

**CCV: Informational Hearing Testimony**  
**August 15, 2023**  
**Assembly Committee on Utilities & Energy**

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The purpose of this hearing is to examine the findings and recommendations of the Lithium Valley Commission Report in order to better understand what is necessary to build a domestic lithium supply chain. There will also be updates of the federal and state efforts to build this emerging industry to reduce the United States reliance on foreign lithium suppliers. Additionally, lithium developers will provide updates on their projects and also share opportunities and challenges within their undertakings.

- [AGENDA & Background Doc](#)
  - 5-7 minutes discussing the CBO/EJ perspective regarding opportunities and challenges presented to protect frontline communities
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## **TESTIMONY**

### **Introduction**

- Good afternoon, Chairman Garcia and members of the committee.
- My name is Luis Olmedo and I am the Executive Director for Comite Civico del Valle.
- Comite Civico del Valle is a 501(c)(3) organization community-based environmental justice organization based in Brawley, California with the endeavor of improving the lives of disadvantaged communities residing in Imperial County.
- We do this by informing, educating, and engaging Imperial County residents in civic participation venues focused on water quality, air pollution, energy, clean transportation, public health, and farmworker rights.
- Comite Civico del Valle is one of many local social impact organizations that have been working tirelessly over the past 2 years to ensure that the full scale extraction process of our region's geothermal energy and lithium/mineral recovery industry are developed sustainably and equitably.
- Throughout our region's history, our local government, residents, and community based organizations have been lured by various industries with the promise of economic salvation and community benefits - in exchange for community and political support for their projects.

- Unfortunately, the overwhelming majority of these promises have fallen short and either the projects or the community benefits fail to materialize.
- These types of outcomes can prove to be demoralizing and fosters a culture of suspicion everytime a new industry parachutes into Imperial County asserting to be the next economic savior of our community.
- Further, Imperial County's water, transportation, broadband, housing, and public health systems are in significant need of infrastructure improvements - not only for the emerging lithium industry, but also for the day to day needs of people living and working in Imperial County.
- I would be remiss if I also did not elaborate on the public health and environmental risks that are constantly confronted in the region. Water quality challenges stemming from poor drinking water to the shrinking Salton Sea and air pollution from local agricultural practices and international goods movement stemming from the California/Mexico border are constant struggles.
- Regarding future lithium extraction, Comite Civico del Valle is concerned with potential waste from the mineral resource recovery processes and potential impacts to local water quality.

### Opportunities

- While historic and current concerns are real, Comite Civico del Valle understands that there is an opportunity to make lithium development in Imperial County the cleanest and safest in the world.
- But in order to do so, it will be important that industry, workers, community, and government come together around a set of values that protects the health of our local residents, ensures environmental integrity, and encourages high road education, training, and workforce development.
- In this spirit, Comite Civico del Valle has been working in coalition with local labor unions and regional non-profit organizations under the banner of the "**Lithium Valley Community Coalition**" for purposes of coordinating our participation in Imperial County's lithium planning, permitting, and community outreach processes.

- Frankly, the technical, policy, and legal implications are overwhelming and we are doing all we can to keep pace and we are actively soliciting academic expertise to assist.
- The Lithium Valley Community Coalition collaboration and partnership is currently focused on **Imperial County's Programmatic Environmental Impact Report** which will provide local government and members of the public with detailed information about potential environmental impacts, possible ways to minimize those impacts, and offer alternatives that would reduce or avoid identified impacts.
- The coalition is also engaged in regional economic development planning under the state's **Community Economic Resilience Fund** - created to promote a sustainable and equitable economic recovery from economic distress of COVID-19 by supporting new plans and strategies to diversify the local economy.
- In solidarity with our local labor unions, we are also participating in the **California Workforce Development Board's High Road Training Partnership Program** to foster clean energy industry partnerships that deliver equity, sustainability, and family supporting quality jobs.
- Our coalition plans to leverage these lithium development planning, economic, and workforce development processes to outreach, recruit and encourage enrollment in **Imperial Valley's Community College lithium workforce training curriculums**.
- On the policy front, Comite Civico del Valle is sponsoring **Assemblymember Eduardo Garcia's AB 1562** which seeks to legislate a recommendation from the Lithium Valley Commission Report to establish the Southeast California Desert Valley's Economic Zone to include Imperial County and Eastern Coachella and Palo Verde Valleys.
- Policy goals for the zone include tariff relief, credits or incentives for corporate investments, credits for education investment in local workforce and childcare, research and development, community benefit, project labor and maintenance agreements, in addition to the integration of state-certified apprenticeship and pre-apprenticeship opportunities.

- Imperial County currently faces a 17% unemployment rate and 22% of its residents live below the poverty line - a number that is double the national average.
- Comite Civico del Valle believes that equitable implementation of these programs will go a long way to reduce the local unemployment rates, while increasing community and individual wealth.

## **Challenges**

- While we are optimistic about what these opportunities might offer, there are challenges that these activities may not have the full ability to address.
- One of these challenges is the lack of electric vehicle charging infrastructure in the Imperial Valley.
- According to the California Energy Commission, Comite Civico del Valle is the only non-profit organization in the state that is actively constructing and maintaining a local and community-owned EV charging station network.
- A significant barrier in accomplishing this goal is the CEC's requirement that a certain amount of capital investment be committed as a prerequisite in order to be eligible for public EV charging station incentive dollars.
- Comite Civico del Valle has met with the CEC staff to communicate a desire for program flexibility given our unique market position and have offered reforms to ensure that EV charging station development opportunities are equitable and accessible to all.
- In addition to programmatic gaps in the state's EV charging station programs, we are also concerned about efforts to repeal the legislature's lithium excise tax in SB 125 that was passed as part of last year's budget agreement.
- Earlier this year, the Imperial County Board of Supervisors voted to oppose the Taxpayer Protection and Government Accountability Act, a statewide initiative sponsored by the California Business Roundtable (CBRT).
- This initiative would amend the California Constitution to restrict the ability of the state, local governments, and the electorate to approve or collect taxes, and fees

by retroactively canceling recently passed revenue measures and invalidating all state and local tax measures passed on or after January 1, 2022.

- If passed, this measure would invalidate the state's Lithium Extraction Excise Tax passed in June 2022, which guarantees Imperial County receives 80% of the taxes collected from lithium extraction and would nullify the lithium incentive program recently passed by the Imperial County Board of Supervisors.
- On behalf of Imperial Valley's disadvantaged communities, we urge the legislature and the Governor to exert political capital to ensure that this initiative does not pass and that committed community investments are not undermined.

### **Conclusion**

- I'd like to thank Assemblymember Eduardo Garcia for the opportunity to share the front line community perspective and look forward to answering any questions.
- Thank you.