

OFFICE OF THE GOVERNOR

SEP 25 2024

To the Members of the California State Assembly:

I am returning Assembly Bill 2757 without my signature.

This bill would establish the Southeast California Economic Region (SECER) to promote regional economic development in those communities most impacted by the extraction and processing of lithium and other minerals from the Salton Sea and align state and federal programs, including the California Jobs First Regional Investment Initiative (RII).

In 2021, my Administration and the Legislature made a historic investment into regional economic development through the RII. Within that initiative, the Southern Border and Inland Empire regions were each provided resources to develop regional economic strategies, which were recently completed. My Administration is currently reviewing these strategies and beginning to identify how this first-of-its-kind effort can evolve to better meet the needs of each of California's regions and communities, including the complexities and unique opportunities within regions.

Economic development in the Salton Sea Region is critical to positioning California as a global leader in sustainable lithium development and renewable energy production. This development should ensure that the economic benefits and opportunities support the growth and success of local communities, including Imperial County. My Administration has been working to support the

region through public-private partnerships and leveraging state efforts to maximize coordination and partnership for inclusive economic development.

However, the creation of the SECER at this time would have unintended negative consequences for the RII program implementation. This multi-year program is poised to invest resources in projects that align with the priorities developed during the planning phase. The establishment of SECER would require the creation of new RII administrative entities, restart the area's planning process, and divert funds away from implementation projects, creating challenges for development for the region and local communities.

For these pasons, I cannot sign this bill.

/////

Savin/www.som