## Memorandum

**To:** Salton Sea Authority Board of Directors

From: G. Patrick O'Dowd, Executive Director /GM

Date: November 14 , 2024

### Re: SB 583 / Proposition 4 Update

<u>Senate Bill 583</u> (2024 – Padilla), known as the "Salton Sea Conservancy Act" was signed into law on September 27, 2024. It creates a new state conservancy to operate, maintain, and manage projects, as they are completed, that are planned or built under the authority of the Salton Sea Management Program, and mange land and property rights, including easements and water rights, within the Salton Sea Region after restoration or mitigation projects are built. The formation of the conservancy was also made contingent on the passage of the Safe Drinking Water, Wildlife Prevention, Drought Preparedness, and Clean Air Bond Act of 2024 (also known as <u>Proposition 4</u>), which as of this writing is leading in the ballot count by a margin of just under 60% and will likely pass.

With its passage, Prop 4 also provides \$170 million in additional, much needed project funding for the Salton Sea Management Program, including \$10 million in funding for utilization by either of the conservancy and the Authority.

91033.

(a) Of the funds made available by Section 91030, one hundred seventy million dollars (\$170,000,000) shall be available, upon appropriation by the Legislature, to implement the Salton Sea Management Program 10-year Plan, and any subsequent revisions to that plan, or any subsequent plans, to provide air quality, public health, and habitat benefits.

# (b) Of the funds made available by subdivision (a), ten million dollars (\$10,000,000) shall be available for either of the following: (1) The creation of a Salton Sea Conservancy. (2) The Salton Sea Authority.

It will be important to ensure that the allocation of that the discreetly set aside \$10 million facilitates the dual purpose of creating this new conservancy while at the same time addresses to the maximum extent possible capital requirements for important, ongoing community-centric projects under the Authority's care and oversight.

Once enacted, SB 583 requires that the conservancy be stood up by January 1, 2026, and shall be governed by a fifteen (15) person board of directors. The board make-up

incudes one representative appointed by each of the Salton Sea Authority's five member agencies (including the Authority's then current President which will be a permanent member of the board), and various appointees by state and federal agencies. The Board also includes seven (7) ex officio members.

Prior to January 1, 2027, the executive officer of the conservancy shall be an appointee of the Secretary of the Natural Resources Agency. After that date, the executive officer will be selected by the conservancy Board.

Over the coming weeks and months there will be considerable work necessary to pull together the conservancy and its leadership team. The Authority, exercising its local leadership both directly and through the combined abilities of its member agencies, can and should play a key role in the forming and implementation of this new conservancy to ensure that its role in addressing Salton Sea challenges is clearly defined and strategically optimized to benefit current and future generations of local stakeholders.

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