

- **Board of Directors**  
**Communications and Legislation Committee**

May 10, 2005 Board Meeting

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**9-5**

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**Subject**

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Report on SB 1081 (Ducheny, D-San Diego) regarding Salton Sea restoration

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**Description**

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Senator Denise Moreno Ducheny (D-San Diego) has introduced SB 1081 ([Attachment 1](#)) relating to the restoration of the Salton Sea. As amended on April 5, 2005, the bill would limit the expenditure of Proposition 50 bond funds to activities related to restoration of the Salton Sea and would expressly prohibit use of those funds on the lower Colorado River. The bill includes legislative declarations that improving the quantity of water feeding the Salton Sea is an extremely important state goal and that the state should review the potential to shift implementation of the Salton Sea restoration to a local entity.

**Background**

The Salton Sea is a terminal lake located at an elevation of 229 feet below sea level in Riverside and Imperial Counties. More than 90 percent of the inflow to the Sea is drainage from agricultural fields irrigated with Colorado River water. The high temperatures during much of the year cause evaporation losses from the Salton Sea exceeding 66 inches per year. The result of these factors is a water body with increasing salinity and other problems that affect its future ability to support the many species of birds and fish that make use of the Sea today.

During negotiations for the Quantification Settlement Agreement in 2002, the state Legislature adopted legislation, SB 482 (Kuehl), that identified the state's interest in restoring the Salton Sea and required the Secretary of the Resources Agency to develop, select and implement restoration projects in accordance with the federal Salton Sea Reclamation Act. Also in 2002, the voters approved Proposition 50, which included \$50 million in bond funding for "land and water resources necessary to meet state obligations for regulatory requirements related to California's allocation of water supplies from the Colorado River." SB 482 expressed the Legislature's intent that the \$50 million be used "at the Salton Sea or the lower Colorado River."

The QSA was executed in 2003, and at that time the Legislature approved three bills that embody the agreement between the state and the Colorado River water agencies relating to implementation of the QSA. These bills include the Salton Sea Restoration Act, SB 277 (Ducheny), which provides that the state of California will undertake restoration of the Salton Sea ecosystem. This bill recognizes that conservation measures to protect fish and wildlife dependent on the Salton Sea could be implemented on the "Salton Sea and lower Colorado River ecosystems, including the Colorado River Delta." The remaining two bills, SB 317 (Kuehl) and SB 654 (Machado), adopted funding mechanisms for the Salton Sea restoration. The funding sources include the sale to Metropolitan of up to 1.6 million acre-feet of water conserved by Imperial Irrigation District, payment of \$20 per acre-foot by Metropolitan for surplus water delivered under the Interim Surplus Guidelines, and payment of \$30 million from other QSA parties to the Salton Sea Restoration Fund. SB 654 provides that these funding obligations are the maximum amounts due from the water agencies for Salton Sea restoration. "Any future state actions to restore the Salton Sea will be the sole responsibility of the State of California."

On April 4, 2005, the Secretary of the Interior and the Director of the California Department of Fish and Game approved the Lower Colorado River Multi-Species Conservation Program (MSCP). The Department of Fish and Game also acquired 1,350 acres of land with over two miles of frontage on the Colorado River in the Palo Verde Valley. The purchase price of \$11.4 million was paid for with the Proposition 50 funds approved for Colorado River-related projects. This property, known as Travis Ranch, will be included in the MSCP.

**Provisions of SB 1081**

As drafted, SB 1081 contains several provisions that could potentially have negative impacts on Colorado River management. First, the bill declares that increasing water flows into the Salton Sea is an important goal of the state. This is contrary to other state and federal declarations that the Salton Sea does not have a right to deliveries of Colorado River water or the mandate that IID reduce its agricultural drainage and become a more efficient water user.

Second, SB 1081 would restrict the use of Prop. 50 funds to Salton Sea restoration activities. As enacted, however, the proposition allows conservation funds to be used for either the Sea or the Colorado River. If Colorado River programs can do more for endangered species than a Salton Sea restoration, those funds should be used where they can be most effective - as the voters intended.

Finally, the bill would require the Wildlife Conservation Board to identify replacement funds for the Travis Ranch habitat lands that will help the MSCP. Restoring the Salton Sea, while a laudable goal, should not come at the expense of the MSCP, particularly when the Salton Sea restoration program has yet to be identified.

For the reasons stated, staff advised the author that Metropolitan opposes SB 1081 unless these provisions are amended to reflect existing state policy. On April 26, 2005, staff testified before the Senate Natural Resources and Water Committee to express Metropolitan’s concerns with the bill.

**Policy**

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At its meeting on June 9, 1998, the Board approved support for the federal Salton Sea Reclamation Act based on the policy that restoration of the Salton Sea would not affect rights and obligations with respect to the Colorado River, including implementation of California’s Colorado River Water Use Plan (also known as the California 4.4 Plan).

Board support for Proposition 50 as adopted.

**Fiscal Impact**

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Enactment of SB 1081 could have potential funding impacts to the MSCP.

  
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Jeffrey Rightlinger  
General Counsel

4/18/2005  
Date

  
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Dennis B. Underwood  
CEO/General Manager

4/21/2005  
Date

**Attachment 1 – Senate Bill No. 1081**

AMENDED IN SENATE APRIL 5, 2005

**SENATE BILL**

**No. 1081**

**Introduced by Senator Ducheny**

February 22, 2005

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An act ~~relating to fish and game~~ to add Section 79569 to the Water Code, relating to habitat restoration.

LEGISLATIVE COUNSEL'S DIGEST

SB 1081, as amended, Ducheny. Salton Sea restoration.

Existing law requires the Secretary of the Resources Agency, in consultation with the Department of Fish and Game, the Department of Water Resources, the Salton Sea Authority, appropriate air quality districts, and the Salton Sea Advisory Committee, to undertake a restoration study to determine a preferred alternative for the restoration of the Salton Sea ecosystem and the protection of wildlife dependent on that ecosystem. ~~The~~

*The Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002, an initiative measure approved by the voters at the November 5, 2002, statewide general election, authorizes, for the purposes of financing a safe drinking water, water quality, and water reliability program, the issuance of bonds in the amount of \$3,440,000,000, of which \$50,000,000 is available, upon appropriation by the Legislature, to the Wildlife Conservation Board for the acquisition, protection, and restoration of land and water resources necessary to meet state obligations for regulatory requirements related to California's allocation of water supplies from the Colorado River.*

*This bill would state the intent of the Legislature that any of those bond moneys appropriated to the board for that purpose that are unencumbered on or after January 1, 2006, be used exclusively for the purpose of restoration of the Salton Sea and related activities. The bill*

□

would require the board to prepare and submit to the Legislature, on or before January 1, 2006, a report identifying funds to replace those moneys expended by that board for the acquisition of specified land for the purpose of habitat conservation. The bill would require the Department of Water Resources and the authority to seek to enter into a memorandum of understanding with the United States Geological Survey and the United States Bureau of Reclamation to establish a state and federal coordinated plan for the restoration of the Salton Sea. The bill would make findings and declarations relating to tributaries of the Salton Sea and local control of the restoration.

Vote:  majority. Appropriation:  no. Fiscal committee:  yes. State  mandated local program:  no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1.  The Legislature finds and declares all of the  
2 following:  
3 (a)  The Alamo River and the New River are important  
4 resources and inland tributaries to the Salton Sea.  
5 (b)  Improving water quality and the quantity of water that  
6 feeds into the Salton Sea are extremely important goals.  
7 (c)  The restoration of the Salton Sea is important to the  
8 economic development of Imperial County and Riverside  
9 County.  
10 (d)  Local input on restoration efforts should be taken into  
11 consideration at every phase of the restoration plan.  
12 (e)  The state should address the involvement of local entities  
13 such as the Salton Sea Authority and review the potential to shift  
14 implementation of the restoration plan to a local entity.  
15 SEC. 2.  Section 79569 is added to the Water Code, to read:  
16 79569. It is the intent of the Legislature that any moneys  
17 appropriated to the Wildlife Conservation Board pursuant to  
18 Section 79568 that are unencumbered on or after January 1,  
19 2006, be used exclusively for the purpose of the restoration of the  
20 Salton Sea and related activities. As used in this section,  
21 "restoration of the Salton Sea and related activities" does not  
22 include land acquisition on the Lower Colorado River that is not  
23 related to the restoration of the Salton Sea.  
24 SEC. 3.  The Wildlife Conservation Board shall prepare and  
25 submit to the Legislature, on or before January 1, 2006, a report

1 *identifying funds to replace those moneys expended by that board*  
2 *pursuant to Section 79568 of the Water Code for the acquisition*  
3 *of approximately 1,340 acres along the Colorado River north of*  
4 *Blythe for the purpose of habitat conservation.*

5 *SEC. 4. □The Department of Water Resources and the Salton*  
6 *Sea Authority shall seek to enter into a memorandum of*  
7 *understanding with the United States Geological Survey and the*  
8 *United States Bureau of Reclamation to establish a state and*  
9 *federal coordinated plan for the restoration of the Salton Sea.*

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