

SENATE BILL

No. 10

Introduced by Senator Padilla

December 2, 2024

An act to amend Section 31475 of the Streets and Highways Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

SB 10, as introduced, Padilla. Otay Mesa East Toll Facility Act: toll revenues: environmental mitigation.

The Otay Mesa East Toll Facility Act authorizes the San Diego Association of Governments (SANDAG) to carry out a construction project for the State Highway Route 11 corridor, including, among other things, highway improvements and international border crossing facilities, to be operated as a toll facility. Existing law authorizes SANDAG to fix and revise from time to time and charge and collect tolls and other charges for entrance to or the use of the corridor, as provided. Existing law authorizes toll revenues to be used for specified costs, including, among other things, payments of a cooperative tolling agreement with the federal government of Mexico.

This bill would authorize those toll revenues to additionally be used for environmental mitigation and restoration of the Tijuana River Valley and adjoining lands, as specified.

This bill would make legislative findings and declarations as to the necessity of a special statute for the County of San Diego.

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 Tijuana River Valley has been a longstanding site of
4 significant environmental degradation due to cross-border
5 pollution, including untreated sewage, industrial waste, and other
6 contaminants that flow from Tijuana, Mexico, into the United
7 States of America.

8 (b) According to the Department of Parks and Recreation, the
9 Tijuana River National Estuarine Research Reserve is the largest
10 coastal wetland and one of the few remaining salt marshes in
11 southern California.

12 (c) This pollution severely impacts communities in California,
13 particularly the City of Imperial Beach, and other nearby
14 neighborhoods in the County of San Diego. These areas are
15 experiencing elevated rates of respiratory illnesses, gastrointestinal
16 diseases, and skin conditions linked to exposure to contaminated
17 water and air.

18 (d) The rapid economic expansion in the border region, driven
19 in part by trade agreements such as the United
20 States-Mexico-Canada Agreement (USMCA), has resulted in
21 increased industrial production, cross-border transportation, and
22 waste generation, exacerbating pollution in the Tijuana River
23 Valley.

24 (e) The life cycle of many products manufactured in the region,
25 including electronics, textiles, and consumer goods, contributes
26 to environmental degradation at every stage, from raw material
27 extraction to production, transport, use, and disposal. Many of
28 these products are produced in factories that discharge untreated
29 waste into the Tijuana River or adjacent lands.

30 (f) The health and safety of residents and visitors to the Tijuana
31 River Valley and surrounding communities are of paramount
32 importance. The Legislature acknowledges the severe public health
33 risks posed by ongoing pollution in the region and recognizes the
34 need for a permanent funding source to provide resources to
35 mitigate the crisis.

36 (g) Pursuant to the Utilization of waters of the Colorado and
37 Tijuana Rivers and of the Rio Grande Treaty of 1944 between the
38 United States of America and Mexico, the International Boundary

1 and Water Commission (IBWC) gained status as an international
2 body to resolve water quality issues related to transboundary
3 pollution from border rivers and streams.

4 (h) In 1996, the United States Section of the IBWC (USIBWC)
5 used funding from the United States Environmental Protection
6 Agency to build the South Bay International Wastewater Treatment
7 Plant (SBIWTP). The plant is permitted to treat up to 25,000,000
8 gallons per day of raw sewage and other waste water.

9 (i) Due to unchecked expansion leading to unexpectedly high
10 flows, the SBIWTP has become overwhelmed and left only
11 partially operational in need of critical repairs. According to the
12 IBWC, 100,000,000,000 gallons of untreated sewage and other
13 pollutants have been dumped into the Tijuana River in the past
14 five years.

15 (j) The USIBWC and the Mexico Section of the IBWC (La
16 Comision Internacional de Limites y Aguas or “CILA”) entered
17 into an agreement called the “Comprehensive Infrastructure
18 Solution,” which identified targeted infrastructure projects on both
19 sides of the boarder. The latest cost estimate from the IBWC for
20 implementation of this agreement is now \$900,000,000, which
21 would repair and expand the capacity of the facility but does not
22 include maintenance.

23 (k) In July 2020, Congress appropriated \$300,000,000 through
24 the USMCA to mitigate the transboundary flows through expansion
25 of the existing SBIWTP.

26 (l) In 2024, Congress appropriated \$156,000,000 as a part of
27 the 2024 appropriations bill. However, there has been no ongoing
28 funding source appropriated to maintain operations of the SBIWTP.

29 (m) The appropriation of an ongoing and reliable funding source
30 is critical to the health and safety of the residents of the southern
31 portion of the County San Diego.

32 (n) Funds from the toll collected at the proposed East Otay Mesa
33 may be used to address water and air pollution and used to offset
34 the financial obligations to the IBWC from the federal government.

35 SEC. 2. Section 31475 of the Streets and Highways Code is
36 amended to read:

37 31475. (a) Toll revenues under this chapter may be used to
38 reimburse or finance the costs incurred in connection with the
39 implementation, construction, maintenance, or operation of a
40 project, including reimbursement of federal funds specifically

1 allocated to SANDAG for a project or projects by the federal
2 government or other funds from funding sources that are not
3 otherwise available to state agencies for transportation-related
4 projects. SANDAG shall be reimbursed for administrative costs
5 in an amount that shall not exceed 3 percent of toll revenues under
6 this chapter.

7 (b) Toll revenues shall be used to pay for costs in the following
8 categories:

9 (1) Payments pursuant to bonds and resolutions, indentures, and
10 other constituent instruments defining the rights of the holders of
11 bonds and any repayment or reimbursement obligations of
12 SANDAG to any providers of bond insurance or letters of credit
13 or lines of credit related to bonds.

14 (2) SANDAG costs for operations, toll collection, and
15 administration of the projects.

16 (3) Reimbursement or payment to federal, state, and local
17 agencies for costs incurred by or payable to those agencies for
18 services, equipment, goods, fixtures, operation, maintenance,
19 personnel, or software provided to or in furtherance of a project
20 that are reimbursable pursuant to a written agreement between
21 SANDAG and the respective agency.

22 (4) Costs for capital improvements to repair or rehabilitate a
23 project, to expand project capacity, to improve project operations,
24 or to increase public transit and nonmotorized options in the
25 corridor.

26 (5) Costs for projects that increase transportation options along
27 the corridor or at the Otay Mesa East Port of Entry, including, but
28 not limited to, public transit and nonmotorized transportation that
29 would result in reduced vehicle miles traveled, pursuant to the plan
30 approved by the board pursuant to subdivision (b) of Section 31476
31 that specifies the expenditure of toll revenues.

32 (6) Payments pursuant to an agreement under Section 31483.

33 (7) *Costs associated with environmental mitigation and*
34 *restoration of the Tijuana River Valley and adjoining lands by*
35 *way of wastewater infrastructure and related projects to address*
36 *the sewage crisis and benefit of the residents of the southern*
37 *portion of the County of San Diego.*

38 SEC. 3. The Legislature finds and declares that a special statute
39 is necessary and that a general statute cannot be made applicable
40 within the meaning of Section 16 of Article IV of the California

- 1 Constitution because of the unique need of the County of San
- 2 Diego in addressing the sewage crisis in the Tijuana River Valley.

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