The conservancy may also request assistance in acquiring real property from the Department of Water Resources.

**33832.** The conservancy may enter into an agreement with a public agency, nonprofit organization, or private entity for the construction, management, or maintenance of facilities authorized ~~by by, or transferred to,~~ the conservancy.

**33833.** The conservancy shall not exercise the power of eminent domain.

**33834.** (a) The conservancy may pursue and accept funds from various sources, including, but not limited to, federal, state, and local funds or grants, gifts, donations, bequests, devises, subventions, grants, rents, royalties, or other assistance and funds from public and private sources.

(b) The conservancy may accept fees levied by others.

(c) The conservancy may create and manage endowments.

(d) All funds received by the conservancy shall be deposited in the fund for expenditure for the purposes of this division.



**33835.** Notwithstanding Section 10231.5 of the Government Code, on or before January 1, 2027, and annually thereafter, the conservancy shall prepare and submit a report to the Governor and the Legislature, pursuant to Section 9795 of the Government Code, on its implementation of Sections 33812 and 33813, including, but not limited to, all of the following:

(a) A schedule of projects undertaken by the conservancy and a schedule of grants and loans made by the conservancy.

(b) A schedule of grants awarded to the conservancy and the disposition of the funds granted.

(c) The disposition of the funds appropriated to the conservancy in the fiscal year preceding the year in which the report is made.

~~(d) A detailed work plan for the upcoming year that identifies projects for delivery, objectives, major tasks, and expected completion dates.~~

~~(e) An identification of additional funding, legislation, or other resources required that would more effectively enable the conservancy or local governments to carry out the purposes of this division.~~

**33836.** (a) The conservancy may expend funds and award grants and loans to develop projects and programs that are designed to further the purposes of this division.

(b) The conservancy may provide and make available technical information, expertise, and other nonfinancial assistance to public agencies, nonprofit organizations, and tribal organizations, to support program and project development and implementation.

**33837.** Nothing in this chapter shall limit or alter ~~either of the following:~~ any party's, including the state's, responsibility under existing law or any party's authority to carry out any responsibility under existing law.

~~(a) The state's obligations to the Salton Sea as identified in any state plan or contractual commitment related to the management of the Salton Sea, including the Salton Sea Management Plan, the Long Range Plan, the Quantification Settlement Agreement, and all related agreements and laws, or an applicable State Water Resources Control Board order, including Orders WRO 2002-0013 and WR 2017-0134 and orders issued on or after January 1, 2023.~~

~~(b) The state's required consultation and coordination of restoration projects with the Salton Sea Authority pursuant to Article 2 (commencing with Section 2940) of Chapter 13 of Division 3 of the Fish and Game Code.~~

#### **CHAPTER 6. Contingent Operation**

**33838.** This division shall become operative only if the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024 (Chapter 83 of the Statutes of 2024) is approved by the voters at the November 5, 2024, statewide general election.

**SEC. 2.** If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.