
UNFINISHED BUSINESS

Bill No: SB 369
Author: Padilla (D)
Amended: 9/2/25 in Assembly
Vote: 21

SENATE NATURAL RES. & WATER COMMITTEE: 6-0, 3/25/25
AYES: Limón, Allen, Grove, Hurtado, Laird, Stern
NO VOTE RECORDED: Seyarto

SENATE APPROPRIATIONS COMMITTEE: 5-0, 5/23/25
AYES: Caballero, Cabaldon, Grayson, Richardson, Wahab
NO VOTE RECORDED: Seyarto, Dahle

SENATE FLOOR: 33-2, 6/2/25
AYES: Allen, Alvarado-Gil, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Cortese, Dahle, Durazo, Gonzalez, Grayson, Jones, Laird, Limón, McGuire, McNerney, Menjivar, Padilla, Pérez, Richardson, Rubio, Smallwood-Cuevas, Stern, Strickland, Umberg, Valladares, Wahab, Weber Pierson, Wiener
NOES: Grove, Ochoa Bogh
NO VOTE RECORDED: Choi, Hurtado, Niello, Reyes, Seyarto

ASSEMBLY FLOOR: 69-5, 9/8/25 - See last page for vote

SUBJECT: Salton Sea: restoration projects: skilled and trained workforce

SOURCE: International Union of Operating Engineers, California-Nevada Conference

DIGEST: This bill extends the requirement to use a skilled and trained workforce to Salton Sea restoration projects undertaken by specified state agencies.

Assembly Amendments of 9/2/25 apply these provisions only to projects in excess of \$1,000,000.

ANALYSIS:

Existing law:

- 1) Requires, Under the Salton Sea Restoration Act, the Secretary of California Natural Resources Agency (CNRA), in consultation and coordination with the Salton Sea Authority, to lead the Salton Sea restoration efforts, as specified. (Fish and Game Code (FGC) §2942(a)(1))
 - a) Authorizes Department of Water Resources (DWR), in coordination with California Department of Fish and Wildlife (CDFW), to undertake Salton Sea restoration efforts. (FGC §2942(a)(3))
- 2) Allows DWR design-build projects to authorize the Director of DWR to procure design-build contracts for public works projects in excess of \$1,000,000 that are at the Salton Sea. (Public Contract Code (PCC) §10204)
- 3) Prohibits a design-build entity from being prequalified or short-listed unless the entity provides an enforceable commitment that the entity and its subcontractors at every tier will use a skilled and trained workforce to perform all work on the project or the contract falls within an apprenticeable occupation in the building and construction trades. (PCC §10208(c))
- 4) Requires owners or operators of specified petroleum refineries and petrochemical manufacturing facilities, when contracting for construction or related work, to use a skilled and trained workforce to perform all onsite work, as specified. Does not apply this requirement in situations of workforce shortages and emergencies, as specified. (Health and Safety Code (HSC) §25536.7)
- 5) Prescribes skilled and trained workforce requirements for when a public entity is required to obtain an enforceable commitment that a bidder, contractor, or other entity will use a skilled and trained workforce to complete a contract or project. (PCC §2600)
- 6) Defines “skilled and trained workforce” to mean a workforce that meets certain requirements including a phase-in of a skilled and trained workforce – 30% workforce during the first year of implementation, 40% workforce during the second year, 50% workforce during the third year of implementation, and 60% workforce thereafter. (PCC §2601(d))

- 7) Excludes acoustical installers, bricklayers, carpenters, cement masons, drywall installers or lathers, marble masons, finishers, or setters, modular furniture or systems installers, operating engineers, pile drivers, plasterers, roofers or waterproofers, stone masons, surveyors, teamsters, terrazzo workers or finishers, and tile layers, setters, and finishers from these phase-in workforce requirements, and instead requires at least 30% workforce for these occupations. (PCC §2601(d))

This bill:

- 1) Requires, for a Salton Sea restoration project in excess of \$1,000,000, CDFW, DWR, and CNRA to obtain an enforceable commitment that every bidder, contractor, subcontractor, or other entity at every tier to use a skilled and trained workforce to perform all work that falls within an apprenticeship occupation in the building and construction trades. This requirement does not apply if all construction work on the project is subject to a project labor agreement that requires the use of a skilled and trained workforce.
- 2) Defines “Salton Sea restoration project” as the erection, construction, alteration, repair, and improvement of any Salton Sea ecosystem structure, building, road, or other improvement that is undertaken as part of the restoration of the Salton Sea ecosystem.
- 3) Makes findings and declarations about the Salton Sea, its surrounding community, and the benefits of a skilled and trained workforce requirements.

Background

- 1) *The Salton Sea.* The Salton Sea is California’s largest lake, located 235 feet below sea level in Riverside and Imperial Counties near the California-Mexico border. The Salton Sea watershed is part of the Colorado River basin, and encompasses roughly 8,000 square miles. Over the past millennia, the meandering Colorado River periodically filled the Salton Basin, creating ancestral freshwater lakes that eventually evaporated. Today’s Salton Sea was formed in 1905 when massive flooding caused the Colorado River to break through an irrigation canal and flow uncontrolled into the Salton Basin for 18 months. After the breach in the irrigation canal was fixed, the Salton Sea has been primarily sustained by agricultural drainage water, approximately 80 percent of which flows from the farming-heavy Imperial Valley to the south.

Many species depend on the Salton Sea ecosystem: it supports over 400 species of birds, is home to many species of fish, and is a critical stop on the Pacific

Flyway for migrating birds, including several threatened and endangered species. The Salton Sea National Wildlife Refuge was established in 1930 to preserve wintering habitat for waterfowl and other migratory birds. The southern end of the Salton Sea may be the richest source of geothermal energy in the United States, and possibly the world.

- 2) *The role of state agencies.* AB 71 (V. Manuel Perez, Chapter 402, Statutes of 2013) articulates the state's goals and established a state framework for Salton Sea restoration. The goals include permanently protecting fish and wildlife that are dependent on the Salton Sea ecosystem, restoring the long-term stable aquatic and shoreline habitat for fish and wildlife that depend upon the Salton Sea, mitigating air quality impacts, and protecting water quality, among others.

AB 71 requires the CNRA Secretary to lead Salton Sea restoration efforts. The bill provides that the CNRA Secretary and the Legislature shall maintain full authority and responsibility for any state obligation under the Quantification Settlement Agreement and that both shall have final approval for any proposed restoration plan. AB 71 also authorizes CDFW and DWR to undertake certain restoration efforts.

Governor Brown launched the Salton Sea Management Program (SSMP) in 2018 to coordinate Salton Sea restoration efforts. CNRA, CDFW, and DWR implement the SSMP, while the State Water Resources Control Board (State Water Board) monitors and assesses progress on the implementation of the SSMP.

In 2018, the SSMP released the "Phase I: Ten-Year Plan" to guide state projects at the Salton Sea and to address potential public health and environmental effects over the ensuing decade. The plan seeks to improve conditions by constructing 30,000 acres of habitat and dust suppression projects around the Salton Sea.

In April 2024, the SSMP published a "Salton Sea Long-Range Plan" (Long-Range Plan), a long-term pathway for the restoration and management of the Salton Sea beyond the next decade. The Long-Range Plan discusses 13 restoration concepts for long-range solutions, with some concepts having multiple variations. These concepts of varying feasibility include, amongst others, pump out options that create an artificial outlet for the Salton Sea by pumping Salton Sea water from the Sea and using it for dust control, pumping Salton Sea water to the Sea of Cortez, or both; water optimization to capture water in interceptor canals; water recycling, involving the construction of five

desalination plants; water importation of desalinated water from Sea of Cortez; and water exchange.

[See Senate Natural Resources and Water Committee analysis for additional background information]

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

According to the Assembly Floor Analysis, the Assembly Appropriations Committee identified the following fiscal impact:

- 1) “Costs of an unknown amount, almost certainly in excess of \$150,000 in the aggregate, to CNRA, DWR, and DFW for increased administrative costs to ensure compliance with the new contracting requirements (General Fund, bond funds). The magnitude of these costs is variable based on the number of and amount of funding allocated to potential restoration projects.
- 2) The aforementioned state agencies may also incur potentially significant increased project costs, to the extent this bill increases bid prices or deters some contractors from bidding on contracts. In cases where a foregone contractor would have been the low bidder, the state agency will pay more, and remaining contractors may face less competitive pressure when bidding on contracts, thus increasing contract costs. The labor requirement may also result in scheduling delays or limit the number of bids received due to regional workforce limitations. For example, if there is a shortage of skilled and trained workers locally, a contractor may need to spend more on travel, lodging, and meals for workers from other parts of the state.
- 3) DFW notes it currently uses a variety of methods to contract for Salton Sea restoration work, including utilizing nonprofits, public works contracts, and partnerships with other state agencies. Often, workers hired to work on projects in the Salton Sea have been trained in other countries or receive on-the-job training. Requiring contracted workers to obtain formal skills and training for construction positions as a prerequisite to working on Salton Sea restoration projects may limit the department's options to hire workers and complete projects on time and within specified budgets.
- 4) For a prior version of the bill, DWR noted that while there is significant uncertainty about the cost of this bill, the department estimated approximately a 10% increase in contracting costs as a result of the skilled and trained workforce requirement. As an example, DWR expects to receive approximately \$150 million from the Proposition 4 climate bond for Salton Sea projects –

which the department plans to expend through five separate state contracts. Of this amount, DWR estimates an approximately \$15 million increase in project costs. CNRA notes it carries out nearly all its Salton Sea-related project contracting through DWR. Limiting the skilled and trained workforce requirement to projects over \$1 million should limit the overall impact on project and contracting costs, although the magnitude remains unknown.

- 5) The Department of Industrial Relations does not anticipate any costs as a result of this bill.”

SUPPORT: (Verified 9/5/25)

International Union of Operating Engineers, California-Nevada Conference (source)
California Federation of Labor Unions, AFL-CIO
California State Association of Electrical Workers
California State Pipe Trades Council
Comite Civico Del Valle, Inc.
County of Riverside
District Council of Iron Workers of the State of California and Vicinity
Los Amigos de la Comunidad, Inc.
Southern California Contractors Association
State Building & Construction Trades Council of California
Western States Council Sheet Metal, Air, Rail and Transportation

OPPOSITION: (Verified 9/5/25)

California Department of Finance

ARGUMENTS IN SUPPORT: According to the author, “For years, the receding lake bed at the Salton Sea, exacerbated by our changing climate, has created environmental hazards that threaten the health of communities in the Imperial Valley, predominantly composed of Latino agricultural workers. The state and federal government have provided funding for Salton Sea restoration, which is critical to ensuring the health and well-being of the Salton Sea ecosystem and the Imperial Valley community, but is only a piece of helping this region overcome the challenges it faces. The Imperial Valley already has a high unemployment rate and many residents face poor working conditions and low wages. Given the risk to workers, and effort to ensure a labor pipeline for residents in the Imperial Valley, and support towards the rapid completion of Salton Sea Restoration projects, SB 369 is crucial to statutorily require the use of a local skilled and trained workforce for all restoration work at the Salton Sea.”

ARGUMENTS IN OPPOSITION: According to the California Department of Finance, “[t]he Department of Finance is opposed to this bill because it would significantly increase the cost of the state’s existing legal liabilities associated with Salton Sea restoration.”

Assembly Floor, 69-5, 9/8/25

Ayes: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Chen, Connolly, Davies, Elhawary, Flora, Fong, Gabriel, Garcia, Gipson, Jeff Gonzalez, Mark González, Haney, Harabedian, Hart, Irwin, Jackson, Kalra, Krell, Lackey, Lee, Lowenthal, McKinnor, Muratsuchi, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas

Noes: DeMaio, Dixon, Ellis, Johnson, Macedo

No Vote Recorded: Castillo, Gallagher, Hadwick, Hoover, Nguyen, Sanchez

Prepared by: Genevieve Wong / N.R. & W. / (916) 651-4116

9/8/25 19:46:33

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