California State Assembly

NATURAL RESOURCES

ISAAC G BRYAN
CHAIR

AGENDA

Monday, April 21, 2025
2:30 p.m. -- State Capitol, Room 437

BILLS HEARD IN SIGN-IN ORDER

** = Bills Proposed for Consent

~~1.~~	~~AB 305~~	~~Arambula~~	~~Energy: nuclear facilities.~~ ***Pulled from hearing***
2.	****AB 368**	Ward	Energy: building standards: passive house standards.
3.	AB 411	Papan	Livestock carcasses: disposal: composting.
4.	****AB 443**	Bennett	Energy Commission: integrated energy policy report: curtailed solar and wind generation: hydrogen production.
5.	****AB 472**	Rogers	Energy: offshore wind generation.
6.	****AB 526**	Papan	Energy: in-state geothermal energy generation.
~~7.~~	~~AB 527~~	~~Papan~~	~~California Environmental Quality Act: geothermal exploratory projects.~~ ***Pulled from hearing***
8.	****AB 531**	Rogers	Geothermal powerplants and geothermal field development projects: certification and environmental review.
9.	AB 609	Wicks	California Environmental Quality Act: exemption: housing development projects.
10.	****AB 674**	Connolly	Clean Cars 4 All Program.
11.	AB 706	Aguiar-Curry	Forest Organic Residue, Energy, and Safety Transformation and Wildfire Prevention Fund Act.
12.	AB 721	Soria	Huron Hawk Conservancy.
13.	AB 758	DeMaio	Wildfire: vegetation management.
14.	AB 839	Blanca Rubio	California Environmental Quality Act: expedited judicial review: sustainable aviation fuel projects.
15.	****AB 846**	Connolly	Endangered species: incidental take: wildfire preparedness activities.
16.	AB 899	Ransom	Beverage containers: glass wine bottles: market development.
17.	AB 941	Zbur	California Environmental Quality Act: electrical infrastructure projects.
18.	****AB 982**	Carrillo	The Surface Mining and Reclamation Act of 1975: idle reserve mine status.
19.	AB 1023	Gipson	Coastal resources: coastal development permits and procedures: Zero Emissions Port Electrification and Operations project.
20.	AB 1075	Bryan	Fire protection: privately contracted firefighters: public water sources.
21.	AB 1086	Muratsuchi	Marine Carbon Initiative.

22.	****AB 1143**	Bennett	State Fire Marshal: home hardening certification program.
23.	AB 1243	Addis	Polluters Pay Climate Superfund Act of 2025.(Urgency)
24.	AB 1244	Wicks	California Environmental Quality Act: transportation impact mitigation: Transit-Oriented Development Implementation Program.
25.	AB 1304	Schultz	Paint product recovery program: paint recovery: education and outreach.
26.	AB 1305	Arambula	Air pollution control and air quality management districts: permit information: internet website.
27.	AB 1325	Michelle Rodriguez	Lubricants and waste oil: producer responsibility.
28.	AB 1380	Elhawary	Wildland firefighters: Formerly Incarcerated Firefighter Certification and Employment Program.
29.	AB 1417	Stefani	Energy: Voluntary Offshore Wind and Coastal Resources Protection Program: community capacity funding activities and grants.
30.	****AB 1478**	Hoover	Used Mattress Recovery and Recycling Act: mattress recycling charge.
31.	****AB 1486**	Soria	Climate resiliency: research farms: grant program.

Date of Hearing: April 21, 2025

ASSEMBLY COMMITTEE ON NATURAL RESOURCES
Isaac G. Bryan, Chair
AB 368 (Ward) – As Introduced April 7, 2025

SUBJECT: Energy: building standards: passive house standards

SUMMARY: Requires the California Energy Commission (CEC) to evaluate the cost-effectiveness of passive house energy efficiency standards.

EXISTING LAW:

1) Require the Air Resources Board (ARB) to ensure that statewide greenhouse gas GHG emissions are reduced to 40% below the 1990 level by 2030. (Health and Safety Code (HSC) 38566)

2) Requires GHG emissions be reduced pursuant to AB 1279 (Muratsuchi), Chapter 337, Statutes of 2022, to at least 85% below the 1990 level by 2045, and establishes a goal of zero net carbon emissions by 2045, commonly known as carbon neutrality. (HSC 38500 *et seq*.)

3) Requires CEC to adopt and update Building Energy Efficiency Standards (Energy Code) for most residential and non-residential buildings in every three years. (Public Resources Code (PRC) 25402)

4) Requires that the standards adopted be cost-effective when taken in their entirety and when amortized over the economic life of the structure. Requires CEC to consider other relevant factors, including the impact on housing costs, the total statewide costs and benefits of the standard over its lifetime, economic impact on California businesses, and alternative approaches and their associated costs. (PRC 25402(c))

5) Requires CEC to assess the potential for the state to reduce GHG emissions from the state's residential and commercial building stock by at least 40% below 1990 levels by January 1, 2030. (PRC 25403)

6) Requires CEC to develop and implement a comprehensive program to achieve greater energy savings in California's existing residential and nonresidential building stock. (PRC 25943)

THIS BILL:

1) Requires CEC to evaluate the cost-effectiveness of passive house energy efficiency standard by California climate zone, using CEC-adopted metrics such as long-term system cost.

2) Requires CEC to evaluate the use of the two passive house energy models currently required for passive house certification in its analysis and the cost-effectiveness of passive house construction compared to existing construction, as specified.

3) On or before December 31, 2026, requires CEC to submit a report to the Legislature documenting its findings and recommendations. Sunsets the report requirements on January 1, 2029.

FISCAL EFFECT: Unknown

COMMENTS:

1) **California Energy Code**. The California Energy Code was first adopted in 1976 and is updated every three years by the CEC. The standards for residential and non-residential buildings (Title 24 of the California Code of Regulations) sets energy and water efficiency standards for newly constructed buildings and additions and alterations to existing buildings. Updates to the standards ensure that builders use the up-to-date energy-efficient technologies and construction, save energy, increase electricity supply reliability, increase indoor comfort, and help preserve the environment. Homes and businesses use nearly 70% of California's electricity and are responsible for nearly 25% of the state's GHG emissions. The standards vary by building type and climate zone, as outlined in Title 24.

   The California Energy Code includes an evaluation of cost-effectiveness based on the energy savings created by an efficiency standard over the life of the building. According to CEC, California's efficiency standards for buildings and appliances have saved Californians more than $100 billion in avoided energy costs over the last 50 years.

2) **Passive house standards**. According to the Passive House Institute US, "a passive house is a building standard that is truly energy, efficient, comfortable, and affordable at the same time." The Institute states that a passive houses allow for space heating and cooling related energy savings; make efficient use of the sun and internal heat sources and heat recovery; offer a high level of comfort; and, use ventilation systems that supply "constant fresh air without unpleasant draughts." Originally developed in Germany, the key principles include:

   - High levels of insulation minimize heat loss;
   - Airtight building envelope to prevent heat loss;
   - High-performance windows and doors, typically triple pane;
   - Thermal bridge-free design that avoids materials and design features that allow heat to bypass insulation; and,
   - Heat-recovery ventilation or energy recovery ventilation, which supply a constant supply of fresh air without significant heat loss.

   In January of this year, the California Public Utilities Commission approved a report evaluating the potential impacts of passive house design on the electric grid. The study highlights possible impacts of passive house standards on residential new construction building load, including reduced annual load, reduced summer and winter peak loads, and more predictable and flexible electric load.

   CEC's "Single Family Passive House Prescriptive Pathway" was developed to assess whether homes certified under passive house standards could meet or exceed the prescriptive requirements of the 2022 California Energy Code, which sought to identify barriers to implementation and determine the enforceability of such standards within the state's

regulatory framework. While recognizing the potential benefits of passive house principles, CEC identified several concerns regarding their integration:

- Energy Modeling and Compliance Verification: Passive house design uses specific energy modeling tools that differ from the compliance software used for Title 24. This discrepancy raises challenges in verifying compliance and ensuring consistency between the two standards.
- Climate Zone Adaptation: California encompasses 16 distinct climate zones, each with unique environmental conditions. Passive house standards, originally developed in Europe, may require adaptation to effectively address the diverse climatic conditions present across California.
- Cost Implications: Implementing passive house standards may involve higher upfront construction costs due to the use of specialized materials and construction techniques. Evaluating the cost-effectiveness and financial impact on builders and homeowners is a concern for widespread adoption given California's high housing and utility costs.

3) **This bill**. This bill requires CEC to evaluate the cost-effectiveness of passive house energy efficiency standards by California climate zone, using CEC-adopted metrics such as long-term system cost and requires it to report its findings to the Legislature on or before December 31, 2026.

4) **Author's statement**:

> AB 368 directs the California Energy Commission to evaluate and adopt certified Passive House (PH) standards as an alternative compliance pathway within Title 24, making it easier and more cost-effective to build high-performance, energy-efficient buildings. PH designs significantly reduce energy consumption and enhance resilience to climate change by utilizing airtight construction, superior insulation, and advanced ventilation systems. By streamlining certification and removing costly barriers, AB 368 will accelerate building decarbonization, improve indoor air quality, and support California's climate goals.

5) **Double referral**. This bill was passed the Assembly Utilities and Energy Committee on April 2 with a vote of 18-0.

REGISTERED SUPPORT / OPPOSITION:

Support

350 Conejo/San Fernando Valley
350 Humboldt
350 Ventura County Climate Hub
475 High Performance Building Supply
Abundant Housing LA
Active San Gabriel Valley
Alpen High Performance Products, INC.
Altadena Energy and Solar
BAN SUP
Best Techs Contracting Design Build Remodel, INC.

Building Doctors INC.
California Environmental Voters
California Yimby
Carmel Building and Design
Casa Nova Studio
Clean Coaliton
Climate Action California
Climate Center
Climate Reality Project - Silicon Valley Chapter
Climate Reality Project, Orange County
Climate Reality Project, San Fernando Valley
Community Environmental Council
Construction Progress
Eden: Environmental Ministry, All Saints Church
Elders Climate Action SoCal Chapter
Enersign US
Essential Habitat Architecture
Facts: Families Advocating for Chemical & Toxics Safety
Hayward Construction
Hayward Score
Home Energy Services
Home Green Homes
Indivisible Altadena
Making Housing and Community Happen
Markoff Fullerton Architects
Mothers Out Front Silicon Valley
NorCal Elder Climate Action
Not/Not Architecture and Construction
NRDC
Oulipo Architecture Studio
Page and Turnbull
Paravant Architects
Passive House California
Phius
Resilient Palisades
Revision West
Rockwool North America
Santa Cruz Climate Action Network
Sidco Homes INC
Small Planet Supply
SoCal 350 Climate Action
Stopwaste
Susan Diana Harris Interiors
Sustainable Mill Valley
The Climate Center
The Passive House Network
Town of Portola Valley
US Green Building Council, California
Urban Environmentalists, Los Angeles

Vector Green Power, LLC
Wythe Windows

Opposition

None on file

Analysis Prepared by: Elizabeth MacMillan / NAT. RES. /

Date of Hearing: April 21, 2025

ASSEMBLY COMMITTEE ON NATURAL RESOURCES
Isaac G. Bryan, Chair
AB 411 (Papan) – As Amended April 2, 2025

SUBJECT: Livestock carcasses: disposal: composting

SUMMARY: Establishes the Caring About the Terrain, Livestock, and Ecosystems (CATTLE) Act, which permits livestock carcasses resulting from a routine livestock mortality event or on-farm processing to be composted under specified circumstances.

EXISTING LAW:

1) Requires the Department of Resources Recycling and Recovery (CalRecycle) to adopt regulations establishing minimum standards for solid waste handling, transfer, composting, transformation, and disposal, as specified. (Public Resources Code (PRC) 42030)

2) Pursuant to regulations adopted by CalRecycle under PRC 42030, establishes requirements for the siting and operation of compost facilities in the state, including:

    a) Establishing regulatory tiers based on the size and operations of compost facilities, including an excluded tier, an enforcement agency notification tier, a registration permit tier, and a full solid waste facility permit (SWFP) tier.

    b) Prohibiting the composting of mammalian tissue, including flesh, organs, hide, blood, bone, and marrow, except when received from a food facility, as part of a research composting operation, or from a source approved by CalRecycle, the State Water Resources Control Board (SWRCB), and the California Department of Food and Agriculture (CDFA). (Chapter 3.1 of Division 7 of Title 14 of the California Code of Regulations)

3) Prohibits a dead animal hauler or other person from transporting any dead animal to any place other than a licensed rendering plant, a licensed collection center, an animal disease diagnostic laboratory, the nearest crematory, or to a destination in another state that has been approved for that purpose. (Food and Agriculture Code (FAC) 19348)

4) Defines "animals" as burros, cattle, goats, horses, sheep, swine, other large domesticated animals, and poultry. (FAC 19201)

5) Authorizes the on-farm slaughter of livestock if the slaughter occurs under specified circumstances. (FAC 19020)

6) Requires CDFA to publish a list, known as the List of Reportable Conditions for Animals and Animal Products, of reportable conditions that pose or may pose a significant threat to public health, animal health, the environment, or food supply, as specified. (FAC 9101)

7) Requires the State Veterinarian to impose a quarantine if a population of domestic animals or food product from animals has contracted, or may carry, an illness, infection, pathogen, contagion, toxin, or condition that could transmit an illness that could kill or seriously damage other animals or humans, as specified. (FAC 9562)

8) Pursuant to CalRecycle regulations, establishes siting and operating requirements for compost operations. Establish four regulatory tiers, from notification to a full SWFP, based on the feedstock and size of the facility. Prohibit the composting of mammalian tissue, except as specified. (Chapter 3.1 of Division 7 of Title 14 of the California Code of Regulations)

9) Pursuant to General Waste Discharge Requirements for Commercial Composting Operations, establishes waste discharge requirements for the operation of commercial compost facilities. (SWRCB General Order WQ 2020-0012-DWQ)

THIS BILL:

1) Specifies that, notwithstanding FAC 19348 and composting regulations adopted by CalRecycle, any part of a livestock carcass resulting from a routine livestock mortality event or on-farm processing may be composted if all of the following requirements are met:

    a) The composting of the carcass is conducted in accordance with best management practices (BMPs) for livestock composting approved by the Secretary of Food and Agriculture in consultation with CalRecycle and SWRCB.

    b) The total amount of composting material onsite at any one time does not exceed 100 cubic yards.

    c) All composting material, including livestock carcasses, comes from an agricultural site(s) owned or leased by the owner of the livestock carcasses.

    d) The composting activity occurs on an agricultural site owned or leased by the owner of the livestock carcasses.

    e) After composting, the cured (i.e., finished) compost is disposed through either:

        i) Application to an agricultural site owned or leased by the owner of the livestock carcasses; or,

        ii) Disposed in a landfill approved by CalRecycle to receive cured compost.

2) Defines the following terms:

    a) "Livestock" as any mammalian animal described in FAC 19201;

    b) "On-farm processing" as the slaughter of the livestock under circumstances authorized by FAC 19020;

    c) "Routine livestock mortality event" as the death of the livestock from a natural cause. Specifies that a routine livestock mortality event does not include:

        i) The death of the livestock due to being euthanized using barbiturates;

        ii) The death of the livestock from a disease listed on the CDFA's List of Reportable Conditions for Animals and Animal Products; or,

iii) The death of the livestock in a location that is under a quarantine imposed pursuant to FAC 9562.

FISCAL EFFECT: Unknown

COMMENTS:

1) **Organic waste**. Nearly 40 million tons of waste are disposed of in California's landfills annually. Nearly half of those materials are organics (~48%). Organic waste includes food, yard, paper, and other organic materials. As that material decomposes in landfills, it generates significant amounts of methane, a potent greenhouse gas (GHG) with 84 times the climate impact as carbon dioxide. The Air Resources Board (ARB) states that about 20% of methane emissions in California comes from landfills.

   SB 1383 (Lara), Chapter 395, Statutes of 2016, requires ARB to approve and implement a comprehensive SLCP strategy to achieve, from 2013 levels, a 40% reduction in methane, a 40% reduction in hydrofluorocarbon gases, and a 50% reduction in anthropogenic black carbon, by 2030. In order to accomplish these goals, the law specifies that the methane emission reduction goals include targets to reduce the landfill disposal of organic waste, including food, 50% by 2020 and 75% by 2025 from the 2014 level. SB 1383 also requires that by 2025, 20% of edible food that would otherwise be sent to landfills is redirected to feed people. Specifically, the law requires: jurisdictions to establish food recovery programs and strengthen existing food recovery networks; food donors to arrange to recover the maximum amount of edible food; and, food recovery organizations and services that participate in SB 1383 to maintain specified records.

2) **Composting**. One of the primary recycling options for organic waste in California is composting, which recycles organic materials into a nutrient-rich soil amendment that is beneficial for plant health, reduces erosion, and conserves water. When done correctly under controlled conditions, composting is an environmentally-beneficial process. However, it also has the potential to cause nuisances to surrounding communities, including odors, vectors, and fires. In order to minimize the potential risks associated with composting, the state has developed various statutes and regulatory processes to govern composting operations.

   CalRecycle's regulations that govern the operation of compost facilities establish four tiers of regulatory oversight, based on the size and type of facility:

   - Excluded tier: Operations under this tier are not considered compostable material handling operations and are not subject to CalRecycle regulations. It includes operations that handle agricultural material, derived from an agricultural site, and returns a similar amount of material to that same site, or an agricultural site owned or leased by the owner; vermicomposting; mushroom farming; composting green material agricultural material, food material, and vegetative food material if the total amount of feedstock and compost onsite does not exceed 100 cubic yards and 750 square feet at any one time.

   - Notification tier: Operations under this tier are required to notify the appropriate solid waste local enforcement agency (LEA) of their operation and comply with specified requirements. This tier includes agricultural materials composting operations, green material composting operations under 12,500 cubic yards, biosolids composting

operations, research composting operations under 5,000 cubic yards, chipping and grinding operations under 200 tons per day, and authorized land application activities.

- Registration permit tier: Operations under this tier are required to have a registration permit, which is less stringent and has fewer requirements than a full SWFP. This tier includes vegetative food material compost facilities under 12,500 cubic yards and chipping and grinding facilities between 200 and 500 tons per day.

- Full SWFP tier: Operations under this tier are required to have a full SWFP. Operations under this tier include composting facilities handling biosolids, digestate, food material, mixed material, etc., green material composting facilities over 12,500 cubic yards, vegetative food material composting facilities over 12, 500 cubic yards, and chipping and grinding facilities over 500 tons per day.

- Emergency waiver: CalRecycle's regulations generally prohibit the composting of mammalian tissue, but locally-approved, temporary waivers exist during a local or state emergency.

3) **Livestock**. The two most common carcass disposal options include rendering, a commercial process that heats and dries the carcass to kill pathogens and converts the by-products to usable commodities, and on-site burial. Other options include landfilling, composting, thermal disposal (e.g., incineration), and bone piles (e.g., disposal pits). According to CDFA, there are 21 traditional rendering facilities (though not all accept all carcasses) in California, 57 collection centers, and a limited number of licensed haulers legally permitted to haul carcasses to those facilities. Distance to these facilities makes them out of reach for some ranchers (particularly in the northern region of the state) and hauling is prohibitively expensive for many others.

   In addition to state requirements, counties have restrictions on where carcasses can be buried, such as distance from waterways and groundwater. Additionally, rugged terrain, seasonal climatic challenges, and the need for equipment suitable to bury a carcass 6-7 feet below the surface present incredible logistical challenges to effective burial in some cases. Due to these challenges, many ranchers are left with just two options: they can leave carcasses to decompose naturally, or dump them in bone piles. Unfortunately, both of these options can lead to unwanted vectors and livestock-predator interactions, as bone piles can be a food source for predators and effectively draw predators to the area, putting living livestock at risk of predation. Additionally, leaving a carcass to decompose naturally can pose health or environmental hazards and create a public nuisance.

   Livestock composting is allowed in 42 states but is prohibited in California, except under declared states of emergency that cause a large number of animals to die off, such as extreme heat and drought. Researchers at California State University Chico and the University of California Agriculture and Natural Resources Cooperative Extension (UC Cooperative Extension) have conducted pilot research into the feasibility, efficacy, and safety of routine mortality composting in California under the supervision of CDFA, CalRecycle, and regional water boards. In September, 2023, the UC Cooperative Extension published *Best Management Practices for Routine On-Farm Livestock Mortality and Animal By-Product Composting*. According to the BMP document, "routine on-farm composting is an effective, environmentally-friendly, and economically viable alternative to current, unfeasible carcass

disposal options." The BMPs include requirements for location, accessibility, leachate control, site construction, and pile construction and maintenance. The BMPs also provide guidance related to the on-farm application of the cured compost.

In order for composting to be a viable option that ensures pathogen reduction and prevents a public nuisance, it is crucial that the compost pile be operated properly. For example, the site must be well drained and away from water sources, proper bedding material and cover material must be used, and the site must be allowed to process for an adequate length of time. Even with good practices, according to the Cornell Waste Management Institute, "odor is a big issue most of the time." Some diseases, such as neurological diseases, can be caused by pathogens that may not be destroyed during the composting process. CDFA should take into account the potential pathogen risks associated with composting and the use of cured compost when developing the BCPs.

4) **Author's Statement**:

> AB 411 offers ranchers a practical and environmentally friendly method of handling livestock carcasses by allowing them to compost the remains on-site.
>
> Currently, composting is not allowed. As such, many ranchers face significant challenges disposing of livestock remains. While they can transmit the remains to a rendering facility, often such facilities are out of reach, leaving ranchers with limited and less-than-ideal options. They can let carcasses decompose naturally, move them to disposal pits or bone piles or bury them. Unfortunately, decomposition and bone piles attract predators, leading to dangerous interactions with live animals. Decomposition can also lead to serious health and environmental concerns. Bone burial is subject to complex regional regulations that make the method costly.
>
> On-site composting is a sustainable, cost-effective option that allows ranchers to manage their operations efficiently, safely, and responsibly. AB 411 offers a proactive approach to protecting both livestock and the environment.

5) **Suggested amendments**: The *committee may wish to amend the bill* to:

   a) Ensure CalRecycle and SWRCB are adequately involved in the adoption of the best management practices by specifying that they must be developed *in collaboration* with those entities, rather than in consultation with them.

   b) Require that carcasses transported offsite for composting must be composted in the same county, or an adjacent county, in which they were generated and must be transported in compliance with all applicable state and local laws and regulations.

   c) Limit the application of cured compost to an agricultural site owned or leased by the owner and in compliance with the best management practices.

   d) Make related technical corrections.

6) **Double referral**. This bill was approved by the Assembly Agriculture Committee on March 26th with a vote of 8-0.

REGISTERED SUPPORT / OPPOSITION:

Support

Butte County Local Food Network
California Cattlemen's Association
California Certified Organic Farmers
California Climate & Agriculture Network
California Farm Bureau Federation
California Wool Growers Association
Californians Against Waste
County of Humboldt
Defenders of Wildlife
People Food and Land Foundation
Roots of Change
Tomkat Ranch
Western United Dairies

Opposition

Pacific Coast Renderers Association

Analysis Prepared by: Elizabeth MacMillan / NAT. RES. /

Date of Hearing: April 21, 2025

ASSEMBLY COMMITTEE ON NATURAL RESOURCES
Isaac G. Bryan, Chair
AB 443 (Bennett) – As Introduced February 6, 2025

SUBJECT: Energy Commission: integrated energy policy report: curtailed solar and wind generation: hydrogen production

SUMMARY: Requires the California Energy Commission (CEC) to prepare an assessment of the potential for using curtailed solar and wind generation (SAWG) to produce hydrogen.

EXISTING LAW:

1) Requires the CEC to conduct assessments and forecasts of all aspects of energy industry supply, production, transportation, delivery and distribution, demand, and prices and use these assessments and forecasts to develop and evaluate energy policies and programs that conserve resources, protect the environment, ensure energy reliability, enhance the state's economy, and protect public health and safety. (Public Resources Code (PRC) 25301)

2) Requires the CEC to adopt the integrated energy policy report (IEPR) every two years, which must contain an overview of major energy trends and issues facing the state, including, but not limited to, supply, demand, pricing, reliability, efficiency, and impacts on public health and safety, the economy, resources, and the environment. (PRC 25302)

THIS BILL:

1) Requires the CEC, as part of the 2027 IEPR, to assess the potential for using curtailed SAWG to produce hydrogen. Requires the assessment to do all of the following:

    a) Provide an estimate of (1) how much SAWG is curtailed monthly and annually, (2) how much curtailed SAWG is due to excess SAWG relative to system demand, and (3) how much curtailed SAWG is due to a lack of capacity from transmission facilities.

    b) Identify the regions of the state where SAWG is being curtailed and determine for each identified region whether the curtailment is due to excess SAWG relative to system demand or due to a lack of capacity from transmission facilities.

    c) Provide an estimate of how much hydrogen could feasibly and reliably be produced using energy from curtailed SAWG.

    d) Identify the necessary regulatory and policy actions to optimize the use of energy from curtailed SAWG for hydrogen production.

2) Defines curtailed SAWG as the difference between the reduced SAWG output and the amount of SAWG that could be produced without demand or transmission constraints.

3) Sunsets January 1, 2029.

FISCAL EFFECT: Unknown

COMMENTS:

1) **Background**. Grid operators must constantly match the amount of power being produced (supply) with the amount of power needed to run homes and businesses (demand) to prevent the grid from overloading. During the middle of the day, California's renewable resources, especially solar generation facilities, sometimes generate more electricity than is needed to serve demand. For those resources in the California Independent System Operator (CAISO) market, the market automatically reduces, or curtails, the renewable generation to match supply with demand. Renewable curtailment occurs most frequently in spring and fall when supply is high due to California's characteristic sunny and breezy climate, but demand is low due to that same moderate climate. Such conditions produce an abundant supply of solar and wind generation. Curtailment, therefore, is the deliberate reduction in generator output – either through negative market prices or a direct order to reduce output – below what would have otherwise been produced.

   Curtailment is a common operational tool. Yet, as increasing amounts of renewable generation come online without commensurate amounts of demand to consume generation midday, oversupply conditions will continue to occur. Over the last decade both solar and wind generation and curtailment have increased. However, the proportion of curtailment relative to generation has grown over the last decade. While only a little more than 0.4% of total wind and solar production were curtailed in 2015, that number has grown to a little more than 4% curtailed in 2023, representing a 900% increase in under a decade. In recent years, during spring months those percentages can reach 12-13% of monthly wind and solar generation curtailed. These high percentages of curtailment seem to suggest more than just oversupply conditions are occurring.

   Today's solar and wind resources can often generate electricity at almost zero cost. These generators can bid negative prices (i.e., pay someone) to use their clean electricity when supply exceeds demand. Generators are motivated to do this because they only gain access to federal production tax credits and accrue renewable energy credits (RECs) when they produce energy. In these circumstances, the tax credits and sale of RECs are worth more than the negative market price.

   The CAISO curtails renewables in these times of oversupply only if no one is willing to get paid to consume excess clean electricity. Curtailment due to oversupply is around 30% of total curtailment. The remaining curtailment is due to congestion: traffic jams in electric transmission lines. Congestion-related curtailment has increased significantly since 2019. The federal Energy Information Administration (EIA) notes this is due to solar generation development outpacing upgrades in transmission capacity. While curtailment is a loss of otherwise useful energy, it is important to note that to utilize the surplus power completely, often expensive and time-intensive methods are required, such as building new power lines or storage resources.

   The environmental impacts of hydrogen, including effects on climate and air quality, can range from very favorable to very unfavorable, depending on production, delivery, end use, and the fuel the hydrogen is replacing. For example, hydrogen produced with fossil fuels and used in a combustion application that replaces a renewable energy source is not a good environmental solution. However, hydrogen produced with zero-carbon energy and used in a

zero-emission application that replaces diesel combustion has clear climate and air quality benefits. Green hydrogen can result in almost no GHG emissions. Produced by electrolyzing water, green hydrogen is made using 100% renewable electricity to split hydrogen from water molecules. About 2% of hydrogen production globally comes from water electrolysis, with a smaller fraction produced using 100% renewable electricity. Therefore, the potential to harness curtailed SAWG to produce hydrogen is a promising solution.

2) **Author's statement**:

> California has done an amazing job trying to meet its clean energy goals with over 32,000 megawatts of installed renewable resources. This has meant that at times we have too much of a good thing and curtail our renewable resources. As we add more renewables, the problem of seasonally available electricity will grow, having too much in spring and summer while not enough in winter and fall. We must focus on how to harness this energy, and make best use of it. Having the CEC assess this issue and provide recommendations on how we can use curtailed energy to address long-term storage concerns using hydrogen just makes sense. AB 443 will give us all a better understanding of how to use and design our system to maximize the use of renewable resources.

3) **Double referral**. This bill was heard in the Utilities and Energy Committee on April 2 and passed by a vote of 18-0.

REGISTERED SUPPORT / OPPOSITION:

Support

Air Products and Chemicals
Independent Energy Producers Association
Invenergy
Marin Clean Energy

Opposition

None on file

Analysis Prepared by: Lawrence Lingbloom / NAT. RES. /

Date of Hearing: April 21, 2025

ASSEMBLY COMMITTEE ON NATURAL RESOURCES
Isaac G. Bryan, Chair
AB 472 (Rogers) – As Amended April 7, 2025

SUBJECT: Energy: offshore wind generation

SUMMARY: Requires an assessment of funding needs for port infrastructure for offshore wind energy (OWE) to be included in the Governor's five-year infrastructure plan.

EXISTING LAW:

1) Defines "infrastructure" as real property, including land and improvements to the land, structures and equipment integral to the operation of structures, easements, rights-of-way and other forms of interest in property, roadways, and water conveyances. (Government Code (GC) 13101)

2) Requires the Governor, in conjunction with the Governor's Budget, to annually submit a proposed five-year infrastructure plan to the Legislature. Requires the infrastructure plan to contain information for the five years it covers, including identification of new, rehabilitated, modernized, improved, or renovated infrastructure requested by state agencies; aggregate funding for transportation as identified in the four-year State Transportation Improvement Program Fund Estimate; infrastructure needs for Kindergarten through grade 12 public schools necessary to accommodate increased enrollment, class size reduction, and school modernization; the instructional and instructional support facilities needs for the University of California, the California State University, and the California Community Colleges; and construction, operation, and maintenance for facilities of the State Plan of Flood Control, support for infrastructure, support for specified infrastructure needs, and aggregate funding for the state share of nonfederal capital costs for flood control projects located outside of the Central Valley. (GC 13102)

3) Requires the State Energy Resources Conservation and Development Commission (CEC) to develop a strategic plan for OWE developments installed off the California coast in federal waters. (Public Resources Code (PRC) 25991)

4) Requires the CEC, pursuant to the Voluntary Offshore Wind Program, in coordination with relevant state and local agencies, to develop a plan to improve waterfront facilities that could support a range of floating OWE development activities. (PRC 25991.3)

5) Requires the CEC to establish and administer a program to support offshore wind infrastructure improvements in order to advance the capabilities of California ports, harbors, and other waterfront facilities to support the buildout of offshore wind facilities and maximize the economic and environmental benefits of an offshore wind industry in California. Provides that eligible applicants include California port authorities, port operators, port commissions, and their respective authorized agents, other California waterfront facilities, and other entities that demonstrate a commitment to OWE investments and are partnered with a California waterfront facility. (PRC 25666)

6) Establishes the Voluntary Offshore Wind and Coastal Resources Protection Fund to be continuously appropriated without regard to fiscal year to the CEC for OWE advancement. (PRC 25992.20)

7) Authorizes $475 million to the CEC to support activities related to the development of OWE generation, including construction of publicly owned port facilities for manufacturing, assembly, staging, and integration of entitlements and components for offshore wind generation, and expansion and improvement of public port infrastructure to accommodate vessels involved in the installation, maintenance, and operation of offshore wind generation. (PRC 94540)

THIS BILL:

1) Modifies the definition for "infrastructure" to additionally include port infrastructure for OWE development.

2) Requires, beginning with the 2027–28 fiscal year, and contingent upon an appropriation by the Legislature, as part of the five-year infrastructure plan, an assessment of funding needs for port infrastructure for OWE development consistent with recommendations in the strategic plan for OWE developments installed off the California coast in federal waters and the seaport plan to improve waterfront facilities that could support a range of floating OWE development.

    a) For purposes of the assessment, port infrastructure subject to the assessment includes construction and staging of foundations, manufacturing of components, final assembly, and long-term operations and maintenance facilities associated with OWE development.

    b) Requires the Governor, in consultation with the Department of Finance, the Office of Land Use and Climate Innovation, the Governor's Office of Business and Economic Development, the CEC, and the California Workforce Development Board, to include in the assessment any federal, state, and local funding opportunities, including general obligation bonds and funding opportunities from the private sector, that can help build port infrastructure for OWE development.

    c) Requires the assessment to be in addition to, and shall not be a substitute for, other assessments that may be required for ports to determine specific local needs for accessing funds for OWE development.

3) Makes technical, non-substantive changes.

FISCAL EFFECT: Unknown

COMMENTS:

1) **Author's statement**:

    Offshore wind has the potential to transform the economy of the North and Central Coasts and create access to a new renewable energy source. Responsible, integrated planning for offshore wind energy facilities is key to their success. AB 472 will ensure offshore wind ports are included in California's annual

infrastructure planning so we can meet our state's clean energy goals and create good paying jobs in local communities.

2) **Offshore wind**. The 100 Percent Clean Energy Act of 2018 [SB 100 (De León), Chapter 321, Statutes of 2018] increased California's renewable portfolio standard (RPS) goal to 60% by 2030 and requires RPS-eligible resources and zero-carbon resources to supply 100% of California's electricity retail sales and electricity procured to serve state agencies by 2045.

   Based on a joint analysis by the CEC, the Public Utilities Commission, and the California Air Resources Board, an estimated six gigawatts of renewable energy and storage resources need to come online annually to meet the state's 2045 carbon neutrality goal. Offshore wind is part of the state's plan to meet those goals.

   AB 525 (Chiu), Chapter 231, Statutes of 2021, requires the CEC to evaluate and quantify the maximum feasible offshore wind capacity to achieve reliability, ratepayer, employment, and decarbonization benefits and to establish OWE planning goals for 2030 and 2045. The range in the planning goals for 2030 reflects an understanding that achieving a 2030 online date for any proposed offshore wind project will take a significant mobilization of resources as well as timely infrastructure investments, while the planning goal for 2045 reflects anticipated technological developments and related cost reductions.

   The July 2024 strategic plan pursuant to AB 525 lays out the path forward for achieving offshore wind goals. The three call areas for offshore wind in federal waters off the coast of California are the Humboldt area on the North Coast and the Morro Bay and Diablo Canyon areas off the Central Coast.

   In addition, AB 3 (Zbur), Chapter 314, Statutes of 2023, requires the CEC to develop a 2nd-phase plan and strategy for seaport readiness that builds upon the recommendations and alternatives in the strategic plan for OWE developments and submit a report to the Legislature by December 31, 2026.

3) **Known funding needs.** The offshore wind industry in California will require specialized port and waterfront facilities to build, assemble, and service the wind turbines needed to meet the offshore wind planning goals. Current ports will need significant upgrades to meet these specifications. For example, a project to build a 400-acre offshore wind turbine assembly terminal at California's Port of Long Beach is expected to cost $4.7 billion, according to the Port of Long Beach's May 2023 concept report.

   For staging and integration improvements, the AB 525 strategic plan[i] estimates the following costs for the ports near the federal Bureau of Ocean Energy Management (BOEM) offshore wind leases:

Table 6-3: Staging and Integration Improvements and Costs for Existing Ports

Item	Port of Humboldt	Port of Los Angeles	Port of Long Beach
Site Acreage and Source	320 acres Use existing land	160 acres Land creation	400 acres Land creation
Wharf Improvement	6,000 ft long wharf 6,000 psf capacity	3,000 ft long wharf 6,000 psf capacity	7,500 ft long wharf 6,000 psf capacity
Berth Pocket Dredging	-38 ft	-60 ft	-60 ft
Breakwater	N/A	N/A	N/A
Total Cost Estimate (Millions (M))	**$2,700 M**	**$2,100 M**	**$5,400 M**
Cost Accuracy Range	$1,900 M to $4,100 M (-30% / +50%)	$1,500 M to $3,200 M (-30% / +50%)	$3,800 M to $8,100 M (-30% / +50%)
Cost per 80 acres	$700 M	$1,000 M	$1,110 M
Sinking Basin to -60 ft	$200 M	Deep water to -80 ft is available within the harbor	Deep water to -80 ft is available within the harbor
Sinking Basin to -80 ft	$350 M	Deep water to -80 ft is available within the harbor	Deep water to -80 ft is available within the harbor
Sinking Basin to -100 ft	$600 M	$35 M	$35 M

Source: Port Plan. 2023

4) **Current state investment in OWE**. The CEC established the Offshore Wind Waterfront Facility Improvement Grant Program to implement the provisions of AB 209 (Committee on Budget), Chapter 251, Statutes of 2022, to support OWE infrastructure improvements, and the 2022–23 state budget included $45 million for the program to provide incentives to support offshore wind infrastructure improvements. The CEC is required to encumber the funds by June 30, 2025, and to make them available for liquidation until June 30, 2029. In March 2022, the CEC approved a $10.5 million grant for renovations at the Port of Humboldt Bay to support offshore wind activities in an area designated for development on the north coast.

   The Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024 (Proposition 4) authorizes $10 billion in general obligation bonds, including nearly half a billion dollars to the CEC for the development of OWE generation, including construction of publicly owned port facilities and expansion and improvement of public port infrastructure. These funds have not yet been appropriated by the Legislature.

   The federal Consolidated Appropriations Act of 2021 made $230 million available from the United States Department of Transportation's Port Infrastructure Development Program, with $205 million reserved for grants to coastal seaports and Great Lakes ports. The federal Inflation Reduction Act of 2022 included more than a billion dollars of tax incentives for investments in offshore wind production and manufacturing (including $426 million to Humboldt for construction of the onshore facilities to support the building and operation of offshore wind turbines off the Humboldt County Coast).

   The current Trump Administration makes funding uncomfortably uncertain. In January, President Trump announced a withdrawal of wind energy leasing in all areas within the Offshore Continental Shelf. While that is not expected to impact the areas already leased by BOEM, it leaves some with uncertainty about future funding, which the state will need to support the high price tag for port infrastructure investment.

5) **This bill**. AB 472 requires the governor, in the 5-year infrastructure assessment, to conduct an assessment of funding needs for port infrastructure for OWE development consistent with recommendations in the AB 525 strategic plan.

   As described above, the AB 525 plan has already assessed the infrastructure costs of the ports, in addition to alternative or ancillary location. Until the ports are ready to break ground, true costs will remain somewhat unknown due to inflation, economic impacts of federal tariffs on countries from which the state may be importing building materials, local resource needs for the workforce building out the ports (such as accommodations, restaurants, etc.).

6) **5-year infrastructure plan.** The California Infrastructure Planning Act requires the Governor to submit a Five-Year Infrastructure Plan to the Legislature in conjunction with the Governor's Budget. The Plan identifies infrastructure needs statewide and sets out priorities for funding. The Plan also evaluates these infrastructure needs in the overall context of available funding sources, what the state could afford, and how the state could grow in the most sustainable way possible.

   The Plan is strictly limited to state infrastructure; it does not include local agency or private infrastructure, etc. Since ports are local agencies, including a cost assessment for port development doesn't fit neatly into the Plan.

   Alternatively, the Committee may wish to consider requiring an addendum to the CEC's integrated energy policy report (IEPR), which is a biennial report that provides a cohesive approach to identifying and solving the state's energy needs and issues. The report develops and implements energy plans and policies. Riding the coat tails of IEPR will build onto the CEC's work on AB 525 and AB 3 to streamline the assessment requested by this bill.

7) **Double referral**. This bill was heard in the Assembly Utilities and Energy Committee on April 2 and approved 18-0.

8) **Committee amendments**. The *committee may wish* to amend the bill to move the operative content of the bill to a new code adjacent to the IEPR authorizing statute as follows:

   PRC 25302.1 (a) (1) As part of the 2027 edition of the integrated energy policy report, and each edition thereafter, and contingent upon an appropriation by the Legislature for purposes of this subparagraph, the Commission shall include in its next biennial integrated energy policy report an assessment of funding needs for port infrastructure for offshore wind energy development consistent with recommendations in the strategic plan for offshore wind energy developments installed off the California coast in federal waters developed pursuant to Section 25991 of the Public Resources Code and the seaport plan to improve waterfront facilities that could support a range of floating offshore wind energy development activities pursuant to Section 25991.3 of the Public Resources Code.

   (2) For purposes of the assessment described in paragraph (1), both of the following shall apply:

   (A) Port infrastructure subject to the assessment includes construction and staging of foundations, manufacturing of components, final assembly, and long-term operations and maintenance facilities associated with offshore wind energy development.

(2) The assessment shall be in addition to, and shall not be a substitute for, other assessments that may be required for ports to determine specific local needs for accessing funds for offshore wind energy development.

(b) The Commission shall, in consultation with the Department of Finance, the Office of Land Use and Climate Innovation, the Governor's Office of Business and Economic Development, the State Energy Resources Conservation and Development Commission, the State Lands Commission, and the California Workforce Development Board, include in the assessment pursuant to clause (i) any federal, state, and local funding opportunities, including general obligation bonds and funding opportunities from the private sector, that can help build port infrastructure for offshore wind energy development.

REGISTERED SUPPORT / OPPOSITION:

Support

350 Humboldt: Grass Roots Climate Action
American Clean Power- California
California Association of Port Authorities
California Environmental Voters
California State Association of Electrical Workers
California Wind Energy Association
Clean Power Campaign
Climate Reality Project San Diego
Climate Reality Project San Fernando Valley Chapter
Climate Reality Project, Los Angeles Chapter
Climate Reality Project, Orange County
Coalition of California Utility Employees
County of Humboldt
Environment California
Environmental Defense Fund
Epic - Environmental Protection Information Center
Friends Committee on Legislation of California
Independent Energy Producers Association
Invenergy, LLC
Long Beach; Port of
Oceantic Network
Offshore Wind California
Pacific Merchant Shipping Association
Port of Long Beach
Sierra Club California
The Climate Center

Opposition

None on file

Analysis Prepared by: Paige Brokaw / NAT. RES. /

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[i] TN257700_20240711T143857_Commission Adopted Final Report AB 525 SP.pdf

Date of Hearing: April 21, 2025

ASSEMBLY COMMITTEE ON NATURAL RESOURCES
Isaac G. Bryan, Chair
AB 526 (Papan) – As Amended April 10, 2025

SUBJECT: Energy: in-state geothermal energy generation

SUMMARY: Requires the California Energy Commission (CEC), in consultation with other agencies, to develop a strategic plan for new geothermal energy in California, as specified.

EXISTING LAW:

1) The Renewables Portfolio Standard (RPS) requires utilities and other retail sellers of electricity to procure 60% of their retail electricity sales from eligible renewable energy resources by 2030 and thereafter, including interim targets of 33% by 2020, 44% by 2024, and 52% by 2027. (Public Utilities Code (PUC) 399.11 *et seq.*)

2) Provides that RPS-eligible generation facilities must use biomass, solar thermal, photovoltaic, wind, *geothermal*, renewable fuel cells, small hydroelectric, digester gas, limited non-combustion municipal solid waste conversion, landfill gas, ocean wave, ocean thermal, or tidal current. (PRC 25741)

3) Establishes a policy that RPS-eligible renewable energy resources and zero-carbon electric generating facilities will supply 100% of electricity procured to serve California customers by December 31, 2045, and directs the Public Utilities Commission (PUC), CEC, and Air Resources Board (ARB) to incorporate this policy into all relevant planning and programs. (PUC 454.53)

4) Requires the PUC to identify a diverse and balanced portfolio of resources needed to ensure a reliable electricity supply that provides optimal integration of renewable energy in a cost-effective manner. Requires the portfolio to rely upon zero carbon-emitting resources to the maximum extent reasonable and be designed to achieve any statewide greenhouse gas (GHG) emissions limit. (PUC 454.51)

THIS BILL:

1) Requires the CEC, in coordination with the Department of Conservation, the State Lands Commission, the Office of Land Use and Climate Innovation, the Department of Fish and Wildlife, the Governor's Office of Business and Economic Development, the Independent System Operator, the Public Utilities Commission, and any other relevant federal, state, and local agencies, as needed, to develop a strategic plan for the development of new in-state geothermal energy in California.

2) Requires the CEC to submit the strategic plan to the Natural Resources Agency and the Legislature on or before June 30, 2027.

3) Requires the plan to include, at minimum, all of the following:

a) Identification of suitable and recommended locations for the development of new in-state geothermal energy.

b) Economic and workforce development, including an analysis of occupational safety requirements, the need to require the use of a skilled and trained workforce to perform all work, and the need for the Division of Apprenticeship Standards to develop curriculum for in-person classroom and laboratory advanced safety training for workers.

c) An assessment, in consultation with the PUC and California Independent System Operator (CAISO), of transmission investments and upgrades necessary to support new in-state geothermal energy.

d) Recommendations on geothermal permitting, including identifying opportunities to work with the Bureau of Land Management and other relevant federal agencies on the timing, scope, and prioritization of geothermal lease sales to support geothermal development on federal lands within California; making recommendations regarding potential significant adverse environmental impacts and use conflicts; and specified considerations in identifying suitable locations.

e) An assessment of the level at which geothermal rentals and royalties would best support California's long-term renewable energy and GHG emissions reduction goals, while maintaining competitiveness with rentals and rates on federal lands and in other states.

f) Assessment of known impacts to Native American and indigenous peoples and biological resources, and strategies for addressing those impacts.

4) Requires the CEC in coordination with the Department of Conservation, the Department of Fish and Wildlife, the State Lands Commission, other relevant federal, state, and local agencies, as needed, California load-serving entities, interested Native American tribes, and the geothermal energy industry, to develop and produce a permitting roadmap that describes timeframes and milestones for a coordinated, comprehensive, and efficient permitting process for new in-state geothermal energy exploration and field development and associated electricity and transmission infrastructure.

5) Requires the permitting roadmap update relevant rules and regulations to reflect emerging next-generation technologies and include goals for relevant permitting timeframes, clearly define local, state, and federal agency roles, responsibilities, and decision-making authority, and include interfaces with federal agencies, including timing, sequence, and coordination with federal permitting agencies, and coordination between reviews under the California Environmental Quality Act.

6) Requires the CEC provide an opportunity for stakeholder input in the development and communication of the permitting roadmap and an opportunity for public comment on a draft permitting roadmap.

FISCAL EFFECT: Unknown

COMMENTS:

1) **Background**. Geothermal is a form of renewable energy defined as heat energy from the earth. Geothermal resources are reservoirs of hot water that are naturally occurring or are manufactured to operate at varying temperatures and depths below the earth's surface. Wells, ranging from a few feet to several miles deep, can be drilled into underground reservoirs to tap steam and hot water that can be brought to the surface for use in electricity generation, direct heating, and industrial processes. The United States is the world's largest producer of geothermal electricity and California has the highest geothermal capacity of all states. "The Geysers" geothermal steam field, located within Lake, Mendocino, and Sonoma Counties, contains 349 out of California's 563 high-temperature geothermal wells within the state. Imperial County (including the Salton Sea) houses 194 of these wells, and the remaining 20 are located in Lassen, Modoc, and Mono Counties. California has installed 2,627 MW of geothermal nameplate capacity—accounting for 72% of the total geothermal plant capacity in the United States.

2) **Author's statement**:

   Geothermal energy is essential to California's carbon-free and renewable future. Unfortunately, the state does not have enough geothermal facilities. They require substantial investment and infrastructure. Without state direction as to a geothermal plan, these challenges are hindering the growth of geothermal and developers are shifting their attention to other states.

   AB 526 is about doing the necessary planning to facilitate the growth of geothermal energy. It requires the Energy Commission to develop a statewide strategic plan that will guide the expansion of geothermal energy. By setting clear objectives and providing a roadmap for future geothermal projects, the plan will help attract investment, spur job creation, and stimulate economic development in California's clean energy sector.

3) **Double referral**. This bill was heard by the Utilities and Energy Committee on April 2 and passed, with amendments, by a vote of 18-0.

REGISTERED SUPPORT / OPPOSITION:

Support

Sonoma Clean Power (sponsor)
350 Humboldt
350 Sacramento
Active San Gabriel Valley
American Clean Power Association
California Community Choice Association
California Environmental Voters
California Nurses for Environmental Health & Justice
California State Association of Electrical Workers
California State Pipe Trades Council
Citizens' Climate Lobby, Santa Rosa and North Chapter
City of Cloverdale

Clean Air Task Force
Climate Action California
Climate Center
Climate Reality Project
County of Imperial
County of Sonoma
Eavor
Elder's Climate Action NorCal
Environmental Defense Fund
Facts: Families Advocating for Chemical & Toxics Safety
Fervo Energy
Geothermal Rising
International Brotherhood of Boilermakers, Western States Section
International Union of Operating Engineers, Cal-Nevada Conference
Move LA
Northern Sonoma County Air Pollution Control District
Ormat Technologies
Physicians for Social Responsibility - San Francisco Bay
Santa Cruz Climate Action Network
Sierra Club California
State Building and Construction Trades Council
The Climate Reality Project: Silicon Valley
The Nature Conservancy
USGBC California
Western States Council Sheet Metal, Air, Rail and Transportation
XGS Energy

Opposition

None on file

Analysis Prepared by: Lawrence Lingbloom / NAT. RES. /

Date of Hearing: April 21, 2025

ASSEMBLY COMMITTEE ON NATURAL RESOURCES
Isaac G. Bryan, Chair
AB 531 (Rogers) – As Introduced February 11, 2025

SUBJECT: Geothermal powerplants and geothermal field development projects: certification and environmental review

SUMMARY: Permits a geothermal powerplant or a geothermal field development project, as defined, to opt in to expedited California Environmental Quality Act (CEQA) review at the California Energy Commission (CEC).

EXISTING LAW:

1) The Warren-Alquist Act, Chapter 276, Statutes of 1974, grants CEC the exclusive authority to license thermal powerplants 50 megawatts (MW) and larger (including related facilities such as fuel supply lines, water pipelines, and electric transmission lines that tie the plant to the bulk transmission grid). The CEC must consult with specified agencies, but the CEC may override any contrary state or local decision. The CEC process is a certified regulatory program (i.e., the functional equivalent of CEQA), so the CEC is exempt from having to prepare an environmental impact report (EIR). (Public Resources Code (PRC) 25500 *et seq*.).

2) AB 205 (Budget Committee), Chapter 61, Statutes of 2022, authorizes additional facilities not subject to the CEC's thermal powerplant licensing process to "opt-in" to a CEC process for CEQA review until June 30, 2029, in lieu of review by the appropriate local lead agency. These opt-in permitting procedures apply to the following energy-related projects:

    a) A solar photovoltaic or terrestrial wind electrical generating powerplant with a generating capacity of 50 MW or more and any facilities appurtenant thereto;

    b) An energy storage system capable of storing 200 MW hours or more of electrical energy;

    c) A stationary electrical generating powerplant using any source of thermal energy, with a generating capacity of 50 MW or more, excluding any powerplant that burns, uses, or relies on fossil or nuclear fuels;

    d) A project for the manufacture, production, or assembly of an energy storage, wind, or photovoltaic system or component, or specialized products, components, or systems that are integral to renewable energy or energy storage technologies, for which the applicant has certified that a capital investment of at least $250 million will be made over a period of five years; and

    e) An electric transmission line carrying electric power from an eligible solar, wind, thermal, or energy storage facility to a point of junction with any interconnected electrical transmission system.

    f) Certain publicly-funded, non-fossil hydrogen production facilities.

AB 205 provides the CEC exclusive power to certify the site and related facilities, and provides that the CEC's approval preempts state, local, or regional authorities, except for the authority of the State Lands Commission to require leases and receive lease revenues, if applicable, or the authority of the California Coastal Commission, the San Francisco Bay Conservation and Development Commission, the State Water Resources Control Board, or the applicable regional water quality control boards, and, for manufacturing facilities, the authority of local air quality management districts or the Department of Toxic Substances Control. (PRC 25545 *et seq.*)

3) The Renewables Portfolio Standard (RPS) requires utilities and other retail sellers of electricity to procure 60% of their retail electricity sales from eligible renewable energy resources by 2030 and thereafter, including interim targets of 33% by 2020, 44% by 2024, and 52% by 2027. (Public Utilities Code (PUC) 399.11 *et seq.*)

4) Provides that RPS-eligible generation facilities must use biomass, solar thermal, photovoltaic, wind, *geothermal*, renewable fuel cells, small hydroelectric, digester gas, limited non-combustion municipal solid waste conversion, landfill gas, ocean wave, ocean thermal, or tidal current. (PRC 25741)

5) Establishes a policy that RPS-eligible renewable energy resources and zero-carbon electric generating facilities will supply 100% of electricity procured to serve California customers by December 31, 2045, and directs the Public Utilities Commission, CEC, and ARB to incorporate this policy into all relevant planning and programs. (PUC 454.53)

FISCAL EFFECT: Unknown

COMMENTS:

1) **Background**. Geothermal is a form of renewable energy defined as heat energy from the earth. Geothermal resources are reservoirs of hot water that are naturally occurring or are manufactured to operate at varying temperatures and depths below the earth's surface. Wells, ranging from a few feet to several miles deep, can be drilled into underground reservoirs to tap steam and hot water that can be brought to the surface for use in electricity generation, direct heating, and industrial processes. The United States is the world's largest producer of geothermal electricity and California has the highest geothermal capacity of all states. "The Geysers" geothermal steam field, located within Lake, Mendocino, and Sonoma Counties, contains 349 out of California's 563 high-temperature geothermal wells within the state. Imperial County (including the Salton Sea) houses 194 of these wells, and the remaining 20 are located in Lassen, Modoc, and Mono Counties. California has installed 2,627 MW of geothermal nameplate capacity—accounting for 72% of the total geothermal plant capacity in the United States.

   In the 50 years since the Legislature passed the Warren-Alquist Act, creating the CEC, a 50 MW geothermal project has been subject to exclusive CEC jurisdiction. However, like other small thermal powerplants, a 49 MW project would be permitted by the appropriate county and reviewed under normal CEQA procedures. This bill permits those under 50 MW geothermal projects to opt for CEQA review by CEC under AB 205, with the promise of 270-day administrative and judicial review timelines.

2) **Author's statement**:

> Assembly District 2 is proudly home to a portion of "The Geysers," the largest geothermal field in the world. It contains a complex of 18 geothermal power plants, drawing steam from more than 350 wells, and is poised through the use of emerging new technologies to play an even larger role in California's clean energy mix. The expansion of geothermal energy production is an important component of our efforts to diversify and increase California's energy supply portfolio so we can reach our climate goals. This bill supports more efficient development of geothermal energy production, which will help enhance energy reliability and create more green energy jobs at the Geysers and beyond.

3) **Double referral**. This bill was heard in the Utilities and Energy Committee on April 2 and passed by a vote of 18-0.

REGISTERED SUPPORT / OPPOSITION:

Support

350 Humboldt: Grass Roots Climate Action
American Clean Power Association
California Chamber of Commerce
California Community Choice Association
California State Association of Electrical Workers
California State Pipe Trades Council
Citizens' Climate Lobby, Santa Rosa and North Chapter
City of Cloverdale
Climate Center
County of Sonoma
Eavor
Fervo Energy
Geothermal Rising
Independent Energy Producers Association
International Brotherhood of Boilermakers, Western States Section
International Union of Operating Engineers, Cal-Nevada Conference
Invenergy
Northern Sonoma County Air Pollution Control District
Ormat Technologies
Sonoma Clean Power
State Building and Construction Trades Council
USGBC California
Western States Council Sheet Metal, Air, Rail and Transportation
XGS Energy

Opposition

None on file

Analysis Prepared by: Lawrence Lingbloom / NAT. RES. /

Date of Hearing: April 21, 2025

ASSEMBLY COMMITTEE ON NATURAL RESOURCES
Isaac G. Bryan, Chair
AB 609 (Wicks) – As Amended March 24, 2025

SUBJECT: California Environmental Quality Act: exemption: housing development projects

SUMMARY: Establishes a California Environmental Quality Act (CEQA) exemption for housing projects on sites up to 20 acres, which are on or adjoining current or former urban uses, and within an incorporated city or town of any population, or an unincorporated community with at least 5,000 residents or 2,000 housing units.

EXISTING LAW:

1) CEQA requires lead agencies with the principal responsibility for carrying out or approving a proposed project to prepare a negative declaration, mitigated negative declaration, or environmental impact report (EIR) for this action, unless the project is exempt from CEQA. (Public Resources Code (PRC) 21000 *et seq.*)

2) CEQA includes the following definitions:

    a) "Infill site" means a site in an urbanized area that meets either of the following criteria:

        i) The site has not been previously developed for urban uses and both of the following apply:

            (1) The site is immediately adjacent to parcels that are developed with qualified urban uses, or at least 75 percent of the perimeter of the site adjoins parcels that are developed with qualified urban uses, and the remaining 25 percent of the site adjoins parcels that have previously been developed for qualified urban uses.

            (2) No parcel within the site has been created within the past 10 years unless the parcel was created as a result of the plan of a redevelopment agency.

        ii) The site has been previously developed for qualified urban uses. (PRC 21061.3)

    b) "Urbanized area" means either of the following:

        i) An incorporated city that meets either of the following criteria:

            (1) Has a population of at least 100,000 persons.

            (2) Has a population of less than 100,000 persons if the population of that city and not more than two contiguous incorporated cities combined equals at least 100,000 persons.

        ii) An unincorporated area surrounded by cities totaling 100,000, or within an urban growth boundary and has an existing residential population of at least 5,000 persons per square mile. (PRC 21071)

c) "Qualified urban use" means any residential, commercial, public institutional, transit or transportation passenger facility, or retail use, or any combination of those uses. (PRC 21072)

3) The CEQA Guidelines (Title 14, Division 6, Chapter 3 of the California Code of Regulations) include categorical exemptions for residential projects, including:

   a) Section 15303 for new construction or conversion of small structures, including:

      i) One single-family residence, or a second dwelling unit in a residential zone. In urbanized areas, up to three single-family residences may be constructed or converted under this exemption.

      ii) A duplex or similar multi-family residential structure, totaling no more than four dwelling units. In urbanized areas, this exemption applies to apartments, duplexes and similar structures designed for not more than six dwelling units.

   b) Section 15332 for larger, infill development projects, as follows:

      i) The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations;

      ii) The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses;

      iii) The project site has no value as habitat for endangered, rare, or threatened species;

      iv) Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality; and,

      v) The site can be adequately served by all required utilities and public services.

4) Exempts from CEQA multi-family residential and mixed-use housing projects on infill sites within cities and unincorporated areas that are within the boundaries of an urbanized area or urban cluster. (PRC 21159.25)

5) Exempts from CEQA any residential development project, including any subdivision, or any zoning change that is undertaken to implement and is consistent with a specific plan for which an environmental impact report (EIR) has been certified, unless substantial changes or new information require the preparation of a supplemental EIR for the specific plan, in which case the exemption applies once the supplemental EIR is certified. (Government Code (GC) 65457)

6) Exempts from CEQA specified residential housing projects which meet detailed criteria established to ensure the project does not have a significant effect on the environment, including:

a) Affordable agricultural housing projects not more than 45 units within a city, or 20 units within an agricultural zone, on a site not more than five acres in size;

b) Urban affordable housing projects not more than 100 units on a site not more than five acres in size; and,

c) Urban infill housing projects not more than 100 units on a site not more than four acres in size which is within one-half mile of a major transit stop.

(PRC 21159.20-21159.24)

7) Requires metropolitan planning organizations (MPOs) to include a sustainable communities strategy (SCS), as defined, in their regional transportation plans, or an alternative planning strategy (APS), for the purpose of reducing greenhouse gas (GHG) emissions, aligns planning for transportation and housing, and creates specified incentives for the implementation of the strategies, including CEQA exemption or abbreviated review for residential or mixed-use residential "transit priority projects" if the project is consistent with the use designation, density, building intensity, and applicable policies specified for the project area in either an approved SCS or APS. (PRC 21155.1)

8) Exempts from CEQA residential, mixed-use, and "employment center" projects, as defined, located within "transit priority areas," as defined, if the project is consistent with an adopted specific plan and specified elements of an SCS or APS. (PRC 21155.4)

9) Establishes a ministerial approval process (i.e., not subject to CEQA) for certain multifamily affordable housing projects that are proposed in local jurisdictions that have not met regional housing needs. Requires eligible projects to meet specified standards, including paying prevailing wage to construction workers and use of a skilled and trained workforce. (GC 65913.4, added by SB 35 (Wiener), Chapter 366, Statutes of 2017)

10) Establishes a ministerial approval process for affordable housing projects in commercial zones. Requires eligible projects to pay prevailing wage to construction workers and requires projects of 50 units or more to participate in an apprenticeship program and make specified healthcare contributions for construction workers. (GC 65912.100 *et seq*., added by AB 2011 (Wicks), Chapter 647, Statutes of 2022)

THIS BILL:

1) Provides that CEQA does not apply to a housing development project (i.e., single- or multi-family residential, mixed-use, transitional, supportive, or farmworker housing) that meets the following conditions:

a) The project site is not more than 20 acres.

b) The project site meets either of the following criteria:

i) Is located within the boundaries of an incorporated municipality.

ii) Is located within a census urbanized area (i.e., a settlement, including unincorporated areas, of at least 5,000 residents, distinct from the existing CEQA definition of

"urbanized area," which is individual or contiguous cities, or unincorporated communities, of at least 100,000 residents).

c) The project site meets any of the following criteria:

i) Has been previously developed with an urban use (defined distinct from the existing CEQA definition of "qualified urban use" to also include sites of parks surrounded by urban uses, former residential or commercial development, and parking lots or structures),

ii) The parcels immediately adjacent to the site are developed with qualified urban uses.

iii) At least 75 percent of the perimeter of the site adjoins parcels that are developed with urban uses.

d) The project is consistent with the applicable general plan and zoning ordinance, as well as any applicable specific plan and local coastal program. For purposes of this section, a housing development project shall be deemed consistent with the applicable general plan zoning ordinance, and any applicable specific plan and local coastal program if there is substantial evidence that would allow a reasonable person to conclude that the housing development project is consistent. If the zoning and general plan are not consistent with one another, a project shall be deemed consistent with both if the project is consistent with one.

e) The project will be at least one-half of the applicable "Mullin" density (ranging from five units per acre for an unincorporated area in a nonmetropolitan county, 10 units per acre in a suburban jurisdiction, and 15 units per acre in a metropolitan county).

f) The project satisfies the requirements specified in paragraph (6) of subdivision (a) of Section 65913.4 of the Government Code (i.e., the SB 35 list of environmental site exclusions), except the development may be located on a site that is in an area of the coastal zone that is not subject to a local coastal program or a certified land use plan (i.e., areas subject to direct jurisdiction of the Coastal Commission).

g) For a site not developed with urban uses, the project site does not contain tribal cultural resources, found pursuant to existing CEQA tribal consultation and mitigation procedures that otherwise apply only to non-exempt projects.

2) Requires the local government to require the development proponent to complete a phase I environmental assessment, as defined.

a) If a recognized environmental condition is found, the development proponent shall complete a preliminary endangerment assessment, prepared by an environmental assessor to determine the existence of any release of a hazardous substance on the site and to determine the potential for exposure of future occupants to significant health hazards from any nearby property or activity.

b) If a release of a hazardous substance is found to exist on the site, the release shall be removed or any effects of the release shall be mitigated to levels required by current

federal and state statutory and regulatory standards before the local government issues a certificate of occupancy.

c) If a potential for exposure to significant hazards from surrounding properties or activities is found to exist, the effects of the potential exposure shall be mitigated to levels required by current federal and state statutory and regulatory standards before the local government issues a certificate of occupancy.

3) Defines "urban use" as any current or former residential or commercial development, public institution, or public park that is surrounded by other urban uses, parking lot or structure, transit or transportation passenger facility, or retail use, or any combination of those uses.

FISCAL EFFECT: Unknown

COMMENTS:

1) **Author's statement**:

> AB 609 would make it much easier to build environmentally friendly housing in California. It would do so by exempting individual projects from CEQA if they comply with local objective standards, are in an infill location, and are not located on environmentally sensitive or hazardous sites. By making it much easier to build this housing, AB 609 can play a major role in increasing affordability for all Californians in a way that helps protect our environment.

2) **Existing CEQA exemptions for housing**. CEQA includes various statutory exemptions, as well as categorical exemptions in the CEQA Guidelines, for a wide range of residential projects. Since 1978, CEQA has included statutory exemptions for housing. There are now at least 15 distinct CEQA exemptions for housing projects. The majority of residential projects are approved via exemption or negative declaration under CEQA, or through ministerial permits where CEQA does not apply.

   A few existing CEQA exemptions are specific to projects with an affordable housing fraction, the rest are available to affordable and market-rate projects alike. Each exemption includes a range of conditions, including requirements for prior planning-level review, as well as limitations on the location and characteristics of the site. These conditions are intended to guard against the approval of projects with significant environmental impacts that go undisclosed and unmitigated – endangering workers, residents and the greater environment. More recently, bills such as SB 35 (Wiener) and AB 2011 (Wicks) have established ministerial approval for multi-family housing projects, where local discretionary review, including CEQA, is replaced with construction labor requirements and exclusion of specified sensitive sites.

   The CEQA Guidelines have included categorical exemptions for housing projects for decades, allowing projects with no significant environmental impacts to proceed to approval without environmental review. These exemptions are well-known and widely used for small housing projects of one to six units, as well larger housing projects in incorporated areas, on infill sites up to five acres, with no limit on the number of units.

3) **Entering new territory**. This bill is much broader than the array of CEQA housing bills previously enacted by the Legislature, each of which was passed with intentions to reward lead agencies and/or developers for planning-level review; redevelopment; transit-oriented development; multi-family and/or affordable housing; and/or payment of prevailing wages to construction workers.

   This bill eclipses these existing exemptions with an exemption that applies to larger projects, in less-populated areas, with fewer and less-stringent conditions, and a tenuous connection to any prior planning-level review. The result includes large, single-family, market-rate projects at densities as low as five units per acre in or near remote small towns, provided they are on, or bordered on three sides by, urban uses, which includes public parks of any size.

   For reference, 20 acres is equivalent to 8-10 city blocks, 15 football fields, or six typical Costcos. California communities that meet the "urban" standard in this bill include Big Bear Lake, Bishop, Needles, Willits and Yreka.

   This bill borrows several provisions from AB 2011, including the 20 acre site limit. However, the bill also lacks many of AB 2011's conditions. Compared to this bill, AB 2011:

   a) Requires 28-100% of project units to be affordable, depending on project type.

   b) Requires projects to be multi-family housing of at least five units.

   c) Requires projects to be equal to or greater than the "Mullin" densities (i.e., at least twice the density of this bill).

   d) Permits residential projects in areas zoned for office, retail, or parking.

   e) Requires projects to be adjacent to existing commercial corridors.

   f) Prohibits projects on or adjacent to industrial uses.

   g) Prohibits projects that would demolish registered historic structures, as well as affordable, rent-controlled, or other existing rental housing.

   h) Excludes vacant sites within very high fire hazard severity zones (VHFHSZs).

   i) For projects within 500 feet of a freeway, imposes conditions to limit residents' exposure to air pollution.

   j) Prohibits projects within 3,200 feet of oil or natural gas extraction or refining.

   k) Requires developers to pay prevailing wages to construction workers, and for projects with 50 or more units, participation in apprenticeship programs and healthcare contributions.

   l) Sunsets January 1, 2033.

4) **How are impacts on tribal cultural resources identified, mitigated or avoided in an exemption**? Existing CEQA requirements to consider tribal cultural resources are predicated not only on conducting consultation with tribes that are traditionally and culturally affiliated

with a project site, but also having a CEQA review process and environmental document (e.g., mitigated negative declaration or EIR) that can consider and adopt measures to avoid or mitigate impacts identified via the consultation.

These mechanisms don't exist with an exemption. The exemption process doesn't provide the time or process that would accommodate legitimate tribal consultation, or any means to adopt and enforce avoidance or mitigation measures if impacts on tribal cultural resources are identified. With an exemption, the affected tribe(s) may not find out about the project until a notice of exemption is filed, at which point, it's too late.

To the extent tribal cultural resources are intended to be considered in an exemption, it calls for a different approach. One approach, added to the SB 35 process by AB 168 (Aguiar-Curry), Chapter 166, Statutes of 2020, is a detailed custom consultation process. Another approach used in several prior exemption bills, is requiring the lead agency to find there are no significant impacts on tribal cultural resources, based on the principle that if there are impacts, the project shouldn't be exempt.

This bill uses a tribal consultation provision from AB 2011, which is untested, but doesn't appear on paper to be equipped to adopt or enforce mitigation or avoidance. A CEQA exemption is a "check the box" exercise. Identification, mitigation, and avoidance of impacts on tribal cultural resources is not.

5) **Wildfire safety**. Rather than exclude vacant sites in VHFHSZs like AB 2011, this bill relies on a provision in GC 65913.4 which nominally excludes VHFHSZs, but includes an exception which is the rule, making the exclusion functionally meaningless. Under this provision, sites that have adopted fire hazard mitigation measures pursuant to existing building standards or state fire mitigation measures applicable to the development are eligible for exemption. Essentially, this says any project that follows the law for building code and defensible space can be approved by exemption in a VHFHSZ.

   However, compliance with prevailing building standards and defensible space requirements does not address basic wildfire safety issues beyond the four corners of the project site, such as whether there is adequate fire service or emergency evacuation routes. The lessons of wildfire disasters over the past several years show that many subdivisions do not have adequate fire service and/or evacuation routes.

   While cities and counties can and should address fire risk at the planning level, this bill permits reliance on general plans that may be very outdated regarding fire risk, and it allows the exemption even if the project is inconsistent with the general plan.

6) **Double referral**. This bill has been double-referred to the Housing and Community Development Committee.

REGISTERED SUPPORT / OPPOSITION:

Support

California YIMBY (sponsor)

AARP
Abundant Housing LA
American Planning Association, California Chapter
Bay Area Council
California Apartment Association
California Catholic Conference
California Community Builders
California Conference of Carpenters
California Downtown Association
California Forward
Casey Glaubman, Councilmember of Mount Shasta
Central City Association of Los Angeles
Chris Ricci - Modesto City Councilmember
Circulate San Diego
City of Berkeley Councilmember Rashi Kesarwani
City of Gilroy Council Member Zach Hilton
City of Mountain View Council Member Emily Ramos
City of Mountain View Council Member Lucas Ramirez
City of San Diego
City of Santa Monica Council Member Jesse Zwick
Claremont City Councilmember, Jed Leano
East Bay YIMBY
Eastside Housing for All
End Poverty in California (EPIC)
Fieldstead and Company
Fremont for Everyone
Generation Housing
Grow the Richmond
Inner City Law Center
Jamboree Housing Corporation
Mark Dinan, Vice Mayor, East Palo Alto
Matt Mahan, Mayor City of San José
Mayor of West Hollywood Chelsea Byers
Monterey Park Councilmember Thomas Wong
Mountain View YIMBY
Napa-Solano for Everyone
North Bay Leadership Council
Northern Neighbors
Peninsula for Everyone
Phoebe Shin Venkat, Councilmember, Foster City
Redlands YIMBY
Rural County Representatives of California (RCRC)
San Francisco YIMBY
Sergio Lopez, Mayor, Campbell
Sloco YIMBY
South Bay YIMBY
South Pasadena Residents for Responsible Growth
SPUR
The Two Hundred

Ventura County YIMBY
West Hollywood Councilmember John Erickson
YIMBY Action
YIMBY Los Angeles

Opposition

Beverly-Vermont Community Land Trust
California Rural Legal Assistance Foundation
California State Council of Laborers (unless amended)
CEJA Action
Center for Community Action and Environmental Justice (CCAEJ)
Center on Race, Poverty & the Environment
Communities for a Better Environment
East Bay Community Law Center
El Sereno Community Land Trust
Environmental Health Coalition
Esperanza Community Housing Corporation
Homey
Leadership Counsel Action
Livable California
Mission Street Neighbors
Physicians for Social Responsibility-Los Angeles
Poder SF
State Building & Construction Trades Council of California
Strategic Concepts in Organizing and Policy Education (SCOPE)
Trust South LA
Western Center on Law & Poverty

Analysis Prepared by: Lawrence Lingbloom / NAT. RES. /

Date of Hearing: April 21, 2025

ASSEMBLY COMMITTEE ON NATURAL RESOURCES
Isaac G. Bryan, Chair
AB 674 (Connolly) – As Amended March 10, 2025

SUBJECT: Clean Cars 4 All Program

SUMMARY: Requires the implementing regulations for the Clean Cars 4 All (CC4A) Program to ensure that incentives are available in all areas of the state, and requires the Air Resources Board (ARB) to prioritize vehicle retirement in areas of the state that meet specified criteria.

EXISTING LAW, pursuant to Health and Safety Code 44124 – 44127:

1) Establishes the CC4A, administered by ARB, to focus on achieving reductions in greenhouse gases (GHG) emissions, improvements in air quality, and benefits to low-income state residents through the replacement of high-polluter motor vehicles with cleaner and more efficient motor vehicles or a mobility option. Requires ARB to set specific, measurable goals for the replacement of passenger vehicles and light- and medium-duty trucks that are high polluters.

2) Requires ARB to update guidelines for CC4A no later than January 1, 2019. Requires CC4A to be administered by the Bureau of Automotive Repair in the Department of Consumer Affairs pursuant to guidelines adopted by ARB.

3) Requires ARB to coordinate with districts and local nonprofit and community organizations, prioritizing those organizations that have a strong and ongoing local presence in areas within the district, to identify barriers to accessing CC4A and to develop outreach protocols and metrics to assess the success of outreach across the districts.

4) Requires ARB to annually collect and post on its internet website all of the following data from CC4A: the performance of the program, and an accounting that includes, but need not be limited to, moneys allocated to the program and CC4A and the expenditures of the program and CC4A by region.

5) Requires ARB to conduct an assessment identifying populations that are eligible for, but underserved by CC4A, including an evaluation of the participation of households in census tracts shown to be the most impacted in each region, households making less than 225% of the federal poverty level, and households that are primarily non-English speaking.

6) Requires each replacement vehicle in the program to be either a plug-in hybrid or zero-emission vehicle (ZEV), unless ARB makes specified determinations.

THIS BILL:

1) Establishes, as one of the goals under the CC4A program, ARB to prioritize vehicle retirement in areas of the state that have the highest percentage of people residing in

disadvantaged and low-income communities and the highest number of vehicles manufactured prior to 2004 or that are at least 20 years old.

2) Extends, from January 1, 2019, to July 1, 2027, the date by which ARB is required to update the guidelines for the program.

3) Requires ARB's regulations for CC4A to include:

   a) Incentives provided under CC4A to be available in all areas of the state. Requires ARB, in those areas where an air district has not elected to participate in CC4A to manage the distribution of incentives within its jurisdiction, to manage the distribution of incentives to eligible residents of those areas. Prohibits ARB from managing the distribution of incentives in the jurisdiction of an air district if the district has elected to participate in the program to distribute incentives within its jurisdiction;

   b) The application process and procedures for delivering available funding for CC4A to include performance metrics for evaluating funding delivery and program administration and implementation;

   c) Established triggers and procedures for reallocating funds from portions of the CC4A managed by districts or by ARB that have a surplus of funds to other portions of CC4A managed by other districts or ARB that have exhausted program funding and have demonstrated a need; and,

   d) Tracking and reporting of all CC4A data at the census tract level to support eligibility criteria that offers increased incentives for residents of disadvantaged communities.

4) Requires, for the accounting applicable to CC4A, the accounting to separately display the portions of the program managed by each participating district and by ARB, and to include projections of available funds for each portion of the program.

5) Requires the performance analysis to include an evaluation of the funding for targeted outreach in low-income or disadvantaged communities with the highest number of vehicles manufactured before 2004 or that are at least 20 years old, including whether the funding should be enhanced or modified to reach the specified goals.

6) Requires, in allocating funding under CC4A to districts participating in the program, and to the statewide program, ARB to consider the number and total value of vouchers deployed, and, for retired vehicles, the metric of older model year.

7) Authorizes ARB, in areas of the state where ARB manages the distribution of incentives, to use up to 5% of the moneys for the purpose of outreach in those areas.

8) Authorizes ARB to use between 5%-10% of the moneys available for distribution if ARB finds that the allocation would further the specified purposes.

9) Requires ARB to establish a means-based strategy to identify potential recipients of incentives under CC4A who meet all of the following criteria:

   a) A person living in the top decile of disadvantaged communities;

b) A person owning a vehicle manufactured before 2004 or a vehicle that is at least 20 years old; and,

c) A person from an underserved population.

10) Requires, as part of the means-based strategy, ARB to require an increased incentive to be provided under CC4A to individuals who meet all of the aforementioned criteria as compared to individuals who otherwise qualify for the CC4A but do not meet all of the criteria.

11) Requires, in establishing the means-based strategy, ARB to coordinate with air districts and local nonprofit and community organizations that have a strong and ongoing local presence in areas within a particular district.

12) Requires a participating district, and ARB with respect to the areas where it manages the distribution of incentives, to implement the means-based strategy and provide increased incentives.

FISCAL EFFECT: Unknown

COMMENTS:

1) **Author's statement**:

> Clean Cars 4 All (CC4A) is the largest vehicle purchase incentive program currently operating in California. CC4A aims to reduce emissions, improve air quality, and help low-income vehicle owners replace potentially high-polluting vehicles with cleaner, more efficient options. Encompassed of five air district-administered programs serving regions with the largest population density, and the recently expanded statewide program serving the rest of the state, CC4A is instrumental to ensuring California's clean transportation goals are reached in a just manner. AB 674 furthers this intent. The bill targets program dollars, maximizing incentives for lower income individuals retiring older, higher polluting cars in disadvantaged communities. The bill also codifies the expansion of the program to confirm it is subject to the same requirements established by this measure and previously enacted equity, funding, and tax exemption provisions. These changes are necessary to ensure a just transition into California's clean transportation future.

2) **Transportation GHG reduction goals**. California has some of the most ambitious GHG reduction goals in the nation, which include goals to reduce petroleum use in California up to 50% from 2015 levels by 2030, phase out passenger combustion-engine cars by 2035, and reduce GHG emissions 85% below 1990 levels by 2045. The transportation sector represents about 40% of California's total GHG emissions portfolio, and replacing traditional gas-powered cars with ZEVs is a significant part of California's effort to reduce climate emissions. ARB's 2022 Scoping Plan explains that to meet the overall state goal of carbon neutrality by 2045, vehicles must transition to zero emission technology. Governor Newsom's ZEV Executive Order N-79-20 set the following ZEV targets for California: 100% of in-state sales of new passenger cars and light-duty trucks will be zero emission by 2035; 100% zero-emission medium and heavy-duty vehicles in the state by 2045, where feasible, and by 2035 for drayage trucks; and, 100% zero-emission off-road vehicles and

equipment operations by 2035, where feasible. In the fourth quarter of 2024, Californians purchased 108,303 ZEVs, representing 25.1% of all new vehicle sales in the state, and EV charging ports now outnumber gas nozzles across the state.

3) **Clean Cars 4 All eligibility**. CC4A provides incentives up to $9,500 per vehicle through California Climate Investments to help lower-income California drivers scrap their older, high-polluting cars and replace them with zero- or near-zero emission replacements.

   Eligible applicants must fall below 300% of the Federal Poverty Level ($83,250 for a family of four). ARB and air districts are looking to implement a new increased amount of up to $12,000. To qualify for the higher incentive amount, participants must live in a disadvantaged census tract that has been identified by CalEnviroScreen 4.0 and still adhere to program eligibility requirements. The average vehicle retired is about 22 years old with an estimated fuel economy of 21.5 miles per gallon. The average replacement vehicle has a fuel economy of 80 miles per gallon equivalent.

   This bill requires ARB to establish a means-based strategy to identify potential recipients of incentives under CC4A who live in the top decile of disadvantaged communities, own a vehicle manufactured before 2004 or a vehicle that is at least 20 years old, and are from an underserved population.

   The June 2023 report, *Cleaner Cars, Cleaner Air,* studied how old cars negatively impact air quality in California notes that despite making up only 19% of the vehicles in the state, pre-2004 vehicles emit three times as much smog-forming nitrogen oxides as compared to all 2004 and newer vehicles combined. The study further confirmed that communities with the highest exposure to pollution from pre-2004 vehicles are home to higher percentages of people of color. To reduce inequitable exposure to pollution, the report concluded that the state should prioritize incentives and target outreach and education toward priority populations owning pre-2004 vehicles and living in areas with high concentrations of older vehicles.

   According to ARB, under the current program, the average vehicle retirement age is 1999. Looking at the average vehicle age of retirement for each air district, 11,628 out of 13,335 vehicles (87.20%) were model year 2004 or older, and 13,217 out of 13,335 (99.12%) were model year 2009 or older. While eliminating the drivers with slightly less old vehicles (model year 2005 or newer) ineligible from the program precludes opportunities to replace a polluting vehicle with a ZEV, 2004 and older vehicles have substantially worse emissions controls than newer vehicles, and as time progresses, more vehicles will be captured by the 20 year or older requirement.

4) **CC4A administration**. CC4A is currently administered in the five largest air districts in California: South Coast Air Quality Management District (AQMD), San Joaquin Valley Air Pollution Control District (APCD), Bar Area AQMD, Sacramento Metropolitan AQMD, and San Diego APCD.

   Each air district serves regions of California that are distinct; as such, air districts are allowed to tailor their programs to meet region-specific needs, so long as they adhere to the minimum requirements established by ARB and may design program elements beyond what is included in ARB's regulation to equitably serve their communities.

In addition to district administered programs, the program was expanded statewide through the Driving Clean Assistance Program (DCAP) to reach communities that have not been reached by air district programs.

The UCLA Luskin Center for Innovation's report, *An Analysis of California Electric Vehicle Incentive Distribution and Vehicle Registration Rates Since 2015*, found that Clean Vehicle Rebate Program (a DCAP predecessor) was "heavily skewed towards benefitting non-DAC tracts, with only 12.1% of its funds distributed to recipients in DACs throughout the lifetime of the program." To ensure equitable statewide distribution of CC4A incentives, this bill codifies the statewide expansion and requires ARB to distribute incentives to eligible residents in areas where an air district has not elected to participate in CC4A.

5) **CC4A funding**. CC4A was not appropriated any funding for the fiscal year (FY) 2024-25 budget cycle; however, the State Budget directs ARB to shift FY 2023-24 funding from DCAP to maintain funding for each district participating in CC4A if a district has insufficient funds to meet projected demand. Most districts have funding from previous years that they are currently using to fund people to obtain a vehicle. Only about $6.1 million (5%) of the $122.8 million allocated in FY 2022-23 had been expended as of July 2024.

   The FY 2024-25 State Budget requires ARB to consider metrics in allocating future funding to both regional district CC4A projects and DCAP, and include, at a minimum, the:

   - Number of vouchers deployed;
   - Proportion of applications that have been started and resulted in completed replacement transactions or mobility vouchers;
   - Demand for vouchers;
   - Proportional investment to underserved populations; and,
   - Population in eligible CC4A ZIP codes.

   In late 2024, ARB approved the FY 2024-25 Funding Plan for Clean Transportation Incentives with the following funding allocations:

Program	Percentage of Total Future Allocations
South Coast Air Quality Management District	36%
San Joaquin Valley Air Pollution Control District	24%
Bay Area Air Quality Management District	19%
Sacramento Metropolitan Air Quality Management District	6%
San Diego County Air Pollution Control District	6%
Driving Clean Assistance Program	9%
Total	100%

   Considering the projected demand, existing fund balances from prior FYs, and the need to ensure consistent funding in future years, ARB staff will shift $14 million from DCAP to the San Joaquin Valley APCD to ensure available funding through FY 2024-25.

ARB staff is working with districts to implement project changes approved in the FY 2023-24 Proposed Funding Plan. These changes include the addition of zero-emission motorcycles as an eligible vehicle replacement type, and increased incentive levels to accommodate costs associated with adaptive equipment for eligible Californians with physical disabilities.

This bill requires ARB to strive to maintain continuous funding to each district participating in CC4A, which is consistent with ARB's staff proposal, and it requires ARB to establish triggers and procedures for reallocating funds from portions of CC4A managed by districts or ARB that have a surplus of funds to other air districts or ARB that have exhausted program funding and have demonstrated a need.

The author may wish to work with ARB on differences between ARB's current CC4A statewide program and the criterion proposed by this bill to eliminate any implementation inefficiencies.

6) **Double referral**. This bill was heard in the Assembly Transportation Committee on April 7 and approved 15-0.

7) **Related legislation**:

AB 2401 (Ting, 2023) would have required ARB, in administering CC4A, to prioritize vehicle retirement in areas of the state that with the highest percentages of low-income, high-mileage drivers with older, high-polluting vehicles; makes these incentives available statewide, and requires ARB to establish a means-based strategy provide an increased incentive to potential recipients with vehicles manufactured prior to 2004 or that are at least 20 years old, and that have poor fuel economy and high number of vehicle miles traveled. This bill was vetoed by the governor.

AB 1267 (Ting, 2023) would have to required ARB to ensure that beginning January 1, 2025, an additional incentive is awarded under a ZEV incentive program to a recipient who is a gasoline superuser, as defined. This bill was held in the Assembly Appropriations Committee.

AB 2816 (Ting, 2022) would have required ARB to award incentives for passenger ZEVs based on the amount of gasoline or diesel the applicant's vehicle consumed. This bill was held in the Assembly Appropriations Committee.

REGISTERED SUPPORT / OPPOSITION:

Support

350 Bay Area Action
350 Conejo / San Fernando Valley
350 Humboldt
Active San Gabriel Valley
California Environmental Voters
Cleanearth4kids.org
Climate Action California
Coalition for Clean Air

Ecology Action
Elders Climate Action Socal Chapter
Environmental Defense Fund
Greenlatinos
Norcal Elder Climate Action
NRDC
Recolte Energy
San Francisco Bay Physicians for Social Responsibility
Santa Cruz Climate Action Network
Sierra Club California
Socal Elders Climate Action
Sustainable Mill Valley
The Climate Center
Transformative Wealth Management LLC
Union of Concerned Scientists
Valley Clean Air Now

Opposition

None on file

Analysis Prepared by: Paige Brokaw / NAT. RES. /

Date of Hearing: April 21, 2025

ASSEMBLY COMMITTEE ON NATURAL RESOURCES
Isaac G. Bryan, Chair
AB 706 (Aguiar-Curry) – As Amended April 10, 2025

SUBJECT: Forest Organic Residue, Energy, and Safety Transformation and Wildfire Prevention Fund Act

EXISTING LAW:

1) Requires the California Public Utilities Commission (CPUC) to establish a renewable portfolio standard (RPS) requiring all retail sellers, as defined, to procure a minimum quantity of electricity products from eligible renewable energy resources, as defined, so that the total kilowatt hours of those products sold to their retail end-use customers achieves 44% of retail sales by December 31, 2024, 52% by December 31, 2027, and 60% by December 31, 2030. (Public Utilities Code (PUC) 399.11)

2) Requires the CPUC to direct electrical corporations, collectively, to procure at least 250 megawatts (MW) of cumulative rated generating capacity from developers of bioenergy projects that commence operation on or after June 1, 2013. Pursuant to this requirement, the CPUC has established and revised the Bioenergy Market Adjusting Tariff (BioMAT) program. Requires at least 50 MW for bioenergy using byproducts of sustainable forest management. (PUC 399.20)

3) Establishes the Bioenergy Renewable Auction Mechanism (BioRAM) program in Public Utilities Commission Resolution E-4770 (March 18, 2016), Commission Motion Authorizing Procurement from Forest Fuelstock Bioenergy Facilities supplied from High Hazard Zones for wildfires and falling trees pursuant to the Governor's Emergency Proclamation.

4) Requires at least 80% of the feedstock of an eligible facility, on an annual basis, to be a byproduct of sustainable forestry management, which includes removal of dead and dying trees from Tier 1 and Tier 2 high hazard zones (HHZ) and is not that from lands that have been clear cut. At least 60% of this feedstock shall be from Tier 1 and Tier 2 HHZs. (PUC 399.20.3 (b)(1))

5) Defines "organic waste" as food waste, green waste, landscape and pruning waste, nonhazardous wood waste, and food-soiled paper waste that is mixed in with food waste. (PRC 42649.8)

THIS BILL:

1) Establishes the Organic Residue, Energy, and Safety Transformation and Wildfire Prevention Fund Act, or the FOREST and Wildfire Prevention Fund Act.

2) Defines "forest biomass waste" as forest biomass that is removed for wildfire mitigation, wildfire prevention, forest restoration, or the protection of public safety or infrastructure.

3) Establishes the FOREST and Wildfire Prevention Fund in the State Treasury to be continuously appropriated to the Natural Resources Agency.

4) Provides the purpose of the FOREST and Wildfire Prevention Fund is to reduce organic fuel sources that increase fire risk by providing funding for the fire fuel reduction procurement program.

5) Establishes the fire fuel reduction procurement program to support sufficient biomass procurement, transport, and beneficial use that reduces fuel for wildfires by up to 15,000,000 bone-dry tons (BDT) of forest biomass waste per year.

6) Provides that funding priority shall be granted to BioRAM and BioMAT fleets in operation on or before January 1, 2031.

7) Provides that projects shall use only nonliving organic waste.

FISCAL EFFECT: Unknown

COMMENTS:

1) **Biomass**. California covers about 100 million acres and approximately 40% of the state is forest. National Forest System lands, managed by the US Forest Service (USFS), cover in excess of 18 million acres (approximately 58% of California forestland). Forest operations such as logging, thinning, fuels reduction programs, and ecosystem restoration create a huge amount of woody biomass. Some of this is brought out of the forest for use, but as much as half of the biomass is left in the forest. When residues from mastication and slash from timber harvests are left scattered throughout the forest, they act as additional dry surface fuel and serve to increase intensity and severity if a wildfire burns through the area. Often woody biomass materials are piled and burned creating air pollution, such as black carbon, or left to decay, creating methane.

   According to the California Energy Commission (CEC), there are currently approximately 47 million BDT of biomass resource potential in California. According to the Board of Forestry, state requirements to remove forest fuels on a combined one million acres per year will lead to 10 to 15 million BDT of forest waste biomass annually.

   SB 901 (Dodd), Chapter 626, Statutes of 2018, requires California to double forest fuel removal to reduce the risks of catastrophic wildfires. More recently, California entered an agreement with the USFS to reduce forest fuels on one million acres per year. While some of that will be accomplished with prescribed fire, much of it will require mechanical thinning that will generate millions of tons of forest waste per year.

   The issue of forest health and its impact on wildfire mitigation intersects with the RPS programs of BioMAT and BioRAM.

2) **BioMAT**. California's Feed-in Tariff (FIT) program is a policy mechanism designed to accelerate investment in small, distributed renewable energy technologies. The goal of the FIT program is to offer long-term contracts and price certainty for financing renewable energy investments to aid in transforming these markets. The BioMAT is a FIT program that ordered 250 MW of procurement for electricity from bioenergy projects. Electricity generated as part of the BioMAT program must count towards the utilities' RPS targets. The intent of BioMAT is to create a program that differentiated small renewable biomass and

biogas projects from other renewable distributed generation technologies to ensure that there are contracting opportunities for these facilities that capture existing methane emissions or use materials from agricultural and sustainable forestry activities. The procurement is allocated among three distinct bioenergy technology categories:

Category 1: Biogas from wastewater treatment, municipal organic waste diversion, food processing, and co-digestion - 110 MW

Category 2: Dairy and other agricultural bioenergy - 90 MW

Category 3: Bioenergy using byproducts of sustainable forest management (including fuels from high hazard zones) - 50 MW

According to the October 2018 *CPUC BioMAT Program Review and Staff Proposal*, during the first two years of the program's inception, participation was low, undermining the competition needed for offer prices to adjust. At that time, CPUC staff noted it could take approximately 20 years to reach the BioMAT program procurement goal of 250 MW. As of 2024, the program has contracts for 85.12 MW have been contracted, or 34% of the 250 MW procurement goal. In September 2020, the PUC adopted Rulemaking 18-07-003 to extend BioMAT until December 31, 2025. In October 2022, the CPUC issued Rulemaking 22-10-010 to implement AB 843 (Aguiar-Curry), Chapter 843, Statutes of 2021, to authorize Community Choice Aggregators to participate in the BioMAT program.

3) **BioRAM**. In 2016, the CPUC implemented Governor Brown's October 2015 Emergency Order Addressing Tree Mortality by establishing the BioRAM program. BioRAM uses the RPS standardized renewable auction mechanism (RAM) contract to streamline the procurement process. Subsequently, SB 859 (Committee on Budget and Fiscal Review), Chapter 368, Statues of 2016, directed additional BioRAM procurement from the investor owned utilities (IOUs), resulting in the procurement order of 146 MWs of bioenergy from HHZs fuel to aid in mitigating the threat of wildfires. SB 859 also required at least 80% of the feedstock of an eligible facility, on an annual basis, to be a byproduct of sustainable forestry management, which includes removal of trees from HHZs and is not that from lands that have been clear cut, and that at least 60% of the feedstock must come from HHZs. SB 901 amended the BioRAM program to add program flexibility and extend certain biomass contracts by five years. SB 1109 (Caballero), Chapter 364, Statues of 2022, further extended certain eligible biomass contracts by a minimum of five years but not to exceed fifteen years. The current collective IOU's BioRAM contracts are for 154 MW. AB 2750 (Gallagher), Chapter 575, Statues of 2024, amends and extends the BioRAM program until July 1, 2025.

4) **This bill**. AB 706 establishes the purpose of the FOREST and Wildfire Prevention Fund to reduce organic fuel sources that increase fire risk by providing funding to support sufficient biomass procurement, transport, and beneficial use that reduces fuel for wildfires by up to 15,000,000 BDT of forest biomass waste per year. The bill prioritizes funding to BioRAM and BioMAT fleets in operation until 2031.

5) **Organic waste**. The bill defines "organic waste" as food waste, green waste, landscape and pruning waste, nonhazardous wood waste, and food-soiled paper waste that is mixed in with food waste, but the bill only refers to "nonliving organic waste." The author's intent is to emphasize using waste products, not biomass harvested for these purposes.

BioMAT mandates the development of 250 MW of small-scale bioenergy projects using organic waste, including 50 MW from forest waste removed for wildfire mitigation or restoration, but it's unclear how that is germane to this bill, which is focused on forest biomass waste.

6) **Double referral.** This bill is also referred to the Assembly Utilities and Energy Committee.

7) **Committee amendments**. The *committee may wish to consider* amending the bill to clarify that eligible forest biomass waste is the byproduct of forest management.

8) **Related legislation**:

AB 70 (Aguiar-Curry) defines pyrolysis in the Public Resources Code and requires the Department of Resources Recycling and Recovery (CalRecycle), by January 1, 2027, to amend its organic waste procurement regulations to include pipeline biomethane converted exclusively from organic waste as eligible for procurement credit by local jurisdictions. This bill is on the Assembly Appropriations suspense file.

AB 2514 (Aguiar-Curry, 2024) defines pyrolysis, requires CalRecycle to include pipeline biomethane converted from organic waste as eligible for procurement credit by local jurisdictions, and makes biosolids handing projects by the Town of Windsor and the Windsor Water District eligible for an existing CalRecycle grant program to promote organic waste diversion among other actions. This bill was held on the Senate Inactive file.

AB 625 (Aguiar-Curry, 2023) establishes the Forest Waste Biomass Utilization Program to develop an implementation plan to meet the goals and recommendations of the state's wood utilization policies and priorities and focused market strategy of specified statewide forest management plans, and to develop a workforce training program to complement the workforce needs associated with the implementation plan. This bill was held in the Assembly Appropriations Committee.

AB 998 (Connolly, 2023) requires the CEC to report on the utility-scale biomass combustion facilities still in operation as of January 1, 2024 and specifies information the report must contain. This bill was held in the Senate Appropriations Committee.

AB 2878 (Aguiar-Curry, 2022) would have established the Forest Biomass Waste Utilization Program to develop an implementation plan to meet the goals and recommendations of the Biomass Waste Utilization Plan and to develop a workforce training program to complement the workforce needs associated with implementation of this program. This bill was held in the Senate Appropriations Committee.

AB 2587 (E. Garcia, 2022) among its provisions, expands the type of firm resources to be considered in an upcoming CEC assessment to include bioenergy and biomass. This bill was held in the Senate Appropriations Committee.

SB 1109 (Caballero), Chapter 364, Statutes of 2022, extends requirements on electric utilities and CCAs to procure energy from biomass generating electric facilities by five years and requires extension of existing contracts by five years.

REGISTERED SUPPORT / OPPOSITION:

Support

Associated California Loggers
BBWA & Associates
Calaveras County Water District
California Biomass Energy Alliance
California Farm Bureau Federation
California Forestry Association
California Licensed Foresters Association
California State Association of Counties
Coalition of California Utility Employees
Ecoengineers
Fire Aside
Forest Landowners of California
Forest Products Industry National Labor Management Committee; the
Humboldt Redwood Company LLC
Jamestown Energy
Jefferson Resource Company, INC.
Loamist
Mountain Counties Water Resources Association
New California Coalition
Phoenix Energy
Pioneer Community Energy
Placer County Air Pollution Control District
Rain Industries
Resource Conservation District of Tehama County
Rural County Representatives of California
Sierra Business Council
Tahoe Fund; the
The Buckeye Conservancy
The Round Valley Indian Reservation Tribal Timber Enterprise
The Watershed Research and Training Center
TSS Consultants
Viridian Ecosystems LLC
Yuba Water Agency

Opposition

Biofuelwatch
Center for Biological Diversity
Epic - Environmental Protection Information Center
Forests Forever
Green America
Little Manila Rising
Mount Shasta Bioregional Ecology Center
Northcoast Environmental Center
NRDC
Partnership for Policy Integrity
Safe Alternatives for Our Forest Environment

Sierra Club California
Sonoma County Climate Activist Network

Analysis Prepared by: Paige Brokaw / NAT. RES. /

Date of Hearing: April 21, 2025

ASSEMBLY COMMITTEE ON NATURAL RESOURCES
Isaac G. Bryan, Chair
AB 721 (Soria) – As Amended March 24, 2025

SUBJECT: Huron Hawk Conservancy

SUMMARY: Establishes the Huron Hawk Conservancy Act

EXISTING LAW:

1) Establishes the California Natural Resources Agency (NRA), which oversees six state departments, 11 conservancies, 17 boards and commissions, three councils, and one urban park in Los Angeles that consists of two museums. (Government Code 12805)

2) Establishes 10 conservancies under the NRA to oversee restoration projects, land acquisitions, and recreational opportunities, among other things, in their respective regional jurisdictions. (Public Resources Code divisions 21-23.6)

THIS BILL:

1) Defines the following terms:

   a) "Huron Hawk area" as the land area north of the City of Huron, bordered on the east by the San Luis Canal, bordered on the west by South Trinity Avenue, bordered on the south by West Marmon Avenue, and including a spur of land extending along the east side of Lassen Avenue to a point between West Marmon Avenue and Palmer Avenue.

   b) "Board" as the governing board of the Huron Hawk Conservancy.

   c) "Conservancy" as the Huron Hawk Conservancy.

   d) "Fund" as the Huron Hawk Conservancy Fund.

   e) "Member agencies" as the County of Fresno, the City of Huron, the Wildlife Conservation Board (WCB), NRA, the Department of Fish and Wildlife (DFW), the Department of Parks and Recreation (State Parks), the Department of Finance (DOF), and the State Lands Commission (SLC).

2) Establishes the Conservancy as a state agency within NRA for all of the following purposes:

   a) To acquire and manage public lands within the Huron Hawk area and to provide recreational, open space, wildlife habitat restoration and protection, and lands for educational uses within the area.

   b) To acquire open-space lands within the Huron Hawk area.

   c) To provide for the public's enjoyment and to enhance the recreational and educational experience on public lands in the Huron Hawk area in a manner consistent with the protection of lands and resources in the area.

3) Limits the Conservancy's jurisdiction to the Huron Hawk area.

4) Establishes the Fund in the State Treasury. Moneys in the fund shall be made available for expenditure by the Conservancy, upon appropriation by the Legislature, for the purposes of this bill.

5) Requires the Board to consist of 12 members, appointed as follows:

   a) One member of the Board of Supervisors of the County of Fresno appointed by a majority of the members of the board of supervisors. A majority of the members of the board of supervisors may appoint an alternate member from the board of supervisors.

   b) The Mayor of the City of Huron or a member of the Huron City Council designated by that mayor. The mayor may designate an alternate member from the Fresno City Council.

   c) The Director of the Department of Parks, After School, Recreation, and Community Services of the County of Fresno or the director's designee.

   d) Three public members, two of whom shall be residents of the County of Fresno and one of whom shall be a resident of the City of Huron. The three public members shall be appointed in accordance with all of the specified procedures.

   e) The Executive Director of the WCB or a member of the executive director's staff designated by the executive director.

   f) The Secretary of NRA or a member of the secretary's staff designated by the secretary.

   g) The Director of DFW or a member of the director's staff designated by the director.

   h) The Director of State Parks or a member of the director's staff designated by the director.

   i) The Director of DOF or a member of the director's staff designated by the director.

   j) The Executive Officer of the SLC or a member of the executive officer's staff designated by the executive officer.

6) Requires six of the members of the Board to constitute a quorum for the transaction of the business of the Conservancy. The Board shall not transact the business of the Conservancy if a quorum is not present at the time a vote is taken. A decision of the Board requires an affirmative vote of five of the members of the Board, and the vote is binding with respect to all matters acted on by the Conservancy.

7) Requires members of the Board to serve for two-year terms. A vacancy on the Board shall be filled within 60 days from its occurrence by the appointing authority.

8) Prohibits a person from continuing as a member of the Board if the person ceases to hold the office that qualifies them for Board membership. Upon the cessation of holding that office, the person's membership on the Board shall automatically terminate.

9) Requires the chairperson and vice chairperson of the Board to be selected by a majority of the members of the board for one-year terms.

10) Requires meetings of the Board to be subject to the requirements of the Bagley-Keene Open Meeting Act.

11) Requires members of the Board to receive reimbursement for actual, necessary, and reasonable expenses. A member of the Board who is not a full-time public employee shall be compensated at a rate not to exceed $100 per regular meeting, not to exceed 12 regular meetings a year. A member of the Board may waive compensation.

12) Requires the Conservancy to obtain and maintain adequate liability insurance or its equivalent for acts or omissions of the Conservancy's agents, employees, volunteers, and servants.

13) Requires the Conservancy to have, and may exercise, all rights and powers, expressed or implied, necessary to carry out the purposes of this bill, except as otherwise provided. The Conservancy shall not have the power to levy a tax, regulate land use, or exercise the power of eminent domain.

14) Requires the Conservancy to facilitate and coordinate the activities of its employees with the personnel of State Parks and DFW.

15) Authorizes the Conservancy to manage, operate, administer, and maintain lands and facilities owned by the Conservancy. Lands acquired by the Conservancy shall not be open to public use until the Board determines there are adequate funds available for the management of those lands. The Conservancy may adopt regulations governing the public use of Conservancy lands and may provide for the enforcement of those regulations.

16) Authorizes the Conservancy to employ an executive officer and other staff to perform functions that cannot be provided by the existing personnel of member agencies on a contractual basis or by volunteers.

17) Authorizes the Conservancy to recruit and coordinate volunteers and experts to conduct recreational programs and to assist with construction projects and the maintenance of facilities.

18) Authorizes the Conservancy to determine acquisition priorities and may acquire real property or an interest in real property within the Huron Hawk area from willing sellers and at fair market value or on other mutually acceptable terms. The Conservancy may acquire the property on its own or coordinate the acquisition through a member agency or other public agencies with appropriate responsibility and available funding or land to exchange.

19) Authorizes the Conservancy to provide technical assistance to landowners to ensure that their activities are compatible with or enhance the Huron Hawk area.

20) Authorizes the Conservancy to undertake site improvement projects; regulate public access; revegetate and otherwise rehabilitate degraded areas, in consultation with other public agencies with appropriate jurisdiction and expertise; upgrade deteriorating facilities; and construct new facilities as needed for outdoor recreation, nature appreciation and interpretation, and natural resource protection. These projects may be undertaken by the

Conservancy on its own or by member agencies, with the conservancy providing overall coordination through setting priorities for projects and assuring uniformity of approach.

21) Authorizes the Conservancy to accept revenue generated and contributed to the Conservancy by member agencies, which shall be deposited into the Fund. The Conservancy may also accept revenue, money, grants, goods, and services contributed to the conservancy by a public agency, private entity, or person, and the revenue, money, and grants shall be deposited into the Fund.

22) Provides that the Conservancy may sue and be sued.

23) Authorizes the Conservancy to enter into a contract or joint powers agreement with a public agency, private entity, or person necessary for the proper discharge of the Conservancy's duties.

24) Authorizes the Conservancy to award grants to local public agencies, state agencies, federal agencies, and nonprofit organizations.

25) Requires grants to nonprofit organizations for the acquisition of real property or interests in real property to be subject to all of the following conditions:

    a) The Conservancy may acquire property at fair market value and consistent with the Property Acquisition Law, except that the acquisition price of lands acquired from public agencies shall be based on the public agencies' cost to acquire the land;

    b) The Conservancy shall approve the terms under which the interest in land is acquired;

    c) The interest in land acquired pursuant to a grant from the Conservancy shall not be used as security for a debt incurred by the nonprofit organization unless the Conservancy approves the transaction;

    d) The transfer of land acquired pursuant to a grant shall be subject to the approval of the Conservancy and the execution of an agreement between the Conservancy and the transferee sufficient to protect the interests of the Conservancy;

    e) The Conservancy shall have a right of entry and power of termination in and over all interests in real property acquired with state funds, which may be exercised if an essential term or condition of the grant is violated; and,

    f) If the existence of the nonprofit organization is terminated for any reason, title to all interest in real property acquired with state funds shall immediately vest in the conservancy, except that, before that termination, another public agency or nonprofit organization may receive title to all or a portion of that interest in real property, by recording its acceptance of title, together with the Conservancy's approval, in writing.

26) Requires a deed or other instrument of conveyance whereby real property is acquired by a nonprofit organization pursuant to be recorded and shall set forth the executory interest or right of entry on the part of the Conservancy.

27) Authorizes the Conservancy to lease, rent, sell, exchange, or otherwise transfer real property, an interest in real property, or an option acquired under this bill to a local public agency, state agency, federal agency, nonprofit organization, individual, or other entity for management purposes pursuant to terms and conditions approved by the Conservancy. The Conservancy may request the Director of General Services to undertake these actions on its behalf.

28) Authorizes the Conservancy to initiate, negotiate, and participate in agreements for the management of land under its ownership or control with local public agencies, state agencies, federal agencies, nonprofit organizations, individuals, or other entities and may enter into any other agreements authorized by state or federal law.

29) Provides that if the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made.

FISCAL EFFECT: Unknown

COMMENTS:

1) **Author's statement**:

> Conservancies offer an opportunity to support projects to the benefit of the natural environment and local communities. The defined Huron Hawk area stands as a vacant 3,000 acre plot of land home to a multitude of flora and fauna alongside a local community readily interested in projects to improve the site. However, there is an absence of any central entity or governmental body to facilitate the funding and development of these projects. The establishment of the Huron Hawk Conservancy would promote equitable access to a healthy environment for the underserved Central Valley region.

2) **State conservancies**. There are currently 11 independent conservancies under NRA that are charged with the protection and preservation of the lands within their statutorily specified jurisdictions. The conservancies also work to provide recreational opportunities, facilitate climate adaptation, connect people to the regional landscapes, and bring state investments to the region for the aforementioned purposes. The current conservancies include:

- Coastal Conservancy – established in 1976
- Santa Monica Mountains Conservancy – established in 1980
- Tahoe Conservancy – established in 1985
- Coachella Valley Mountains Conservancy – established in 1991
- San Joaquin River Conservancy – established in 1992
- San Diego River Conservancy – established in 2003
- Sacramento-San Joaquin Delta Conservancy – established in 2010
- San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy – established in 1999
- Baldwin Hills and Urban Watersheds Conservancy – established in 2000
- Sierra Nevada Conservancy – established in 2004
- Salton Sea Conservancy – established in 2024

All conservancies have a governing board, mission statement, geographic territory, and stipulated powers, duties, and limitations.

Existing law also establishes the WCB in DFW to provide a single and coordinated program for the acquisition of lands and facilities suitable for recreational purposes, and adaptable for conservation, propagation, and utilization of the fish and game resources of the state. The state's conservancies collaborate with the WCB to provide conservation and restoration programs and funding for the entire state.

The Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024 (Proposition 4) authorizes various funding amounts for each of the existing conservancies.

3) **Huron Hawk Region**. The San Luis Canal Westside Detention Basin within Fresno County and near the City of Huron consists of an area with important opportunities for ecological, recreational, educational, and economic benefits to the neighboring central valley area, and is the largest publicly-owned riparian habitat in the Tulare Basin.

   The City of Huron recognizes the multibenefit potential of this area, having requested the United States National Park Service in 2022 for assistance in transforming the land into a regional park and nature reserve. In 2023, the National Park Service Rivers, Trails, and Conservation Assistance Program selected the area to receive technical assistance.

   The project site is owned by the United States Bureau of Reclamation and co-managed by the Department of Water Resources, in addition to being monitored by the United States Environmental Protection Agency. The author sees the area having unique and unutilized potential for 3,000 acres that can support the nearby communities. The author further contends that while many local groups have expressed interest in conducting projects that improve the site and provide environmental, educational, and recreational benefits to the region, there is no central entity to coordinate projects or collect and distribute funding, and no existing conservancy contains this site in its jurisdiction.

4) **Committee amendments**. The *committee may wish to consider* amending the bill as follows:

   a) Clarify that the Conservancy is responsible for the ongoing management of acquired lands;

   b) Specify that the list of individuals from the Board of Supervisors to the Senate and Assembly shall prioritize individuals that have historically been active in the region;

   c) Require the Conservancy to adopt rules and procedures for conducting business; and,

   d) Make this bill's provisions contingent upon availability of funds.

REGISTERED SUPPORT / OPPOSITION:

Support

Council of Fresno County Governments

Opposition

None on file

Analysis Prepared by: Paige Brokaw / NAT. RES. /

Date of Hearing: April 21, 2025

ASSEMBLY COMMITTEE ON NATURAL RESOURCES
Isaac G. Bryan, Chair
AB 758 (DeMaio) – As Amended April 8, 2025

SUBJECT: Wildfire: vegetation management

SUMMARY: Requires the Department of Forestry and Fire Protection (CAL FIRE) or a local entity to conduct an assessment of all undeveloped public lands for which it is primarily responsible for preventing and suppressing fires and to ensure that the public land is not a severe fire hazard. Requires all of these lands, on or before January 1, 2028, to have 200-foot firebreaks on all borders with private property.

EXISTING LAW:

1) Establishes the State Fire Marshal (SFM) as an entity within CAL FIRE to foster, promote, and develop ways and means of protecting life and property against fire and panic. (Health & Safety Code 13100 – 13100.1)

2) Requires the SFM, by regulation, to designate fire hazard severity zones (FHSZs) and assign to each zone a rating reflecting the degree of severity of fire hazard that is expected to prevail in the zone. Provides that no designation of a zone and assignment of a rating shall be adopted by the SFM until the proposed regulation has been transmitted to the board of supervisors of the county in which the zone is located at least 45 days before the adoption of the proposed regulation and a public hearing has been held in that county during that 45-day period. (Public Resources Code (PRC) 4203)

3) Requires the Board of Forestry and Fire Protection (Board) to classify all lands within the state, without regard to any classification of lands made by or for any federal agency or purpose, for the purpose of determining areas in which the financial responsibility of preventing and suppressing fires is primarily the responsibility of the state. The prevention and suppression of fires in all areas that are not so classified is primarily the responsibility of local or federal agencies, as the case may be. (PRC 4125)

4) Requires the Board to periodically update regulations for fuel breaks and greenbelts near communities to provide greater fire safety for the perimeters to all residential, commercial, and industrial building construction within state responsibility areas and lands classified and designated as very high fire hazard severity zone. These regulations shall include measures to preserve undeveloped ridgelines to reduce fire risk and improve fire protection. (PRC 4290)

5) Defines "fuel break" as a strip of modified fuel to provide a line from which to work in the control of fire. (PRC 4528 (e))

THIS BILL:

1) Defines the following terms:

    a) "Fire break" as a gap in vegetation or other combustible material that acts as a barrier to slow or stop brush fire or wildfire.

b) "Local entity" as a city, county, city or county, or other local jurisdiction with fire prevention and suppression authority.

c) "Public land" as undeveloped land under the control of CAL FIRE or a local entity.

d) "Severe fire hazard" as land designated as a moderate, high, or very high fire hazard severity zone as identified by the SFM pursuant to Section 4202 of the PRC and Section 51178 of the Government Code or as identified by a local agency pursuant to Section 51179 of the Government Code.

2) Establishes the Force State and Local Government to Be Firewise Neighbors Act.

3) Requires, on or before January 1, 2028, and every two years thereafter, CAL FIRE or a local entity to conduct an assessment on all public lands for which it is primarily responsible for preventing and suppressing fires to ensure that the public land is not a severe fire hazard.

4) Requires the assessment to include all of the following:

a) Information on the vegetation management plan, including, but not limited to, what and how often vegetation management is currently being done; and,

b) Information on the cost of vegetation management.

5) Requires CAL FIRE or the local entity to post the assessment on its respective internet website. If a local entity prepares the assessment, the local entity shall also submit its assessment to CALFIRE.

6) Requires, when the state or a local government acquires undeveloped land, that entity, within one year of acquisition, do both of the following:

a) Create a plan on how the land will be managed with regard to fire prevention; and,

b) Report the cost of keeping the land managed.

7) Requires CAL FIRE or the local entity to post the information on its respective internet website. If a local entity prepares the information, the local entity shall also submit this information to CAL FIRE.

8) Requires, on or before January 1, 2028, all public lands to have a 200 foot firebreak on all borders with privately owned land.

9) Provides that if the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made.

FISCAL EFFECT: Unknown

COMMENTS:

1) **Author's statement**:

> Currently, Californians are encouraged to manage vegetation on their property in order to decrease fire risk and prevent the spread of wildfires. However, private citizens are not the only ones who should be managing vegetation on their properties. AB 758 will increase fire prevention measures through requiring the state and local governments to properly manage vegetation on publicly owned land, and require assessments be done to ensure the management is done properly including 200 foot fire breaks adjacent to private property.

2) **Fire suppression responsibilities**. There are 33 million acres of forested lands in California. The Board of Forestry is responsible for classifying all lands within the state not on federal lands for the purpose of determining areas in which the financial responsibility of preventing and suppressing fires is primarily the responsibility of the state. The SFM classifies lands in tiered FHSZs (moderate, high, and very high) based on the severity of fire hazard that is expected to prevail in those areas. FHSZ maps evaluate "hazard" based on the physical conditions that create a likelihood and expected fire behavior over a 30 to 50-year period without considering mitigation measures such as home hardening, defensible space, vegetation management, or fuel reduction efforts.

   The financial responsibility for preventing and suppressing fires is divided into three areas: Local Responsibility Areas (LRA), State Responsibility Areas (SRA), and Federal Responsibility Areas (FRA). LRA, which includes incorporated cities, cultivated agricultural lands, and portions of the desert, covers 1/5 of California. SRA, which includes forested lands with certain types of rural developments, covers about 1/3 of the state (13.3 million acres). The FRA covers more than half of the state (nearly 19 million acres).

   Total spending on CAL FIRE fire protection, resource management, and fire prevention has grown from $800 million in 2005-06 to $4.1 billion in 2024-25. Spending on fire prevention makes up a much smaller share of department spending but has increased in recent years with the addition of spending from the Greenhouse Gas Reduction Fund and the climate packages of 2021 and 2022.

3) **Fire prevention assessments**. This bill requires CAL FIRE or a local entity to assess lands for which each respective entity is primarily responsible for preventing and suppressing fires. The assessment would contain information on the vegetation management plan, including, but not limited to, what and how often vegetation management is currently being done, and information on the cost of vegetation management.

4) **Fire prevention planning**. This bill requires CAL FIRE or a local entity to, within one year of undeveloped land acquisition, to create a plan on how the land will be managed with regard to fire prevention and report the cost of keeping the land managed.

   The state has many plans for managing lands in the SRA to prevent fire, including the Wildfire and Forest Resilience Task Force's action plan to increase the pace and scale of

forest management. That action plan builds on the California Fire Plan, a road map for reducing the risk of wildfire.

There are serval fire hazard planning requirements local agencies are currently required to meet. As part of the general plan, local governments are required to have a Safety Element for the protection of the community from any unreasonable risks associated with various geologic hazards and natural disasters, such as earthquakes, dam failures, mudslides, floods, and wildland and urban fires. The safety element is required to address evacuation routes, minimum road widths, and clearances around structures, as those items relate to identified fire and geologic hazards. Safety Elements must be updated to address SRA and very high fire hazard severity zones (VHFHSZs) and must include information about wildfire hazards, as well as goals, policies, and objectives and feasible implementation measures for the protection of the community from the unreasonable risk of wildfire. Additionally, when the state shares FHSZ maps with the counties, local agencies are required to adopt a local ordinance recognizing that fire hazard. Finally, before approving a tentative subdivision map or parcel map within a SRA or VHFHSZ, a city or county must make certain findings. Those findings include that the subdivision is consistent with CAL FIRE regulations and that fire protection and suppression services are available for that subdivision.

It is unclear what additional value this bill would provide to the state's existing comprehensive planning requirements.

5) **Fire breaks**. A fuel break is generally wide strip of land on which vegetation has been modified so that a fire burning into it can be more readily controlled. Fuel breaks are not designed to stop fire spread, especially during periods of strong winds when fire brands can be blown across these linear features. However, fuel breaks do provide opportunities for firefighting success under less extreme fire weather conditions by providing areas of lower fireline intensities, improved firefighter access, and enhanced fireline production rates.

   There are common design, construction, and environmental protection standards that CAL FIRE considers for all fuel breaks, including fuel break width and length as follows:

   > The fuel break width and length must be sufficient to reduce fire spread and intensity. Width on level ground will vary based on fuel types; i.e., short widths are generally required in grasses (approx. 150 feet) and longer widths are required on forested sites (approx. 300 feet). Variation in width is largely determined by vegetation type, slope, access, and other site specific needs and objectives. Fuel break length will generally be designed to match the length of the ignition source to the extent feasible, such as along a road or highway.

   To ensure environmental protection when designing and constructing fuel breaks, CAL FIRE uses the standard protection practice of identifying and avoiding sensitive resources. There is a great deal of flexibility in fuel break design and adjusting a fuel break location or time of construction is often all that is needed to avoid sensitive resources. For instance, known sites of rare, threatened, or endangered plants or animals shall not be disturbed, threatened, or damaged during the construction of a fuel break, and fuel break construction shall avoid damaging or otherwise disturbing significant archaeological or historical sites.

   The bill requires all public lands to have a 200 foot firebreak on all borders with privately owned land. It does not provide any nuance to that requirement; therefore, the environmental

protections required by CAL FIRE wouldn't apply placing environmentally sensitive lands and habitats are risk.

6) **Committee amendments**. The *committee may wish to consider* amending the bill to remove the firebreak requirement by deleting 4138 (a) and 4140.

7) **Double referral**. This bill is also referred to the Assembly Emergency Management Committee.

REGISTERED SUPPORT / OPPOSITION:

Support

None on file

Opposition

None on file

Analysis Prepared by: Paige Brokaw / NAT. RES. /

Date of Hearing: April 21, 2025

ASSEMBLY COMMITTEE ON NATURAL RESOURCES
Isaac G. Bryan, Chair
AB 839 (Blanca Rubio) – As Amended April 11, 2025

SUBJECT: California Environmental Quality Act: expedited judicial review: sustainable aviation fuel projects

SUMMARY: Provides for expedited California Environmental Quality Act (CEQA) review for up to three sustainable aviation fuel (SAF) facilities that don't use fossil fuels or increase air pollution – providing for expedited (270 days, if feasible) judicial review for projects certified by the governor, approved by the lead agency on or before January 1, 2033, and meeting specified environmental and labor requirements.

EXISTING LAW:

1) CEQA requires lead agencies with the principal responsibility for carrying out or approving a proposed project to prepare a negative declaration, mitigated negative declaration, or environmental impact report (EIR) for this action, unless the project is exempt from CEQA (CEQA includes various statutory exemptions, as well as categorical exemptions in the CEQA guidelines). (Public Resources Code (PRC) 21000 *et seq*.)

2) Authorizes judicial review of CEQA actions taken by public agencies, following the agency's decision to carry out or approve the project. Challenges alleging improper determination that a project may have a significant effect on the environment, or alleging an EIR does not comply with CEQA, must be filed in the superior court within 30 days of filing of the notice of approval. The courts are required to give CEQA actions preference over all other civil actions. Requires the court to regulate the briefing schedule so that, to the extent feasible, hearings commence within one year of the filing of the appeal. Requires the plaintiff to request a hearing within 90 days of filing the petition. Requires the court to establish a briefing schedule and a hearing date, requires briefing to be completed within 90 days of the plaintiff's request for hearing, and requires the hearing, to the extent feasible, to be held within 30 days thereafter. (PRC 21167 *et seq*.)

3) SB 149 (Caballero), Chapter 60, Statutes of 2023, establishes procedures for expedited administrative review (i.e., concurrent preparation) and judicial review (i.e., requiring the courts to resolve lawsuits within 270 days, to the extent feasible) for four categories of public and private "infrastructure" projects, including specified energy, transportation, water, and semiconductor/microelectronic projects.

    a) Authorizes the governor to certify each of the four project types, provided the applicant agrees to pay the costs of the trial court and the court of appeal in hearing and deciding any case challenging a lead agency's action on a certified project.

    b) Requires additional greenhouse gas (GHG) mitigation for energy infrastructure and semiconductor/microelectronic projects, requiring the project does not result in any net additional GHG emissions. A project is deemed to meet these requirements if the applicant demonstrates to the satisfaction of the governor that the applicant has a binding

commitment that it will mitigate impacts resulting from the emission of greenhouse gases, if any, in accordance with PRC 21183.6.

c) Requires an applicant for certification of an infrastructure project to do all of the following:

i) Avoid or minimize significant environmental impacts in any disadvantaged community, as defined.

ii) If measures are required pursuant to CEQA to mitigate significant environmental impacts in a disadvantaged community, mitigate those impacts consistent with CEQA. Requires mitigation measures to be undertaken in, and directly benefit, the affected community.

iii) Enter into a binding and enforceable agreement to comply with these community mitigation requirements in its application to the Governor and to the lead agency prior to the agency's certification of the EIR for the project.

(Public Resources Code (PRC) 21189.80 *et seq.*)

4) Pursuant to Executive Order S-01-07, sets a statewide goal to reduce the carbon intensity (CI) of California's transportation fuels and requires ARB to consider adopting a low carbon fuel standard (LCFS) to implement this goal. In 2009, ARB adopted the LCFS as a regulation. The LCFS attributes CI values to a variety of fuels based on direct and indirect GHG emissions. The LCFS permits producers of certain low CI fuels to opt in to LCFS regulation for the purpose of generating credits, which can be banked and used for compliance, sold to regulated parties, and purchased and retired by regulated parties. In addition, LCFS credits can be exported to other GHG emission reduction programs. (17 CCR 95840 *et seq.*)

THIS BILL:

1) Authorizes the governor to certify up to three SAF projects for streamlining pursuant to SB 149, and meeting the same labor, mitigation, and net zero GHG standards as private energy and semiconductor projects under SB 149.

2) Defines "sustainable aviation fuel project" as a project to manufacture, process, store, distribute, or transport SAF or feedstock used for the production of SAF that meets all of the following requirements:

a) The project uses a "skilled and trained" workforce for all construction work and requires contractors and subcontractors to pay to all construction workers employed in the execution of the project at least the general prevailing rate of per diem wages.

b) The project does not use fossil fuels in its production process.

c) If the project involves the conversion or replacement of an existing Title V source (i.e., major sources of air pollution, including refineries), the project will reduce emissions of

air pollutants compared to the baseline environmental conditions in the vicinity of the project, as determined by the applicable air district.

d) If the project does not involve the conversion or replacement of an existing Title V source, the project will not cause a significant effect on the environment attributable to any air pollutant, as determined by the applicable air district.

3) Defines "sustainable aviation fuel" as hydrocarbon fuel that meets the American Society for Testing and Materials (ASTM) International standard D7566 for aviation turbine fuel containing synthesized hydrocarbons and can be used as alternative jet fuel, as defined in, and meeting the requirements of, the LCFS regulation.

FISCAL EFFECT: Unknown

COMMENTS:

1) **Background**. Aircraft jet engines emit a mixture of carbon dioxide (CO_2), water vapor, oxides of nitrogen (NOx), particulate matter (PM), carbon monoxide, and other pollutants. 90% of the emissions from a flight occur at altitudes above 3,000 feet, with the remaining 10% being released during taxiing, takeoff, and landing. According to the U.S. Energy Information Administration, California's total 2020 jet fuel consumption was about 59 million barrels, or roughly 2.5 billion gallons. The international aviation market is responsible for about 2% of the world's GHG emissions. Nationwide, aviation emissions make up about 13% of transportation GHG emissions. In California, aviation accounts for 1% of all transportation-related GHG emissions.

   SAF is an aircraft biofuel that has similar properties to conventional jet fuel; it is blended with conventional jet fuel and can work in the same conventional jet fuel infrastructure. Depending on the feedstock and technologies used to produce it, SAF can reduce life cycle GHG emissions compared to conventional jet fuel, and some SAF pathways may have a net-negative GHG footprint. Given the technology is still relatively new and being developed, SAF is currently much more expensive than conventional jet fuel.

   ARB's 2022 Scoping Plan outlines a scenario that achieves GHG emission reductions that exceed levels expected based on existing policies, and keep the state on track to achieve the GHG reduction target for 2030 and to become carbon neutral no later than 2045. This scenario assumes 10% of aviation fuel demand is met by electricity (batteries) or hydrogen (fuel cells) in 2045. The scenario also assumes SAF meets most or the rest of the aviation fuel demand that has not already transitioned to hydrogen or batteries. While the scenario goals are clear, the pathways to accomplish these goals are not.

   The LCFS sets a declining carbon intensity benchmark for transportation fuels used in California. In 2018, CARB approved changes to LCFS that authorized alternative, or renewable, aviation fuels to generate LCFS credits; these fuels do not generate deficits like gasoline and diesel do. Producers of alternative aviation fuels are permitted to voluntarily opt into the LCFS program. SAF remains a small part of the LCFS credit market, reportedly less than 1%.

2) **The state of SAF production in California**. Currently, there are three operating SAF refineries in California that are conversions, or partial conversions, of existing petroleum

refineries. These refineries are located in Paramount, Rodeo, and Martinez. In addition, there is a proposed SAF refinery in Riverbank, near Modesto, at the site of a former Army ammunition plant/Superfund site, which has been approved by Riverbank and completed the CEQA process. All of these SAF refineries are in communities that have lived with industrial pollution for decades and rank near the top of CalEnviroScreen metrics for air pollution and/or toxics.

These facilities refine SAF from fats, oils, and/or greases (FOGs), which are primarily imported. Commercial SAF feedstocks include tallow, used cooking oil, distiller's corn oil (a byproduct of corn ethanol production), seed oils, and byproducts of palm oil refining. SAF production with approved LCFS pathways includes refineries in Louisiana and Montana and fats shipped from Southeast Asia and South America. Recently-adopted amendments to the LCFS will prohibit palm-based oils going forward.

None of the existing commercial refineries use agricultural or forest waste. Producing SAF from cellulosic waste is more complex and expensive than refining fats, which is already significantly more expensive than conventional, fossil jet fuel.

3) **What are the new SAF projects**? The author and proponents do not identify any specific projects in connection to this bill. However, there is speculation that additional petroleum refineries may convert or partially convert to SAF (and/or renewable diesel) production, which makes sense given much of the equipment and process is similar. This bill's scope of eligible project types is broad, including projects to manufacture, process, store, distribute, or transport SAF or SAF feedstock. Rather than being more limited about the SAF projects that are eligible, this bill limits streamlining to the first three projects certified by the governor.

4) **Double referral**. This bill has been double-referred to the Judiciary Committee.

REGISTERED SUPPORT / OPPOSITION:

Support

Boeing Company
BPM
California Airports Council
California Hydrogen Business Council
California Manufacturers and Technology Association
Climate Resolve
Neste US
Rural County Representatives of California (RCRC)
San Francisco International Airport
United Airlines

Opposition

Biofuelwatch
California Environmental Justice Alliance
Center on Race, Poverty & the Environment
Communities for a Better Environment

Earthjustice
Leadership Council for Justice and Accountability

Analysis Prepared by: Lawrence Lingbloom / NAT. RES. /

Date of Hearing: April 21, 2025

ASSEMBLY COMMITTEE ON NATURAL RESOURCES
Isaac G. Bryan, Chair
AB 846 (Connolly) – As Amended March 27, 2025

SUBJECT: Endangered species: incidental take: wildfire preparedness activities

SUMMARY: Requires the Department of Fish and Wildlife (DFW) to develop maps identifying critical habitats within lands designated as moderate, high, or very high fire hazard severity.

EXISTING LAW:

1) Authorizes a city, county, city and county, special district, or other local agency to submit to DFW a wildfire preparedness plan to conduct wildfire preparedness activities on land designated as a fire hazard severity zone (FHSZ) that minimizes impacts to wildlife and habitat for candidate, threatened, and endangered species. (Fish and Game Code 2089.01)

2) Requires the Office of the State Fire Marshal (SFM) to identify areas in the state as moderate, high, and very high FHSZ based on consistent statewide criteria and based on the severity of fire hazard that is expected to prevail in those areas. Requires FHSZs to be based on fuel loading, slope, fire weather, and other relevant factors including areas where winds have been identified by the SFM as a major cause of wildfire spread. (Government Code (GC) 51178)

3) Requires the SFM, by regulation, to designate FHSZs and assign to each zone a rating reflecting the degree of severity of fire hazard that is expected to prevail in the zone. Provides that no designation of a zone and assignment of a rating shall be adopted by the SFM until the proposed regulation has been transmitted to the board of supervisors of the county in which the zone is located at least 45 days before the adoption of the proposed regulation and a public hearing has been held in that county during that 45-day period. (Public Resources Code (PRC) 4203)

4) Requires the SFM to periodically review zones and, as necessary, revise FHSZs or their ratings or repeal the designation of FHSZs. (PRC 4204)

THIS BILL:

1) Authorizes DFW to impose a fee on a local agency for the cost of reviewing the wildfire preparedness plan submitted by that local agency, consistent with the DFW's fee authority.

2) Requires, upon an appropriation by the Legislature, in consultation with the SFM, and using existing data and information collected by DFW and SFM including, but not limited to, the State Board of Forestry and Fire Protection's (Board) California Vegetation Treatment Program, DFW to develop maps identifying critical habitats within lands designated as moderate, high, or very high fire hazard severity.

3) Requires DFW to update the maps at least once every five years.

4) Requires the maps to be made available to a city, county, city and county, special district, or other local agency for wildfire planning and preparedness purposes in order to protect life and property.

FISCAL EFFECT: Unknown

COMMENTS:

1) **Author's statement**:

> As our state continues to face the growing threat of wildfire, we must take action to ensure that we continue to improve and enhance our preparedness efforts. AB 846 will help our communities prepare for wildfire while ensuring that we continue to steward our endangered wildlife and habitats

2) **Fire hazard mapping**. FHSZs fall into three classification, moderate, high, and very high, based on consistent statewide criteria and based on the severity of fire hazard that is expected to prevail in those areas. FHSZ maps evaluate "hazard" based on the physical conditions that create a likelihood and expected fire behavior over a 30 to 50-year period without considering mitigation measures such as home hardening, defensible space, vegetation management, or fuel reduction efforts.

   The Department of Forestry and Fire Protection (CAL FIRE) uses the best available science and data at the time to develop and field test a model that serves as the basis of zone assignments. The model evaluates properties using characteristics that affect the probability of the area burning and potential fire behavior in the area. Many factors are considered, such as fire history, vegetation, flame length, blowing embers, terrain, weather and the likelihood of buildings igniting. In wildland areas, expected fire behavior is based on typical fire intensity on a normally severe fire weather day. The calculation also incorporates the potential of vegetation to be ignited by an ember and expectations based on fire history over the last 50 years. Each area of the map gets a score for flame length, embers, and the likelihood of the area burning. Scores are then averaged over the zone areas.

   The tiered FHSZs are mapped out for the state responsibility area (SRA), which are unincorporated, rural areas where wildfires tend to be frequent. Until February of this year, CAL FIRE had only mapped the very high FHSZs for the local responsibility areas (LRA), which includes incorporated cities, urban regions, agriculture lands, and portions of the desert where the local government is responsible for wildfire protection. CAL FIRE is in the process of rolling out moderate and high FHSZs for the LRA throughout the remainder of the year. CAL FIRE uses the same modeling data that are used to map the SRA to develop the FHSZs in the LRA. Creating maps is a laborious process that requires scrutinizing detailed data across the state, including small pockets of potentially flammable wildlands within cities, and then coordinating with hundreds of local jurisdictions for validation of the mapping.

3) **Critical habitats.** Habitat for many wildlife species is being altered by land use changes, human development, extreme weather, and climate change. Among weather disturbances, wildfire is a key threat to habitats for many species and fire activity is projected to continue to increase with warming and drying conditions in many locations across the earth. While fires create new habitats for some wildlife species (e.g., snags for cavity-nesting birds), fires

also remove vegetation structures that are essential habitats for other species. Understanding the availability and location of habitats for wildlife species affected by fire is an important component of post-fire planning for land managers. As an example, the US Geological Survey is coordinating with the state Department of Parks and Recreation to understand how the dual management goals of fire management and habitat conservation for overwintering monarch butterflies interact in tree groves along the California Coast. Should the trees die or important roosting branches collapse, monarchs may not return in the future, so understanding the fire hazard along the coast will inform protections for that critical species.

This bill requires DFW to develop maps identifying critical habitats within lands designated as moderate, high, or very high FHSZs. As the climate changes and wildfire hazards change, too, CAL FIRE will update the FHSZ maps; as such, this bill requires DFW to update its habitat maps every 5 years.

4) **Double referral**. This bill was heard in the Assembly Water, Parks and Wildlife Committee on April 8 and approved 13-0.

REGISTERED SUPPORT / OPPOSITION:

Support

Association of California Water Agencies
California Association of Winegrape Growers
California Cattlemen's Association
California Farm Bureau Federation
California Fire Chiefs Association
California Special Districts Association
City of Agoura Hills
City of Thousand Oaks
Fire Districts Association of California
League of California Cities
Mountain Counties Water Resources Association
Rural County Representatives of California
San Rafael/Marin County Council of Mayors & Council Members
Ventura County Fire Chiefs Association
Wine Institute

Opposition

None on file

Analysis Prepared by: Paige Brokaw / NAT. RES. /

Date of Hearing: April 21, 2025

ASSEMBLY COMMITTEE ON NATURAL RESOURCES
Isaac G. Bryan, Chair
AB 899 (Ransom) – As Amended April 3, 2025

SUBJECT: Beverage containers: glass wine bottles: market development

SUMMARY: This bill requires the Department of Resources Recycling and Recovery (CalRecycle) to pay a market development payment to container manufacturers that produce new glass wine bottles in the state.

EXISTING LAW establishes the Beverage Container Recycling and Litter Reduction Act (Bottle Bill) (Public Resources Code (PRC) 14500 *et seq*.), which:

1) Requires beverage containers, as defined, sold in-state to have a California redemption value (CRV) of 5 cents for containers that hold fewer than 24 ounces and 10 cents for containers that hold 24 ounces or more. Requires beverage distributors to pay a redemption payment to CalRecycle for every beverage container sold in the state. Provides that these funds are continuously appropriated to CalRecycle for, among other things, the payment of refund values and processing payments.

2) Defines "beverage" as:

    a) Beer and other malt beverages;
    b) Wine and distilled spirit coolers;
    c) Carbonated water;
    d) Noncarbonated water;
    e) Carbonated soft drinks;
    f) Noncarbonated soft drinks and sports drinks;
    g) Noncarbonated fruit juice drinks that contain any percentage of fruit juice;
    h) Coffee and tea drinks;
    i) Carbonated fruit drinks;
    j) Vegetable juice;
    k) Wine and sparkling wine; and,
    l) Distilled spirits. (PRC 14505)

3) Defines "beverage container" as the individual, separate bottle, can, jar, carton, or other receptacle in which a beverage is sold, and which is constructed of metal, glass, plastic, or any other material, or any combination of these materials. Specifies that "beverage container" does not include cups or other similar open or loosely sealed receptacles. (PRC 14505)

4) Establishes market development payments for glass beverage container manufacturers who purchase recycled glass collected within the state for use in manufacturing new beverage containers in the state, as specified. (PRC 14549.7)

5) Establishes a market development payment of up to $50 per ton for glass beverage container manufacturers who purchase recycled glass collected within the state to use in the

manufacturing of glass beverage containers in the state and appropriated $60 million annually through January 1, 2028. (PRC 14581)

THIS BILL:

1) Authorizes CalRecycle, subject to the availability of funds, to pay a market development payment to a container manufacturer who produces new glass wine bottles in the state that are intended to be sold to a beverage manufacturer in California.

2) Requires CalRecycle to determine the amount of the market development payment, but specifies it shall not exceed $200 per ton.

3) Prohibits CalRecycle from making a market development payment for the production of new glass wine bottles in excess of 25,000 tons per year per manufacturer.

4) Specifies that CalRecycle use unallocated funds, upon appropriation, from the glass market development payments authorized pursuant to PRC 14549.7 for purposes of the bill.

5) Defines "glass wine bottle" as a glass beverage container produced to contain wine.

6) States related legislative findings and declarations.

FISCAL EFFECT: Unknown

COMMENTS:

1) **Bottle Bill.** The Bottle Bill was established in 1986 to be a self-funded program that encourages consumers to recycle beverage containers and to prevent littering. The program accomplishes this goal by requiring consumers to pay a deposit for each eligible container purchased. Then the program guarantees consumers repayment of that deposit, the CRV, for each eligible container returned to a certified recycler. Statute includes two main goals for the program: (1) reducing litter; and, (2) achieving a recycling rate of 80% for eligible containers. Containers recycled through the Bottle Bill's certified recycling centers also provides a consistent, clean, uncontaminated stream of recycled materials with minimal processing.

2) **Eligible beverage containers**. Only certain containers containing certain beverages are part of the CRV program. Most containers made from glass, plastic, aluminum, and bimetal (consisting of one or more metals) are included. Containers for wine, spirits, milk, fruit juices over 46 ounces, vegetable juice over 16 ounces, and soy drinks have historically been excluded from the program. Container types that are cartons, pouches, and any container that holds 64 ounces or more have also historically been exempted. SB 1013 (Atkins), Chapter 610, Statutes of 2022, amended the program to include wine and distilled spirits, including those contained in boxes, bladders, pouches, or similar containers, beginning January 1, 2024. SB 353 (Dodd), Chapter 868, Statutes of 2023, further expands the program to include large containers for juice containers beginning January 1, 2026.

3) **Ways to redeem containers**. Consumers have four potential options to redeem their empty beverage containers:

a) Return the container to a "convenience zone" recycling center located within ½-mile radius of a supermarket. These are generally small centers that only accept beverage containers and receive handling fees from the Beverage Container Recycling Fund (BCRF). During 2019-20 FY, convenience zone recyclers redeemed about 30% of beverage containers.

b) Return to a dealer that accepts them. In convenience zones without a convenience zone recycler, beverage dealers, primarily supermarkets, are required to either accept containers for redemption or pay CalRecycle an "in lieu" fee of $100 per day. Few stores accept beverage containers for redemption.

c) Return the container to an "old line" recycling center, which refers to a recycler that does not receive handling fees and usually accepts large quantities of materials, frequently by truckload from municipal or commercial waste collection services. Traditional recyclers collect a little more than half of all CRV containers (58%).

d) Consumers can also forfeit their CRV and "donate" their containers to residential curbside recycling collection. In the 2019-20 FY, curbside programs collected about 12% of CRV containers. Curbside programs keep the CRV on these containers.

4) **Glass recycling**. California is home to four major glass bottle manufacturing plants, which collectively employ over 1,000 skilled glass workers.

5) **This bill**. By adding new container types to the Bottle Bill, SB 1013 and SB 353 increased revenues in the Beverage Container Recycling Fund (BCRF) due to an increase in unredeemed CRV funds. In order to incentivize recycling these new container types, SB 1013 allocated $60 million from the BCRF for glass market development payments. However, CalRecycle only awarded $4.2 million for market development payments in 2023 and $9.9 million for market development payments in 2024. This bill intends to use a portion of the remaining $60 million allocated by SB 1013 to incentivize the recycling of in-state recycled glass to be used by in-state beverage manufacturers.

6) **Author's statement**:

> AB 899 (Ransom) is a timely and critical measure to strengthen California's economy, environment, and public health by promoting domestically produced glass bottles. Unfairly subsidized imports, particularly from China, threaten local manufacturers, and recent tariffs on Chinese glass imports underscore the need for a resilient, sustainable supply chain. Many of California's glass plants face closure due to this unfair competition, putting local jobs and the state's glass production industry at risk. This bill incentivizes local glass production, creating jobs, reducing reliance on foreign imports, and supporting California's environmental goals through increased recycling and waste reduction. AB 899 would restore industry balance, ensure long-term economic sustainability, and puts California businesses and workers first.

REGISTERED SUPPORT / OPPOSITION:

Support

Glass Packaging Institute

Opposition

None on file

Analysis Prepared by: Elizabeth MacMillan / NAT. RES. /

Date of Hearing: April 21, 2025

ASSEMBLY COMMITTEE ON NATURAL RESOURCES
Isaac G. Bryan, Chair
AB 941 (Zbur) – As Introduced February 19, 2025

SUBJECT: California Environmental Quality Act: electrical infrastructure projects

SUMMARY: Establishes an expedited (270 day, with exceptions) timeline for the Public Utilities Commission (PUC) to complete California Environmental Quality Act (CEQA) review of "priority" electrical infrastructure projects (transmission lines and associated infrastructure).

EXISTING LAW:

1) Requires, pursuant to CEQA, lead agencies with the principal responsibility for carrying out or approving discretionary projects to prepare a negative declaration, mitigated negative declaration, or environmental impact report (EIR), unless the project is exempt from CEQA. CEQA includes several statutory exemptions, as well as categorical exemptions in the CEQA Guidelines. (Public Resources Code (PRC) 21000 *et seq.*)

2) Defines "project" as an activity which may cause either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, including an activity that involves the issuance of a lease, permit, license, certificate, or other entitlement for use by one or more public agencies. (PRC 21065)

3) For projects subject to state agency review, requires the lead state agency to establish time limits that do not exceed one year for completing and certifying EIRs and 180 days for completing and adopting negative declarations. Requires these time limits to be measured from the date on which an application is received and accepted as complete by the state agency. (PRC 21100.2)

4) Requires the PUC to certify the "public convenience and necessity" require a transmission line over 200 kilovolts (kV) before an investor-owned utility (IOU) may begin construction (Certificate of Public Convenience and Necessity, or CPCN). The CPCN process includes CEQA review of the proposed project. A CPCN confers eminent domain authority for construction of the project. A CPCN is not required for the extension, expansion, upgrade, or other modification of an existing electrical transmission facility, including transmission lines and substations. (Public Utilities Code (PUC) 1001)

5) Requires an IOU to obtain a discretionary permit to construct (PTC) from the PUC for electrical power line projects between 50-200 kV. A PTC may be exempt from CEQA pursuant to PUC orders and existing provisions of CEQA. IOU electrical distribution line projects under 50 kV do not require a CPCN or PTC from the PUC, nor discretionary approval from local governments, and therefore are not subject to CEQA. (PUC General Order (GO) 131-E)

THIS BILL:

1) Defines "electrical infrastructure project" as a project for the construction and operation of an electrical transmission line or power line, as defined by GO 131-E, and associated infrastructure, including substations and ancillary facilities, that requires discretionary approval by the PUC.

2) Defines "priority project" as any electrical infrastructure project that is one or more of the following:

    a) Approved by the Independent System Operator (ISO) in a transmission plan.

    b) For the purpose of interconnection of renewable generation resources to the electrical grid.

    c) A system upgrade project included in an ISO cluster study.

    d) Substation projects identified as necessary to support anticipated load growth as a result of the electrification of the state's energy supply.

3) For a priority project, requires the PUC to complete its CEQA review (certification of EIR; adoption of negative declaration, mitigated negative declaration, or addendum; or determination of exemption) and make a final determination on the project no later than 270 days after determining that the project application is complete.

4) Permits this 270-day time period to be extended if any of the following occurs:

    a) The commission is required to recirculate the EIR.

    b) Substantial changes are proposed in the project that may involve new significant environmental effects or a substantial increase in the severity of previously identified significant effects.

    c) Substantial changes occur with respect to the circumstances under which the project is undertaken that may involve new significant environmental effects or a substantial increase in the severity of previously identified significant effects.

    d) New information of substantial importance, that was not known and could not have been known with the exercise of reasonable diligence before the PUC publishes the notice of availability, is submitted that may require additional analysis and consideration.

5) Provides timelines for priority project applications, as follows:

    a) Requires the PUC, no later than 30 days after the filing of an application, to notify the applicant in writing of any deficiencies in the information and data submitted in the application.

    b) Requires the applicant, within 60 days of such notification, to correct any deficiencies or explain in writing why it is unable to do so and include an estimate of when it will be able to correct the deficiencies.

c) Requires the PUC to deem the application complete with a preliminary ruling setting the scope and schedule (1) no later than 30 days after submission of the application or (2) no later than 30 days after the applicant submits information in response to a notification of deficiencies, except when the applicant is notified during those 30 days that previously identified deficiencies remain.

FISCAL EFFECT: Unknown

COMMENTS:

1) **Background**. CEQA provides a process for evaluating the environmental effects of applicable projects undertaken or approved by public agencies. If a project is not exempt from CEQA, an initial study is prepared to determine whether the project may have a significant effect on the environment. If the initial study shows that there would not be a significant effect on the environment, the lead agency must prepare a negative declaration. If the initial study shows that the project may have a significant effect on the environment, the lead agency must prepare an EIR.

   Generally, an EIR must accurately describe the proposed project, identify and analyze each significant environmental impact expected to result from the proposed project, identify mitigation measures to reduce those impacts to the extent feasible, and evaluate a range of reasonable alternatives to the proposed project. Prior to approving any project that has received environmental review, an agency must make certain findings. If mitigation measures are required or incorporated into a project, the agency must adopt a reporting or monitoring program to ensure compliance with those measures.

   CEQA requires state and local lead agencies to establish time limits of one year for completing and certifying EIRs and 180 days for completing and adopting negative declarations. These limits are measured from the date on which an application is received and accepted as complete by the lead agency. Agencies may provide for a reasonable extension in the event that compelling circumstances justify additional time and the project applicant consents.

   Electrical transmission line projects are eligible for a number of CEQA exemptions pursuant to the CEQA Guidelines and GO 131-E. Only larger, high-voltage projects over 200 kV, which also require a CPCN, are consistently subject to complete CEQA review, including an EIR. According to PUC data, from 2012 to 2023, 608 projects have been exempted from CEQA, 29 projects have been approved via negative declaration, and 27 have required an EIR.

   GO 131-E specifically addresses the procedures to be followed in applications for siting of electric transmission infrastructure. GO 131-E establishes the distinction in the levels of review based on the voltage level of the project (under 50 kV, 50 to 200 kV, and above 200 kV) as described above. The PUC reviews permit applications under two concurrent processes: (1) an environmental review pursuant to CEQA, and (2) the review of project need and costs pursuant to PUC 1001 *et seq*. and GO 131-E.

   Prior to adoption of the predecessor to GO 131-E (GO 131-D) in 1994, the construction of projects below 200 kV did not require utilities to obtain a permit. In GO 131-D, the PUC

lowered that threshold to 50 kV, requiring most projects rated between 50-200 kV to obtain PTC.

SB 529 (Hertzberg), Chapter 357, Statutes of 2022, directed the PUC to revise GO 131-D to authorize a utility to use the PTC process or claim an exemption to seek approval to construct an extension, expansion, upgrade, or other modification to its existing transmission facilities regardless of the voltage level. In May 2023, the PUC opened a rulemaking to solicit comments that would revise the GO 131-D rules.

On January 30, 2025, the PUC adopted GO 131-E, replacing the previous GO 131-D. The new order establishes updated rules for the permitting, approval, and construction of electric transmission lines, substations, and generation facilities. It also clarifies and streamlines the regulatory process. Some of these reforms include:

- Allow applicant-prepared draft CEQA documents: Applicants may submit draft CEQA documents alongside their applications, providing an alternative pathway that can accelerate environmental review. This approach reduces duplication and allows applicants to complete much of the required analysis in advance, streamlining the overall permitting process.

- Require pre-filing consultation: Applicants are now required to meet with PUC staff at least six months before submitting their applications. This early engagement is intended to clarify requirements, address potential issues in advance, and support a more efficient and coordinated review process.

- Authorize pilot program to explore faster CEQA review: A pilot program will be created to track PUC CEQA review timelines and explore the potential for a faster CEQA review process for certain electric transmission projects.

- Implement presumption of need for projects: A "rebuttable presumption" will be implemented when the California Independent System Operator (CAISO) transmission planning process has already determined that a project is needed. This would streamline the CEQA review by removing CEQA's alternative analyses for projects already determined to be needed by the CAISO.

The expedited review timelines in this bill were proposed by several parties in the PUC proceeding, in the form of a proposed settlement. However, the PUC ultimately declined to adopt them.

2) **Author's statement**:

California has set bold targets to achieve carbon neutrality by 2045, but to get there, we must rapidly expand and modernize our electric grid. Right now, unnecessary permitting delays are slowing down essential energy projects, putting both our climate goals and grid reliability at risk. This is a simple bill that sets clear and reasonable deadlines while maintaining full public participation and rigorous environmental standards. We can have both a strong environmental review process and an efficient timeline to build the

infrastructure needed to transition to clean energy and protect our communities from the devastating impacts of climate change.

3) **Only the largest transmission line projects require EIRs**. As noted above, the default state agency review timeline for negative declarations is 180 days, so this bill's 270-day review timeline may only bite in cases with EIRs, where the existing review timeline is one year. As also noted above, in 12 years of data provided by the PUC, only 27 projects required an EIR.

4) **AB 3238 lite**. The 270-day review provision of this bill is similar to one of several provisions in AB 3238 (E. Garcia, 2024), which passed this committee, but was later held in Senate Appropriations. Some of the other provisions of AB 3238 were adopted by the PUC in the recent GO 131-E update. Notably, this bill lacks one of the exceptions included in AB 3238, which was intended to accommodate complications in Fish and Wildlife or Water Board permit reviews, such as the need for season-dependent biological surveys:

   (5) The commission, in consultation with the Department of Fish and Wildlife or the State Water Resources Control Board, if applicable, determines that additional time is necessary to obtain information and conduct surveys, including due to seasonal constraints.

   The author and the committee may wish to consider whether this exception should be added to this bill (on page 4, after line 17).

5) **Double referral**. This bill was heard in the Utilities and Energy Committee on April 2 and passed by a vote of 17-0-1.

REGISTERED SUPPORT / OPPOSITION:

Support

California Community Choice Association
California State Association of Electrical Workers
Clean Power Campaign
Climate Reality Project, San Fernando Valley
Coalition of California Utility Employees
Environmental Defense Fund
Independent Energy Producers Association
Invenergy
Large-scale Solar Association
Natural Resources Defense Council
Pacific Gas and Electric Company
San Diego Gas and Electric Company
Silicon Valley Leadership Group

Opposition

Anza-Borrego Foundation
Borrego Village Association
California Farm Bureau
California Overland Desert Excursions

Center for Biological Diversity
Environmental Center of San Diego
Escondido Creek Conservancy
Protect Our Communities Foundation
San Diego Bird Alliance
Tubbs Canyon Conservancy

Analysis Prepared by: Lawrence Lingbloom / NAT. RES. /

Date of Hearing: April 21, 2025

ASSEMBLY COMMITTEE ON NATURAL RESOURCES
Isaac G. Bryan, Chair
AB 982 (Carrillo) – As Amended April 7, 2025

SUBJECT: The Surface Mining and Reclamation Act of 1975: idle reserve mine status

SUMMARY: Authorizes a surface mining operation to apply for and request the Division of Mine Reclamation (DMR) to review and approve an application for Idle Reserve Mine Status.

EXISTING LAW, pursuant to the Surface Mining and Reclamation Act (SMARA) of 1975 (Public Resources Code 2710-2796):

1) Prohibits a person from conducting surface mining operations unless the lead agency for the operation issues a surface mining permit and approves a reclamation plan and financial assurances for reclamation. Depending on the circumstances, a lead agency can be a city, county, the San Francisco Bay Conservation and Development Commission, or the California State Mining and Geology Board (Board). Reclamation plans and financial assurances must be submitted to the director of the Department of Conservation (DOC) for review.

2) Defines "reclamation" as the combined process of land treatment that minimizes water degradation, air pollution, damage to aquatic or wildlife habitat, flooding, erosion, and other adverse effects from surface mining operations, including adverse surface effects incidental to underground mines, so that mined lands are reclaimed to a usable condition which is readily adaptable for alternate land uses and create no danger to public health or safety. The process may extend to affected lands surrounding mined lands, and may require backfilling, grading, resoiling, revegetation, soil compaction, stabilization, or other measures.

3) Requires the Board to impose an annual reporting fee for each active or idle mining operation.

4) Requires the Board to adopt regulations that establish state policy for the reclamation of mined lands in accordance with the intent of SMARA.

5) Requires lead agencies to require financial assurances of each surface mining operation to ensure reclamation is performed in accordance with the surface mining operation’s approved reclamation plan.

6) Requires the financial assurance to remain in effect for the duration of the surface mining operation and until the reclamation is complete. Requires the amount of financial assurance to be adjusted annually to account for new lands disturbed by surface mining operations, inflation, and reclamation of lands accomplished in accordance with the approved reclamation plan.

7) Requires lead agencies to conduct annual mine inspections to determine compliance with SMARA.

8) Defines "idle" when an operator of a surface mining operation has curtailed production at the surface mining operation, with the intent to resume the surface mining operation at a future date, for a period of one year or more by more than 90% of its maximum annual mineral production within any of the last five years during which an interim management plan (IMP) has not been approved.

9) Requires, within 90 days of a surface mining operation becoming idle, the operator to submit an IMP to the lead agency for review. Provides that the IMP review and approval is not considered a project for purposes of the California Environmental Quality Act (CEQA). Provides that the IMP is considered an amendment to the surface mining operation's approved reclamation plan.

10) Allows the IMP to remain in effect for a period not to exceed five years, at which time the lead agency shall renew the IMP for an additional period up to five years, which may be renewed for one additional five-year renewal period at the expiration of the first five-year renewal period, or require the operator to commence with reclamation.

11) Require financial assurances to remain in effect while the mine is idle.

12) Establishes a process for the lead agency to submit to the supervisor of DMR for review and certification of the IMP.

THIS BILL:

1) States the intent of the Legislature to minimize the waste of construction resources, while ensuring the timely reclamation of idle construction aggregate mines rather than allowing for indefinite delays in or avoidance of reclamation efforts.

2) Defines the following terms:

    a) "Construction aggregate material" as cinders, decomposed granite, decorative rock, dimension stone, fill dirt, limestone, pumice, rock, stone, sand, gravel, or both sand and gravel.

    b) "Reserves" as that part of the resource base that could be economically extracted or produced within the foreseeable future and usually referring to permitted resources. The term reserves need not signify that extraction facilities are in place and operative.

3) Authorizes a surface mining operation authorized for extraction of construction aggregate materials but currently idle, to apply for and request the DMR to review and approve an application for Idle Reserve Mine Status to determine whether all of the following conditions are met:

    a) The State Geologist determines the surface mining operation has a volume of reserves to address future infrastructure needs.

    b) The surface mining operation is not located on federal public land.

    c) The DMR has previously received fewer than 12 applications for Idle Reserve Mine Status within the same fiscal year in which the subject application is received.

i) If DMR concludes that all of the conditions in (a) and (b) above are met and approves an application for Idle Reserve Mine Status, and if the lead agency concurs with the DMR's review, the lead agency may extend the maximum renewal period that an interim management plan may remain in effect by up to 10 years in addition to the specified time frames if both of the following conditions are met:

(1) The applicant pays actual costs associated with the DMR's review in addition to the required fees.

(2) The approval of an application for Idle Reserve Mine Status does not renew the IMP for a period beyond the effective term of any applicable surface mining permit or reduce existing financial assurance obligations for reclamation pursuant to this bill.

4) Requires the lead agency to inspect a mine with approved Idle Reserve Mine Status in intervals of no more than 12 months, solely to determine whether the surface mining operation is in compliance with SMARA.

FISCAL EFFECT: Unknown

COMMENTS:

1) **Author's statement**:

> Assembly Bill 982 is crucial for the continued success of our local mining industry and the construction projects that rely on it. By allowing mines across California to extend their operations, we ensure that valuable resources are preserved for future use, reducing unnecessary shutdowns and costly transportation. In rural districts like mine, where mines are spread far apart, the closure of any mine forces longer travel for resources, which increases emissions and makes it harder to attract investment in local construction projects. This bill will help keep construction materials local, reducing fuel consumption, CO2 emissions, and traffic congestion. By supporting AB 982, we're investing in our local economy, job creation, and sustainable development, while ensuring that we have the resources to build the infrastructure our communities need and deserve.

2) **Mining in California**. According to the Legislative Analyst's Office, it was estimated that there were 47,000 abandoned mines in California in 2002, most of which dated from the late 19th and early 20th centuries. Today, there are 3,35 mines in California, more than a 1,000 of which are active to remove aggregate for building material, metals, and minerals. Mining operators are required under SMARA to develop and implement reclamation plans, which will return the mine to a condition where it can be used for another purpose after the mining operation is complete. Annual reports and inspections are intended to ensure that mining operators are making progress toward reclamation. Financial assurances are required to make sure there will be resources available to reclaim the mine. The state and lead agencies have an interest in properly reclaimed mines, because a surface mine is a large hole in the ground and can have many dangerous features. If the mine is reclaimed, the land can be returned to another use. If it is not, the state or the lead agency could be responsible for protecting the public from the dangers of the mine, cleaning up the mine, and reclaiming the mine.

3) **SMARA**. This suite of laws provides a comprehensive surface mining and reclamation policy with the regulation of surface mining operations to assure that adverse environmental impacts are minimized and mined lands are reclaimed to a usable condition. DMR and the Board are jointly charged with ensuring proper administration of SMARA's requirements. The Board promulgates regulations to clarify and interpret SMARA's provisions, and also serves as a policy and appeals board. DMR provides an ongoing technical assistance program for lead agencies and operators, maintains a database of mine locations and operational information statewide, and is responsible for compliance related matters.

4) **Current law for idle mines**. Under current law, mine operators can hit "pause" on their operations and idle their mines when/while it is not commercially viable to continue mining. Providing for idle status also helps prevent the abandonment of mines and ensure regulatory oversight and inspections continue until the mine is reclaimed.

   In 2011, the Legislature adopted SB 108 (Rubio), Chapter 491, Statutes of 2011, to amend the definition of an idle mine by taking a snapshot of a five-year period, rather than the life of the mine, to determine if production has been curtailed to the point where the IMP requirements should apply. The revised definition defined "idle mines" as those at which operations are curtailed for a period of one year or more by more than 90% of the maximum annual mineral production within any of the last five years during which an IMP has not been approved and where there is an intent to resume surface mining operations at a future date.

   The Legislature also adopted SB 143 (Rubio), Chapter 324, Statutes of 2012, to limit the total number of renewals of an IMP to two additional 5-year periods. This change was designed to prevent operators from using the IMP procedures to delay or avoid final reclamation obligations. Under these reform measures, a mine can remain idle up to 15 consecutive years.

5) **Idle reserve mine status**. This bill creates a new Idle Mine Reserve Status for which a mine, irrespective of any historic IMPs, can be idle for an *additional* 10 years beyond the existing idle timeframes (up to 15 years). In other words, with this bill, a mine can be idle for up to 25 years, and then be eligible for future idle years after activation, should the market decline for the mines materials.

   Construction aggregate facilities have been particularly prone to becoming idle, due to spikes in production from large infrastructure projects. The statutory definition of idle is a fall to less than 10% of a mining operation's maximum production of the five prior years when an IMP has not been approved. Spike production can significantly raise the bar on the minimum production needed to maintain at least 10% of the spike and not be idle. This can result in a site being forced into idle status, based on a single year of high production for a large infrastructure project. Further the construction materials market has seen significant reductions in construction aggregate demand in recent decades.

   The California Construction and Industrial Materials Association (CalCIMA), sponsor of the bill, feels that the impact of current law on operations whose mineral reserves are not currently needed for active mineral production, but which have significant amounts of mineral reserves still available, is forced, premature reclamation of essential, already-permitted mineral resources.

6) **What mines are covered?** The bill covers surface mining operations authorized for extraction of construction aggregate materials that are currently idle. (Secondary production of gold which does occur through gravity and water separation in some watersheds, would not preclude eligibility if authorized for construction aggregates.) According to CalCIMA, there are approximately 100 operations in the state that could be eligible for the proposed Idle Mine Reserve Status.

7) **Financial assurances**. Under current law, all surface mining operations must have financial assurances for reclamation that are approved by the lead agency, and the financial assurances are required to remain in effect during the period that the surface mining operation is idle. Additionally, within 30 days of an annual inspection, an operator is required to provide an annual financial assurance cost estimate to the lead agency for review.

   There are concerns that extending idle mines another 10 years further enables an operator to push off reclamation responsibilities.

REGISTERED SUPPORT / OPPOSITION:

Support

Associated Ready Mix Concrete, INC.
California Asphalt Pavement Association
California Construction & Industrial Materials Association
Granite Construction
Graniterock
Holliday Rock Company INC.
Knife River Construction
Lastrada Partners
Reed Family Companies
Robertson's Ready Mix, Ltd.
Stevens Creek Quarry, INC.
Vulcan Materials Company

Opposition

None on file

Analysis Prepared by: Paige Brokaw / NAT. RES. /

Date of Hearing: April 21, 2025

ASSEMBLY COMMITTEE ON NATURAL RESOURCES
Isaac G. Bryan, Chair
AB 1023 (Gipson) – As Amended March 24, 2025

SUBJECT: Coastal resources: coastal development permits and procedures: Zero Emissions Port Electrification and Operations project

SUMMARY: Requires a coastal development permit (CDP) associated with the Zero Emissions Port Electrification and Operations project, to be considered to be within the boundaries of the Los Angeles Harbor District (District), and would provide the Los Angeles Harbor Department the sole authority to review the permit application and issue an associated CDP on behalf of all jurisdictions ordinarily required to review the application.

EXISTING LAW, pursuant to the California Coastal Act of 1976 (Coastal Act):

1) Regulates development in the coastal zone and requires a new development to comply with specified requirements. (Public Resources Code (PRC) 30000)

2) Requires any person wishing to perform or undertake any development in the coastal zone, in addition to obtaining any other permit required by law from any local government or from any state, regional, or local agency, to obtain a CDP. (PRC 30600)

3) Defines "development" to mean, among other things, the placement or erection of any solid material or structure on land or in water. "Structure" includes, but is not limited to, any building, road, pipe, flume, conduit, siphon, aqueduct, telephone line, and electrical power transmission and distribution line. (PRC 30106)

4) Requires all new development to minimize risks to life and property in areas of high geologic, flood, and fire hazard; assure stability and structural integrity, and neither create nor contribute significantly to erosion, geologic instability, or destruction of the site or surrounding area or in any way require the construction of protective devices that would substantially alter natural landforms along bluffs and cliffs; be consistent with requirements imposed by an air pollution control district or the State Air Resources Board as to each particular development; minimize energy consumption and vehicle miles traveled; and, where appropriate, protect special communities and neighborhoods that, because of their unique characteristics, are popular visitor destination points for recreational uses. (PRC 30253 (f))

5) Requires a port master plan (PMP) to be prepared and adopted by each port governing body, and for informational purposes, requires each city, county, or city and county which has a port within its jurisdiction to incorporate the certified PMP in its local coastal program. Requires a PMP to include: (1) The proposed uses of land and water areas, where known; (2) The projected design and location of port land areas, water areas, berthing, and navigation ways and systems intended to serve commercial traffic within the area of jurisdiction of the port governing body; (3) An estimate of the effect of development on habitat areas and the marine environment, a review of existing water quality, habitat areas, and quantitative and qualitative biological inventories, and proposals to minimize and mitigate any substantial adverse impact; (4) Proposed projects listed as appealable; and, (5) Provisions for adequate

public hearings and public participation in port planning and development decisions. (PRC 30711)

THIS BILL:

1) Defines "project" as the Zero Emissions Port Electrification and Operations project or ZEPEO, an electric grid expansion project for the Port of Los Angeles (POLA) undertaken by the Los Angeles Department of Water and Power that will add at least 200 megawatts of electrical power for POLA and the surrounding communities through the expansion of Receiving Station Q at the existing Harbor Generating Station, expansion of Receiving Station C in the City of Wilmington, construction of a switching station in the City of Wilmington, construction of new distribution lines, and construction of new network stations at each container terminal and at Outer Harbor.

2) Requires, if a CDP application that is associated with the project is required to be reviewed by more than one jurisdiction pursuant to this bill, that permit to be considered to be within the boundaries of the Los Angeles Harbor District, and the Los Angeles Harbor Department shall have sole authority to review the application and issue the applicable CDP.

3) Provides that the project as approved by the Los Angeles Harbor Department shall be deemed compliant with the land use plan of each local jurisdiction.

4) Prohibits the project from including the deployment, purchase, or installation of any fully automated cargo handling equipment or POLA-owned or POLA tenant-owned infrastructure supporting the charging or fueling of fully automated cargo handling equipment.

5) Requires any additional development project to install infrastructure or purchase or deploy equipment at a terminal within the boundary of the POLA's PMP that is not exempt from a CDP to require a separate CDP in conformity with the POLA's PMP.

6) Requires a state agency that receives a permit application for a permit required for the project, or an additional project associated with the completion of the project to review and render a decision on the issuance of that permit within 90 days of submission of the application, or provides that the permit shall be deemed issued.

7) Finds and declares that a special statute is necessary because of the unique need to finish the ZEPEO project in the POLA before the target completion date of 2030 and to prepare for the 2028 Olympic Games in the City of Los Angeles.

8) Provides that no reimbursement is required by the California Constitution.

FISCAL EFFECT: Unknown

COMMENTS:

1) **Author's statement**:

> AB 1023 will lead to improved air quality for my constituents and the entire Southern California region by expediting the Port of LA's $500 million grid upgrade project to replace diesel cargo handling equipment with zero emissions

alternatives. The bill simply reduces permitting redundancies by consolidating multiple CDPs into one that can be heard by the LA Harbor District. This is how CDP's are typically handled when the project is entirely on port property, but since a small portion of the project will be adjacent to port property, the bill is needed to clarify that the City of LA and the Coastal Commission don't also need to issue CDP's. The bill also puts timelines on state agencies to process permits associated with the project since this work compliments the state's goals of reducing emissions by transitioning diesel.

2) **San Pedro Bay Ports Clean Air Action Plan (CAAP)**. Updated in 2017, the San Pedro Bay Ports CAAP is a comprehensive strategy for accelerating progress toward a zero-emissions future while protecting and strengthening the ports' competitive position in the global economy. Since 2005, port-related air pollution emissions in San Pedro Bay have dropped 91% for diesel particulate matter, 72% for nitrogen oxides, and 98% for sulfur oxides. Targets for reducing greenhouse gases (GHG) from port-related sources were introduced as part of the 2017 CAAP. The document calls for the ports to reduce GHGs 40% below 1990 levels by 2030 and 80% below 1990 levels by 2050.

3) **Zero Emissions Port Electrification and Operations project**. Last October, POLA was awarded $412 million grant from the US Environmental Protection Agency's (US EPA) Clean Ports Program to support the zero-emission transition at the port. POLA and its private sector partners will match the US EPA grant with an additional $236 million, bringing the total new investment in zero-emission programs to $644 million. The new funding will go toward purchasing nearly 425 pieces of battery electric, human-operated zero-emission-cargo-handling equipment, installing 300 new zero-emission charging ports and other related infrastructure, and deploying 250 zero-emission drayage trucks. The grant will also provide for $50 million for a community-led zero-emission grant program, workforce development, and related engagement activities.

   POLA needs increased electrification to accommodate the zero-emission equipment, but ZEPEO is not eligible for funding under the Clean Ports Program as part of the Inflation Reduction Act of 2022 as it is a stand-alone utility upgrade.

4) **Coastal Act**. The California Coastal Commission (Commission) administers the Coastal Act and regulates proposed development along the coast and in nearby areas. Generally, any development activity in the coastal zone requires a CDP from the Commission or local government with a certified local coastal plan (LCP). Eighty-five percent of the coastal zone is currently governed by LCPs drafted by cities and counties, and certified by the Commission. In these certified jurisdictions, local governments issue CDP detailed planning and design standards. There are 14 jurisdictions without LCPs – also known as "uncertified" jurisdictions – where the Commission is still the permitting authority for CDPs.

   Los Angeles does not have a certified LCP; therefore, leans on the Commission to approve CDPs for projects in its jurisdictions. The Harbor Department has a certified PMP, which, under the Coastal Act, is an equivalent document to a LCP, but is limited to approving CDPs for projects under the PMP at the port. The Harbor Department has been issuing CDPs with the Commission's approval since its PMP was certified in 1980.

5) **This bill**. AB 1023 provides that if a CDP application that is associated with ZEPEO is required to be reviewed by more than one jurisdiction under the Coastal Act, then that CDP

is considered to be within the boundaries of the District, and the Los Angeles Harbor Department will have sole authority to review the application and issue the applicable CDP.

The bill is consolidating the authority of any other local agency into one – the District's. The scope of ZEPEO covers multiple agencies that would be required to issue a CDP: the City of Los Angeles (for any work in the Single Jurisdiction part of the Coastal Zone); the City of LA and the Commission (for any work in a Dual Jurisdiction part of the Coastal Zone); and, the Harbor Department for any work inside the PMP boundary. Potentially, the Port of Long Beach could be included as ZEPEO will install conduits across Cerritos Channel (and across Port of Long Beach Jurisdiction) to distribute power to Terminal Island.

The bill provides that ZEPEO, as approved by the Los Angeles Harbor Department, would be deemed compliant with the land use plan of each local jurisdiction. Further, the bill provides only 90 days for review of any other permit application required by any other agency for the project, and deems that permit approved after 90 days. These provisions effectively do two things: (1) usurp the local authority of any jurisdiction with a certified land use plan, and (2) null and void any state review and permit approval for virtually any permit, aside from a CDP, from an agency that can't turn around approval in 90 days (which could be due to incomplete application submission on behalf of the project proponent; iterative application revisions between the project proponent and the state agency; staff and resource limitations, etc.). This can include permits from the State Lands Commission, Department of Fish and Wildlife, the Public Utilities Commission, the Department of Transportation, and potentially others.

6) **There are other options.** Under the Coastal Act, a consolidated CDP can be approved where a CDP is required from both the County and the Commission and the separate permits are consolidated and processed by the Coastal Commission only. The consolidated permit process requires consent by the applicant, the County, and the Commission. The Harbor District has been working with the Commission on the ZEPEO project, which may be eligible for a waiver, or even an exemption, from a CDP.

7) **Double referral**. This bill is also referred to the Assembly Transportation Committee.

8) **Committee amendments**. In light of the administrative options for the projects, the *committee may wish to consider* amending the bill as follows:

   a) Restructure PRC 30651 (a) to acknowledge the administrative processes to approve a waiver, exemption, or a consolidated permit for this project under the Coastal Act.

   b) Strike PRC 30651 (b).

   c) Strike PRC 30652 and replace with language requiring the Department of Transportation to follow procedures consistent with current law when reviewing permit applications.

REGISTERED SUPPORT / OPPOSITION:

Support

Central City Association of Los Angeles
Futureports

Harbor Association of Industry & Commerce
Inland Empire Economic Partnership
International Longshore & Warehouse Union Local 13
International Longshore & Warehouse Union Local 63
International Longshore & Warehouse Union Local 94
Janice Hahn, Board Supervisor, Los Angeles
Los Angeles Area Chamber of Commerce
Los Angeles Cleantech Incubator
Los Angeles County Economic Development Corporation
Mobility 21
Port of Los Angeles
Propeller Club of Los Angeles/ Long Beach
Rotary Club of Wilmington
San Pedro Chamber of Commerce
San Pedro Property Owners Alliance
Valley Industry and Commerce Association

Opposition

Pacific Maritime Association

Analysis Prepared by: Paige Brokaw / NAT. RES. /

Date of Hearing: April 21, 2025

ASSEMBLY COMMITTEE ON NATURAL RESOURCES
Isaac G. Bryan, Chair
AB 1075 (Bryan) – As Amended April 2, 2025

SUBJECT: Fire protection: privately contracted firefighters: public water sources

SUMMARY: Prohibits privately contracted firefighters from hooking up their equipment to public water sources for use during an active fire incident, unless approved by incident command or the authority having jurisdiction over the active fire incident.

EXISTING LAW, pursuant to Health and Safety Code (HSC) 14868:

1) Requires the Office of the State Fire Marshal (OSFM), in collaboration with the Department of Forestry and Fire Protection (CAL FIRE) and the board of directors of the FIRESCOPE Program, to develop regulations to govern the use of equipment used by privately contracted private fire prevention resources during an active fire incident. Requires the regulations to include, but not be limited to, the following:

    a) All equipment shall be clearly labeled nonemergency.

    b) Privately contracted private fire prevention resource vehicles shall not use emergency lights or sirens.

    c) Privately contracted private fire prevention resource vehicles shall not have any labeling that indicates emergency personnel or fire department.

2) Authorizes the OSFM to consult with both private sector entities that provide privately contracted private fire prevention resources and public sector fire agencies before developing the regulations.

FISCAL EFFECT: Unknown

COMMENTS:

1) **Author's statement**:

> AB 1075 would protect municipal water systems by prohibiting private firefighters from hooking up to public water sources. During the Palisades and Eaton Fires, LA residents were asked to limit their water usage to minimize demands on water systems. Similarly, private firefighters working for a select few individuals should limit their reliance on these systems. Public fire hydrants are a public good and we must preserve them for use by official fire departments during a fire incident.

2) **Los Angeles fires**. On January 7, multiple mega fires erupted in Los Angeles (LA) and were fanned by the Santa Ana Winds blowing at hurricane force speeds, spreading embers and igniting structure fires miles beyond the limits of the active fires. The Los Angeles fires burned an area nearly the size of Washington, D.C., killed 28 people, and damaged or

destroyed nearly 16,000 structures, according to CAL FIRE. AccuWeather projects damage and economic losses at more than $250 billion; others project the fires have damaged or destroyed $350 billion in public infrastructure alone.

3) **Firefighting LA fires**. As firefighters were contending with the extraordinary circumstances with strong winds and bone-dry conditions, the local water systems got overwhelmed and failed. Three million gallons of water (enough water to cover 2 football fields in a foot of water) were stored in three large tanks for fire hydrants in the area before the Palisades fire, but the supply was exhausted because of the extraordinary nature of this urban-wildland fire. Because of the high water demand fighting multiple fires concurrently, pump stations at lower elevations did not have enough pressure to refill tanks at higher elevations, and the ongoing fire hampered the ability of crews to access the pumps. The issue wasn't water shortage; Orange County Water District, which supplies groundwater to the north half of the county, has enough supply to carry its 2.5 million customers through the worst of any potential droughts for 3 to 5 years**.** The Metropolitan Water District of Southern California — which serves 19 million people mostly with imported water — also has an abundance, "with a record 3.8 million acre-feet of water in storage." That's enough water to supply 40 million people for a year. Also, reservoirs are full, but they are not close to the fire – meaning it takes a herculean effort to transport the amount of water needed close in order to be effective. Further, hydrants are used to extinguish 1-2 structure fires, not wildland fires. (Wildland firefighters don't use hydrants — they use water tenders)

   The hydrants running dry, however, fed into fears about available water supplies that are accessible to firefighters to successfully douse fire before it spreads to other homes.

4) **Private fire fighters.** Private firefighters are increasingly being hired by wealthy individuals to protect their properties during wildfires. A two-person private firefighting crew with a small vehicle can cost $3,000 a day, while a larger crew of 20 firefighters in four fire trucks can run to $10,000 a day, according to Grayback Forestry, a private firefighting company in Oregon.

   Demand for private firefighting has been rising as wildfires have grown in ferocity and frequency over the past several decades. About 45% of all firefighters working in the United States today are employed privately, according to the National Wildfire Suppression Association. The majority of them work as government contractors fighting wildfires supplementing local firefighting teams when needed.

   The extent of the role private firefighters played in protecting certain businesses and homes in the Palisades is still emerging.

5) **Whose water is it anyway?** Public firefighters pull water from hydrants – municipal water supplies – to fight structure fires, and rely on tenders to fight fires in the wildland urban interface. Firefighters can also use lakes, ponds, and even pool water for additional water resources. Private firefighters rely on the same sources, creating competition with the fire crews serving and protecting the public.

   AB 2380 (Aguiar Curry), Chapter 634, Statutes of 2018, requires private firefighters arriving in an evacuation zone to check in with the local incident commander and follow any of the commander's instructions, including leaving the scene when asked. The private firefighters

are not allowed to use the same radio frequency as government firefighters to communicate with each other, must mark their vehicles as "nonemergency," and avoid using sirens. The law doesn't prevent private firefighters from hooking up to public fire hydrants.

6) **This bill.** AB 1075 prohibits privately contracted firefighters from hooking up their equipment to public water sources for use during an active fire incident, unless approved by incident command or the authority having jurisdiction over the active fire incident

7) **Double referral**. This bill was heard in the Assembly Emergency Management Committee on April 7 and approved 6-1.

8) **Committee amendments**. To clarify terms used in the bill, the committee may wish to consider amending the bill to amend HSC 14868 (a)(4) to replace the term "firefighters" with "fire prevention resources."

REGISTERED SUPPORT / OPPOSITION:

Support

California Professional Firefighters

Opposition

None on file

Analysis Prepared by: Paige Brokaw / NAT. RES. /

Date of Hearing: April 21, 2025

ASSEMBLY COMMITTEE ON NATURAL RESOURCES
Isaac G. Bryan, Chair
AB 1086 (Muratsuchi) – As Amended March 28, 2025

SUBJECT: Marine Carbon Initiative

SUMMARY: Requires the Air Resources Board (ARB) to establish the Marine Carbon Initiative and sets forth the objectives of the initiative, including advancing the body of research and scientific understanding of marine carbon dioxide removal (CDR) and sequestration.

EXISTING LAW:

1) Requires ARB, pursuant to California Global Warming Solutions Act of 2006 [AB 32 (Núñez), Chapter 488, Statutes of 2006], to:

   a) Adopt a statewide greenhouse gas (GHG) emissions limit equivalent to 40% below 1990 levels by 2030 and to 85% below 1990 levels by 2045.

   b) Authorizes ARB to adopt a regulation that establishes a system of market-based declining annual aggregate emission limits for sources or categories of sources that emit GHG emissions, applicable until December 31, 2030. Under this authority, ARB adopted a cap and trade regulation that applies to large industrial facilities and electricity generators emitting more than 25,000 metric tons of carbon dioxide equivalent per year, as well as distributors of fuels, including gasoline, diesel, and natural gas.

   c) Requires any reduction of GHG emissions used for compliance purposes to be real, permanent, quantifiable, verifiable, enforceable, and additional. (Health & Safety (HSC) Code 38500 *et seq.*)

2) Requires ARB to establish a Carbon Capture, Removal, Utilization, and Storage Program to, among other things, evaluate the efficacy, safety, and viability of carbon capture and storage and CDR technologies and facilitate the capture and sequestration of carbon dioxide from these technologies, where appropriate. (HSC 39741.1)

THIS BILL:

1) Defines the following terms:

   a) "Marine CDR" as an intentional intervention in the marine environment that results in the net removal of carbon dioxide from the upper hydrosphere or atmosphere as measured on a life-cycle basis, taking into account all GHGs measured in carbon dioxide equivalents.

   b) "Marine carbon dioxide sequestration" means an intentional intervention in the marine environment that results in the durable storage of carbon dioxide in the ocean, excluding any mechanical injection of carbon dioxide into the seabed.

2) Establishes the Marine Carbon Initiative, which shall consist of all of the following:
   a) The Marine Carbon Council (Council);

b) The Marine Carbon Research Program (Program); and,
c) An expedited marine carbon research program permitting process.

3) Establishes the objectives of the Marine Carbon Initiative as all of the following:
   a) Advancing the body of research and scientific understanding of marine CDR and sequestration, particularly by enabling in-ocean testing, field trials, and pilot programs;

   b) Evaluating the environmental and ecosystem responses, and social and economic impacts, of marine CDR and sequestration to coastal communities within California;

   c) Understanding the labor, logistics, and supply chain implications of marine CDR and sequestration in California; and,

   d) Producing recommendations for the potential commercial deployment of safe and effective marine CDR and sequestration in the state.

4) Requires ARB to establish, on or before April 2, 2026, the Council to advance the science and understanding of marine CDR and sequestration methods and technologies, consistent with the terms and objectives of this bill.

5) Requires the Council's objectives to include evaluating all of the following:
   a) Best practices for measuring, reporting, and verifying marine CDR and sequestration methods and technologies;

   b) The sustainability of marine CDR and sequestration projects through life-cycle assessment; and,

   c) Potential commercialization pathways for marine CDR and sequestration in California.

6) Requires the Council to consist of seven members chosen by ARB on or before July 1, 2026.

7) Requires ARB to issue a public call for nominations for councilmembers and select the councilmembers from among those nominated through this public process. Requires ARB to ensure councilmembers are drawn from various sectors and represent different areas of expertise relevant to marine CDR and sequestration, including representatives from industry, universities, federal laboratories, or nonprofit organizations with specialized knowledge.

8) Requires ARB to consider the following qualifications for Council membership:
   a) Expertise in marine carbon removal and sequestration chemistry and biology;

   b) Expertise in ocean ecosystem marine ecology;

   c) Demonstrated commitment to conservation and restoration of marine ecosystems through background, work experience, community engagement, or other activities ARB deems relevant; and,

   d) Demonstrated commitment to advancing scientific understanding of nascent technologies through background, work experience, community engagement, or other activities the state board deems relevant.

9) Requires ARB to ensure the Council includes members representing a balance of geographic interests in California by ensuring that no more than any three members reside in the same county. Requires ARB, to the extent practicable, ensure a fair and balanced apportionment of sectors and areas of expertise.

10) Requires, if ARB sees a sufficient cause for removing or replacing a councilmember or if a councilmember sends a formal resignation request to ARB, ARB to issue a public call for nominations within 60 days of the date the member leaves the Council.

11) Requires the Council to do all of the following:

    a) Identify the gaps in scientific understanding of marine CDR, including, but not limited to, all of the following:
        i) Ocean alkalinity enhancement;

        ii) Electrochemical engineering approaches;

        iii) Macroalgae cultivation;

        iv) Nutrient fertilization;

        v) Artificial upwelling and downwelling;

        vi) Coastal marine ecosystems as a natural climate solution; and,

        vii) Other marine CDR approaches ARB considers appropriate.

    b) Identify the gaps in scientific understanding of marine carbon dioxide sequestration, including, but not limited to, all of the following:
        i) Mineralization;

        ii) Biomass sinking; and,

        iii) Other marine carbon dioxide sequestration approaches ARB considers appropriate.

    c) Identify and coordinate with credible efforts underway or planned to establish the necessary knowledge to close the gaps in scientific understanding identified by the Council.

    d) Provide approaches and recommendations to establish the necessary knowledge to close the gaps in scientific understanding identified by the Council.

    e) Provide expert advice as requested from state agencies or officials on the topic of marine CDR and sequestration.

    f) Identify opportunities for partnerships among state and federal agencies, academia, industry, and other members of the marine CDR and sequestration community in support of the Program.

g) Evaluate and provide recommendations for the potential establishment of marine carbon research hubs or facilities in California and potential pathways to enable those hubs or facilities to administer certain aspects of marine CDR or sequestration research projects.

h) Provide support for the Program.

i) Take other actions requested by the state board to support the advancement of research and demonstration of marine CDR and sequestration methods and technologies.

12) Authorizes the Council to do any of the following:
   a) Seek input and coordinate with relevant federal, state and local governmental agencies;
   b) Seek input from public and private universities; and,
   c) Identify support from public and private funding to advance and support marine CDR and sequestration field studies and other research methods.

13) Requires, on or before July 1, 2027, ARB to establish the Program and administer the Program in coordination with the Council.

14) Requires the Program to award grants on a competitive basis, and other financial incentives ARB may designate, for eligible marine CDR and sequestration projects.

15) Requires eligible marine CDR and sequestration projects to comply with both of the following:
   a) Have at least one partner organization based in California, or a contractor or staff member who resides in California; and,

   b) Include only technology research, development, and demonstrations, and prototype and pilot project research testing.

16) Requires ARB to do all of the following:
   a) In addition to any other authorized method of providing moneys to participants, consider and adopt the use of financial incentives;

   b) Direct the Council to establish guidelines or other standards for the Program, including guidelines to balance environmental and community impacts and priorities with the needs of eligible projects under the Program;

   c) Consult with the State Water Board, the DFW, SLC, local air quality management districts and local air pollution control districts, regional water quality control boards (regional water boards), and other relevant local, state, or federal agencies, to ensure program moneys support achieving the state's climate targets, to the extent feasible;

   d) Make reasonable efforts to ensure the Program is implemented in a manner consistent with the objectives; and,

   e) Ensure that projects that receive funding or financial incentives under the Program provide publicly available annual updates to the council summarizing their research, in accordance with any format or other requirements established by ARB or the Council.

17) Requires ARB to establish, in consultation with the relevant state agencies and offices, an expedited marine carbon research program permitting process for projects that receive funding pursuant to the Program. The expedited permitting process shall ensure that permit applications are reviewed and decided in six months or less.

18) Requires the issued permits to encompass all required state reviews, licenses, and approvals as may be required by the following agencies or offices: the California Coastal Commission, Department of Fish and Wildlife (DFW), Natural Resources Agency (NRA), Ocean Protection Council (OPC), State Lands Commission (SLC), the State Water Resources Control Board (State Water Board), and regional water boards.

19) Excludes any city or county permit or license requirement, or business entity formation permit or license requirement from the expedited permitting process.

20) Requires ARB to coordinate with other state departments and agencies to ensure an integrated approach to implementation of the Program, including the California Coastal Commission, DFW, NRA, OPC, SLC, the State Water Board, and regional water boards.

21) Requires, on or before January 1, 2027, and biennially thereafter, the Council to submit a report to the Legislature that, at minimum, summarizes the findings and progress of the Council in its work, including the work completed under the Program.

22) Requires, upon appropriation by the Legislature, $2 million to be allocated to ARB annually for no less than seven years to fund the Program.

23) Provides that this bill does not limit or otherwise alter the authority of ARB, including, without limitation, the acceptance or inclusion of marine CDR and sequestration projects under the Carbon Capture, Removal, Utilization, and Storage Program.

FISCAL EFFECT: Unknown

COMMENTS:

1) **Author's statement**:

> The climate crisis is here and now. As our planet's largest carbon sink, our oceans can play a big part in helping us achieve our climate goals. However, there is a limit to how much carbon dioxide they can absorb until they reach their breaking point. If we can safely and effectively remove carbon dioxide from our oceans we can help it absorb more from the atmosphere and give us a fighting chance at keeping our planet below 2 degrees Celsius and avoid the worst effects of climate change. By jumpstarting research and streamlining permitting, AB 1086 will catalyze marine carbon dioxide removal to help California continue its role as a global climate leader.

2) **Oceans as carbon sink**. The ocean, covering 70% of Earth's surface, includes much of the global capacity for natural carbon sequestration, and great potential for uptake and long term sequestration of human produced CO_2 because, per unit volume, seawater holds nearly 150

times more CO_2 than air. According to the University of California, Davis, oceans currently absorb roughly 25% of the CO_2 emitted from anthropogenic activities annually. As atmospheric CO_2 levels increase, so do the CO_2 levels in the ocean. Scientific observations have measured ocean CO_2, increasing in proportion to the rise in atmospheric CO_2, but there may be a saturation limit. Scientists have observed clear regional deviations from this correlative pattern, suggesting that there is no guarantee that sequestration will remain as robust with time.

3) **Carbon capture and sequestration**. Carbon Capture and Storage (CCS, also sometimes referred to as carbon capture and sequestration) is the process of capturing CO_2 that is formed during combustion or industrial processes and putting it into long-term storage so that it is not emitted into the atmosphere. Once the CO_2 is captured, it may be compressed and chilled (depending on the storage situation), and transported to an appropriate storage site, usually by pipelines and/or ships and occasionally by trains or other vehicles. To store the CO_2, it is injected into deep, underground geological formations, such as former oil and gas reservoirs, deep saline formations, and coal beds.

   SB 905 (Caballero), Chapter 359, Statutes of 2022, requires ARB to establish a Carbon Capture, Removal, Utilization, and Storage Program to evaluate the efficacy, safety, and viability of carbon capture, utilization, or storage technologies and CDR technologies and facilitate the capture and sequestration of CO_2 from those technologies, where appropriate. The projects covered under SB 905 would include those that capture CO_2 from point sources or from the atmosphere and permanently store it in specialized geologic formations, typically half a mile or more underground. SB 905 prohibits the transfer of CO_2 via pipeline until the U.S. Department of Transportation's Pipelines and Hazardous Materials Safety Administration completes its rulemaking to update existing CO_2 pipeline safety requirements, making CCS or CDR projects that would require a pipeline to transfer CO_2 currently on hold in California. SB 905 did not recognize ocean CDR as a covered technology.

   SB 905 requires ARB, by January 1, 2025, to adopt regulations creating a unified state permitting application for approval of CCUS and CDR projects. In 2023-24, ARB received contract funding and minimal limited-term positions to begin the regulations. The Governor's proposed 2025-26 budget requests full permanent staffing for SB 905 positions to complete the regulations.

   The report by the International Panel on Climate Change, *Climate Change 2022: Mitigation of Climate Change*, states "[t]he deployment of CDR to counterbalance hard-to-abate residual emissions is unavoidable if net zero CO_2 or GHG emissions are to be achieved." ARB's AB 32 Scoping Plan, the state's roadmap for reducing GHGs and achieving carbon neutrality, acknowledges that to achieve carbon neutrality, mechanical CDR will need to be deployed. Mechanical CDR incudes direct air capture (DAC), a chemical scrubbing processes that capture CO_2 through absorption or adsorption separation processes; mineral carbonation, which involves rapid mineralization of CO_2 at the Earth's surface; and, others, that could include, but the Scoping Plan doesn't discuss, ocean CDR.

   If CCS doesn't come to full fruition under SB 905 due to pipeline restrictions, marine CDR may be a technology to assist in the effort to achieve the state's 2045 carbon neutrality goals.

4) **Ocean CDR technology.** The University of California, Los Angeles (UCLA) is behind a new technology company that is building a seawater CDR system that could be used off California. The company, Equatic, uses an electrolytic process developed by scientists at UCLA's Institute for Carbon Management. Seawater has contained dissolved inorganic carbon (DIC) for millions of years, and is in effect oversaturated with respect to calcium carbonate (as exemplified by the stability of sea shells). The Equatic process uses this fact to immobilize new and historic CO_2. The seawater flows through a mesh that allows an electrical charge to pass into the water, rendering it alkaline. This kicks off a set of chemical reactions that ultimately combines dissolved CO_2 with calcium and magnesium native to seawater, producing limestone and magnesite by a process similar to how seashells form. The seawater that flows out would then be depleted of dissolved CO_2 and ready to take up more. A co-product of the reaction, besides minerals, is hydrogen, which can be used as a clean fuel.

   The technology is being demonstrated with two pilots, one at the Port of Los Angeles and one in Singapore. Each of these plants removes ~100 kilogram of CO_2 per day. Equatic has designed and built novel, two-chamber, flow-through electrolytic reactors and is validating and optimizing their performance with the two pilots. The pilots also verify that CO_2 is being effectively removed from the atmosphere.

   The net extent of CO_2 removal accomplished by the Equatic process, and any others that may be considered, must be measurable, verifiable, reportable, additional, and durable. In addition, the potential for leakage, the environmental impact, and co-benefits must be considered.

   Other ocean CDR technologies are also on the horizon. In October 2023, the U.S. Department of Energy announced $36 million from the Sensing Exports of Anthropogenic Carbon through Ocean Observation (SEA-CO2) program to advance marine CO_2 capture and storage technologies.

5) **Creating recognition for marine CDR**. This bill requires ARB to establish the Marine Carbon Initiative to advance the body of research and scientific understanding of marine CDR and sequestration. The initiative would require the Council to advance the science and understanding of marine carbon dioxide removal and sequestration methods and technologies; the Program to award grants and other financial incentives for eligible marine CDR and sequestration projects; and, an expedited marine carbon research program permitting process.

   Sufficient, reliable funding over a consistent stretch of time is needed for scientific research. The Trump Administration's reductions to federal workforces, which includes scientists, and the proposed funding cuts to scientific research will likely imperil much of the science-based policy making coming out of the United States. As such, to fund the Program, the bill requires $2 million to be allocated to ARB annually for at least 7 years. While there is merit to that appropriation, the author may wish to consider working with the Governor's office and the Budget Committee to support funding for the Program through the budget process.

6) **Double referral**. This bill is also referred to the Assembly Water, Parks & Wildlife Committee.

7) **Committee amendments**. The *committee may wish to consider* amending the bill to give ARB more time to develop the Program; require the Council to provide recommendations to ARB; and, clarify ARB's role in project permitting.

8) **Related legislation**. AB 2572 (Muratsuchi, 2024) requires ARB to develop criteria to determine whether an ocean CDR project is environmentally safe and sustainable, and to qualify environmentally safe and sustainable projects for inclusion in state carbon credit programs. This bill was held in the Assembly Appropriations Committee.

REGISTERED SUPPORT / OPPOSITION:

Support

Altasea
Braid Theory
Brineworks
C Worthy
Captura
Ephemeral
Equatic Tech INC
Floofah
Larta Institute
Ocean Visions
Project 2030
RJR Consulting
Tma Bluetech

Opposition

Biofuelwatch
Deep Ocean Stewardship Initiative

Analysis Prepared by: Paige Brokaw / NAT. RES. /

Date of Hearing: April 21, 2025

ASSEMBLY COMMITTEE ON NATURAL RESOURCES
Isaac G. Bryan, Chair
AB 1143 (Bennett) – As Amended April 1, 2025

SUBJECT: State Fire Marshal: home hardening certification program

SUMMARY: Requires the Office of State Fire Marshal (OSFM) to develop a home hardening certification program that identifies the best appropriate combination of products and construction assemblies and convene and facilitate a workgroup for such purposes, as specified.

EXISTING LAW:

1) Requires the OSFM to develop and make available a Wildland-Urban Interface (WUI) Fire Safety Building Standards Compliance training intended for use in the training of local building officials, builders, and fire service personnel. (Health & Safety Code (HSC) 13159.5)

2) Requires the OSFM to develop and update on a regular basis a WUI Products listing of products and construction assemblies that comply with Chapter 7A (commencing with Section 701A.1) of Part 2 of Title 24 of the California Code of Regulations, or any appropriate successor regulatory code, for various products. (HSC 13159.5)

3) Requires the OSFM to identify areas in the state as moderate, high, and very high fire hazard severity zones (FHSZs) based on consistent statewide criteria and based on the severity of fire hazard that is expected to prevail in those areas. Requires FHSZs to be based on fuel loading, slope, fire weather, and other relevant factors including areas where winds have been identified by the Office of the SFM as a major cause of wildfire spread. (Government Code (GC) 51178)

4) Requires a person who owns, leases, controls, operates, or maintains an occupied dwelling or occupied structure in, upon, or adjoining a mountainous area, forest-covered land, shrub-covered land, grass-covered land, or land that is covered with flammable material, which area or land is within a very high FHSZ designated by the local agency to, at all times, maintain a defensible space of 100 feet from each side and from the front and rear of the structure, as provided. Requires the Board to adopt regulations for an ember-resistant zone for the elimination of materials that would likely be ignited by embers. (GC 51182)

5) Requires the OSFM to establish the Wildfire Mitigation Advisory Committee to provide a public forum to solicit and consider public input on programs and activities and to advise the Deputy Director of Community Wildfire Preparedness and Mitigation in developing and implementing programs and activities. (Public Resources Code 4209.4)

THIS BILL:

1) Authorizes the OSFM, in researching and developing the products listing, the educational and training provisions, and developing the home hardening certification program and convening and facilitating the workgroup, to expend funds from the Building Standards Administration Special Revolving Fund, upon an appropriation by the Legislature.

2) Requires, on or before January 1, 2027, the OSFM to develop a home hardening certification program that identifies home hardening measures, including defensible space, that can be implemented during renovation and/or property improvement projects to substantially reduce the risk of loss during a fire and bring existing building stock into alignment with the provisions of Part 7 of Title 24 of the California Code of Regulations.

3) Requires the OSFM, in consultation with the California Building Standards Commission, to convene and facilitate a workgroup that includes, but is not limited to, the following representatives:

   a) A representative from the insurance industry;
   b) A representative from a nonprofit scientific research and communications organization;
   c) A representative from a nonprofit consumer advocacy organization;
   d) A representative from a county in a high or very high FHSZ;
   e) A representative from a city in a high or very high FHSZ;
   f) A representative from a homebuilder in California; and,
   g) A representative who serves as a building official.

FISCAL EFFECT: Unknown

COMMENTS:

1) **Author's statement**:

   > California's wildfire destruction has reached a tipping point. As the wildfires in Southern California have shown fires are now sweeping into urban areas in new, more intense and uncontrollable ways. We must do more to ensure that homes are more than just superficially hardened, and take a holistic, science-based, approach. AB 1143 moves us towards an evidence based approach by directing the State Fire Marshal to develop a certification program that provides homeowners a voluntary option for a holistic home hardening approach.

2) **Fire risk.** The 2020 fire season broke numerous records. Five of California's six largest fires in modern history burned at the same time, with more than 4.3 million acres burned across the state, double the previous record. The Los Angeles (LA) fires this year burned an area nearly the size of Washington, D.C., killed 28 people, and damaged or destroyed nearly 16,000 structures, according to the Department of Forestry and Fire Protection (CAL FIRE).

   The LA Fires were fanned by the Santa Ana Winds blowing at hurricane force speeds, spreading embers and igniting structure fires miles beyond the limits of the active fires. Ember casts were flying in several directions, sometimes switching course throughout the day. During intense windstorms, embers become fiery invaders of homes. Embers driven by raging winds through small openings or against exposed wood can be responsible for igniting a majority of fires in homes.

   The ember-driven nature of the wildfire can help explain why, in some neighborhoods, some homes remain standing next to homes that have burned to the ground. A home that is more fire resistant — with diligence paid to sealing up openings that can let embers in — can stand a better chance of surviving a cloud of embers. According to the LA Fire Department, the

embers could also get caught up in the "eves of a house, get in through the attic vent or gather up under an exposed wooden deck – and then the house is burning and another potential ember cast is created." Maintaining defensible space in conjunction with home hardening can significantly reduce the risk of structure fire ignition.

3) **California WUI Code.** The purpose of the California WUI Code establishes minimum standards to increase the ability of a building to resist the intrusion of flames or burning embers projected by a vegetation fire and contributes to a systematic reduction in conflagration losses. The WUI code applies to all new buildings for which an application for a building permit is submitted on or after July 1, 2008. The WUI code requires prior to a building permit final approval that the property must be in compliance with required vegetation management requirements.

4) **Defensible space**. The defensible space requirements for all structures within the state responsibility area (SRA) and very high FHSZ is 100 feet. CAL FIRE additionally requires the removal of all dead plants, grass, and weeds, and the removal of dry leaves and pine needles within 30 feet of a structure. In addition, tree branches must be 10 feet away from a chimney and other trees within that same 30 feet surrounding a structure. Pursuant to AB 3074 (Friedman), Chapter 259, Statutes of 2020, the Board of Forestry will adopt regulations for an ember-resistant zone (Zone 0).

   Statistics show that during the 2022 Oak fire in Mariposa County, homes which were compliant with defensible space standards were six times more likely to survive an advancing wildfire. Home owners are responsible for maintaining defensible space around their property, but research shows barriers homeowners typically face related to completing defensible space work include prohibitive costs and/or time constraints, inadequate motivation to comply, and incomplete understanding of the nature of the risk to their home.

   For the last 60 years, CAL FIRE has employed 95 defensible space instructors under its Defensible Space Inspection Program to enforce defensible space rules and work with residents to help them understand what specific steps they need to take to create defensible space for their home. In 2023, CAL FIRE inspected 299,273 homes. By working the seasonal Defensible Space Inspectors for a full 9-months and adding more permanent staff, CAL FIRE more than doubled the properties previously inspected. Inspections also allow a property owner to ask a fire professional directly about other wildfire preparedness measures to take.

   The impending Zone 0 regulations will require a significant paradigm shift for homeowners and tenants regarding defensible space standards. CAL FIRE estimates that very few properties will initially be compliant with the new zero to five-foot ember-resistant zone, once the regulations are adopted. CAL FIRE inspectors will likely be required to spend additional time at each property explaining the requirements of the Zone 0 requirements, which will likely lead to an increase in workload and the inability to inspect as many properties within the same time frame.

5) **Home hardening**. Applicable to all new developments located in the SRA and the VHFHSZs in local responsibility areas (LRA), California's Building Code Chapter 7A is intended to reduce the vulnerability of homes to wildfire. Home hardening includes vegetation management compliance and building materials used to resist the intrusion of flames or embers projected by a wildland fire. It can be applied to new construction or for

retrofitting an older home. Home hardening considers the relationship between a structure and its exposure to nearby combustible features such as vegetation, vehicles, accessory buildings, or even miscellaneous structures like a fence.

California's wildfire building code went into effect in 2008 and mandates fire-resistant siding, tempered glass, vegetation management, and ignition-resistant roofs, standards for vents, decks, under eves, siding, windows, gutters, vents for attics and crawlspaces designed to resist embers and flames. These standards, which are periodically updated, have been shown to work. An analysis by the Sacramento Bee showed that approximately 51% of the 350 single-family homes built after 2008 in the path of the Camp Fire were undamaged. By contrast, only 18% of the 12,100 homes built prior to 2008 escaped damage. Existing structures are not mandated to be retrofitted to the Chapter 7A standard. Property owners and tenants are highly encouraged to adopt best management practices to harden a home from wildfire. CAL FIRE recently created a low cost retrofit list with a number of home retrofits that can be completed at relatively minimal cost.

6) **SFM inspector program**. SB 190 (Dodd), Chapter 404, Statutes of 2019, required the SFM to develop a model defensible space program and various manuals, guidance documents and handbooks related to fire safety building standards, and defensible space. The course goals include:

   - Provide local building officials, builders, and fire service personnel online training on how to access, interpret, and comply with the California Building Code Chapter 7A Materials and Construction Methods for Exterior Wildfire Exposure.

   - Provide local building officials, builders, and fire service personnel online training on how to access and utilize the OSFM Building Materials Listing Program (BML), Building Materials Listing Search Tool and OSFM Listed WUI Handbook.

   - Provide a building officials, builders, and fire service personnel documentation for completion of the online training.

7) **This bill**. Governor Newsom's Executive Order N-4-25 issued January 7, 2025 states that "efforts to rebuild should include measures to increase community resilience, harden homes, and ensure defensible space to build resilience to future wildfires, to the greatest extent practicable."

   AB 1143 creates a certification program to certify homes that are hardened and maintain defensible space. Overwhelming majorities of LA County voters support strengthening building codes and imposing greater restrictions on home construction in high-risk areas following January's devastating Palisades and Eaton fires, according to a new poll from the UC Berkeley Institute of Governmental Studies. Eighty percent of those polled backed tougher building codes to make homes more fire resistant even if doing so added to costs. Seven out of 10 wanted more regulations to curb homebuilding in wildfire-prone neighborhoods.

   The National Institute of Building Sciences (NIBS) released the results of a study in 2018 in which it determined that hazard mitigation funding saves six dollars in future disaster costs for every dollar invested.

8) **Certification**: **what does it get you?** Certifying a home that it meets various standards will not guarantee the provision of insurance, nor will it guarantee that the structure is fire-proof. Certification may provide some peace of mind that the property owner has taken the required steps to substantially reduce risk of a fire, but the state shouldn't be in the position of certifying something without an assurance backing up that certification. Instead of certification, the author may wish to work with the OSFM to identify potential alternatives to certification.

9) **Double referral**. This bill was heard in the Assembly Emergency Management Committee on April 7 and approved 7-0.

10) **Committee amendments**. In lieu of developing a new workgroup, the *committee may wish to consider* instead directing the OSFM's Wildfire Mitigation Advisory Committee develop the certification program.

11) **Related legislation**. AB 1457 (Bryan) requires CAL FIRE's defensible space and home hardening training program to additionally provide training consistent with the "Home Ignition Zone/Defensible Space Inspector" course plan, established by the OSFM, and deletes the January 1, 2026, sunset date on that program. This bill is referred to the Assembly Appropriations Committee.

REGISTERED SUPPORT / OPPOSITION:

Support

California Apartment Association
California Fire Chiefs Association
California Professional Firefighters
Fire Districts Association of California
Independent Insurance Agents & Brokers of California, INC.
League of California Cities

Opposition

None on file

Analysis Prepared by: Paige Brokaw / NAT. RES. /

Date of Hearing: April 21, 2025

ASSEMBLY COMMITTEE ON NATURAL RESOURCES
Isaac G. Bryan, Chair
AB 1243 (Addis) – As Amended April 10, 2025

SUBJECT: Polluters Pay Climate Superfund Act of 2025

SUMMARY: Establishes the Polluters Pay Climate Superfund Program (Program). Requires the California Environmental Protection Agency (CalEPA) to determining the total amount of damage caused to the state by covered fossil fuel emissions from 1990 to 2045, and assess a cost recovery demand against responsible parties to be used to fund the Program to be used to fund qualifying expenditures, as specified.

EXISTING LAW:

1) Under federal law:

    a) Establishes, under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), a Federal "Superfund" to clean up uncontrolled or abandoned hazardous waste sites, as well as accidents, spills, and other emergency releases of pollutants and contaminants into the environment. Authorizes the United States Environmental Protection Agency (US EPA) to seek out parties responsible for any release and assure their cooperation in the cleanup. (42 United States Code (USC) 9601 *et seq.*)

2) Under state law:

    a) Requires the Air Resources Board (ARB), pursuant to California Global Warming Solutions Act of 2006 [AB 32 (Núñez), Chapter 488, Statutes of 2006], to:

        i) Adopt a statewide greenhouse gas (GHG) emissions limit equivalent to 40% below 1990 levels by 2030 and to 85% below 1990 levels by 2045.

        ii) Authorizes ARB to adopt a regulation that establishes a system of market-based declining annual aggregate emission limits for sources or categories of sources that emit GHG emissions, applicable until December 31, 2030. Under this authority, ARB adopted a cap and trade regulation that applies to large industrial facilities and electricity generators emitting more than 25,000 metric tons of carbon dioxide equivalent per year, as well as distributors of fuels, including gasoline, diesel, and natural gas.

        iii) Requires any reduction of GHG emissions used for compliance purposes to be real, permanent, quantifiable, verifiable, enforceable, and additional. (Health & Safety Code (HSC) 38500 *et seq.*)

    b) States, under the California Climate Crisis Act, that it is the policy of the state to achieve net zero GHG emissions no later than 2045, and to ensure that by 2045 statewide anthropogenic GHG emissions are reduced to at least 85% below the 1990 level. (HSC 38562.2 *et seq.*)

c) Establishes the Greenhouse Gas Reduction Fund (GGRF) to receive the moneys raised through the auction of allowances under cap-and-trade, and to be appropriated annually by the Legislature for the purpose of reducing GHG emissions in the state. (HSC 39719)

THIS BILL establishes the Polluters Pay Climate Superfund Act (Act), which:

1) Defines terms used in the Act, including:

   a) "Cost recovery demand" as a charge assessed against a responsible party for compensatory cost recovery payments.

   b) "Costs" as direct and indirect costs in current dollars to the state, local and tribal governments, and California residents incurred and projected to be incurred into the future to prepare for, prevent, adapt, or respond to the damages and harms associated with the impacts of covered fossil fuel emissions.

   c) "Covered fossil fuel emissions" as the total quantity of GHG emissions released into the atmosphere during the covered period, expressed in metric tons of carbon dioxide equivalent, attributable to the extraction, production, refining, sale, or combustion, including by third parties, of fossil fuels or petroleum products.

   d) "Covered period" as the time between January 1, 1990 and December 21, 2024.

   e) "Notice of cost recovery demand" as the written or electronic communication informing a responsible party of the amount of cost recovery demand due.

   f) "Qualifying expenditures" as expenditures for projects and programs within the state to mitigate, adapt, or respond to the damages and harms from climate change, as well as ongoing operation and maintenance for specified projects or programs. Qualifying expenditures include expenditures for projects and programs that mitigate or adapt to climate change and its impacts to the state, local and tribal governments, and California residents, including:

      i) Community disaster preparedness, including structure hardening, evacuation planning, remediation, emergency response, and planning;

      ii) Energy efficiency and resiliency;

      iii) Green workforce development and job training;

      iv) Regenerative agricultural practices; and,

      v) Natural system protections.

   g) "Responsible party" as an entity, as specified, that:

      i) Holds or held a majority ownership or interest in a business engaged in extracting or refining fossil fuels during the covered period or is a successor in interest to the entity;

      ii) Did business in the state during any part of the covered period; and,

iii) CalEPA determines that more than one billion metric tons of covered fossil fuel emissions, in aggregate globally, are attributable to the entity during the covered period.

h) "Total damage amount" as the costs determined by CalEPA in its climate cost study of past and future climate damages and harms from January 1, 1990, up to, and including, December 31, 2045, attributable to covered fossil fuel emissions.

2) Establishes the Program to require fossil fuel polluters to pay their fair share of the damage caused by covered fossil fuel emissions, thereby relieving a portion of the burden to address costs otherwise borne by current and future California taxpayers. The Program:

a) Requires a responsible party, as determined by CalEPA, to be strictly liable for a cost recovery demand.

b) Each responsible party to pay its cost recovery demand to CalEPA on and after January 1, 2026.

c) Requires CalEPA to determine and publish a list of responsible parties within 90 days of the effective date of the bill.

d) Requires CalEPA to conduct or commission a climate cost study to be completed within one year of the effective date of the bill, which:

i) Includes the cost-driving effects of covered fossil fuel emissions on the state, local and tribal governments, and California residents, as specified;

ii) Includes a calculation of the costs incurred since January 1, 1990, and projected to be incurred into the future through December 31, 2045, as specified;

iii) A list to identify potential harms and incurred since January 1, 1990, and protected to be incurred into the future through December 31, 2045;

iv) A calculation of the total damage amount;

v) An assessment of potential qualifying expenditures meeting specified requirements; and,

vi) An analysis of climate impacts to local and tribal government budgets, including increased costs for infrastructure maintenance, emergency services, natural disaster recovery, and public health.

e) Requires CalEPA to determine and assess a cost recovery demand for each responsible party based on publicly reported data on the operations and production of the fossil fuel industry and the best available and most up-to-date Intergovernmental Panel on Climate Change emissions factors for GHG inventories within 60 days of completion of the climate cost study based on the proportionate share percentage of each responsible party, as specified. Requires CalEPA to update the climate cost study not less than every five years.

f) Requires CalEPA to establish procedures for an entity to challenge its designation as a responsible party or its cost recovery demand.

g) Authorizes CalEPA to adjust a responsible party's cost recovery demand if the party establishes that a portion of its cost recovery demand is attributable to another responsible party or the fossil fuel extracted by another responsible party was accounted for by the other responsible party.

h) Requires CalEPA to establish funding criteria and guidelines in accordance with the climate cost study for programs and projects that are eligible as qualifying expenditures funded from moneys collected pursuant to the bill.

i) Requires, every five years until December 31, 2045, the Legislative Analyst's Office to conduct an independent evaluation of the Program to be provided to the Governor, the President pro Tempore of the Senate, and the Speaker of the Assembly to determine the effectiveness of the Program.

3) Establishes the Fund, which, upon appropriation, shall be used to implement the Program. Specifies that moneys in the Fund be expended on qualifying expenditures in accordance with the climate cost study, updates to the study, and guidelines and criteria established pursuant to the bill so that:

   a) Not less than 40% of the moneys are expended for projects and programs that directly benefit disadvantaged communities facing climate impacts; and,

   b) Programs and projects include an assessment and implementation of strategies to increase employment opportunities and job quality.

4) Requires CalEPA to conduct regular consultations with the Integrated Climate Adaptation and Resiliency Program, ARB, the Environmental Justice Advisory Committee, the State Water Resources Control Board, the Natural Resources Agency, the State Energy Resources Conservation and Development Commission, the Office of Emergency Services, the Strategic Growth Council, the State Department of Public Health, the Office of Environmental Health Hazard Assessment, the California Coastal Commission, the Public Utilities Commission, the Attorney General, and other appropriate public agencies and nongovernmental entities.

5) Requires CalEPA to adopt regulations to implement the Act within 180 days of the effective date of the bill.

6) Authorizes CalEPA to prescribe, adopt, and enforce any emergency regulations as necessary to implement, administer, and enforce its duties under the bill.

7) Authorize CalEPA and the Attorney General to enforce the requirements of the Act and to assess fees for late payments of cost recovery demands.

8) Authorizes the Secretary of State to revoke or suspend the business license of a responsible party that fails to comply with the Act.

9) Specifies that the Act does not relieve the liability of an entity for damages resulting from climate change or preempt, displace, or restrict the rights or remedies of a person, the state, local governments, or tribal governments under law relating to specified allegations.

10) Specifies that the Act does not preempt or supersede any state law, local ordinance, regulation, policy, or program, as specified.

11) Specifies that any remedies provided in the Act are in addition to other remedies provided by law, as specified.

12) Specifies that the provisions of the Act are severable.

13) States related legislative findings and declarations.

14) Contains an urgency clause.

FISCAL EFFECT: Unknown

COMMENTS:

1) **Climate impacts in California**. California is already experiencing the harmful effects of climate change, including an increase in extreme heat events, drought, floods, wildfire, and sea level rise. According to the most recent California Climate Change Assessment, by 2100, the average annual maximum daily temperature is projected to increase by 3.1 - 4.9°C (5.6 - 8.8°F), water supply from snowpack is projected to decline by two-thirds, the average area burned in wildfires could increase by 77%, and up to 67% of Southern California beaches may completely erode due to sea level rise without large-scale human intervention.

2) **Climate costs**. The consequences of climate change come with a huge, and increasing, price tag. In 2020, wildfires in California amounted to economic losses of over $19 billion. A February 2025 report estimated the cost of property damage alone from the 2025 Los Angeles wildfires to be between $28.0 and $53.8 billion. Costs associated with environmental damage, loss of life, healthcare, business disruptions, and other economic impacts are estimated to be between $250 billion to $275 billion.

   The Natural Resources Defense Council (NRDC) estimates that under a business-as-usual scenario, between the years 2025 and 2100, the cost of providing water to the western states in the US will increase from $200 billion to $950 billion per year, nearly 1% of the United States gross domestic product.

   A 2015 economic assessment by the Risky Business Project estimated that if current global GHG emission trends continue, between $8 billion and $10 billion of existing property in California is likely to be underwater by 2050, due to sea level rise. Moreover, a study by researchers from the United States Geological Survey (USGS) estimates that by 2100, roughly six feet of sea level rise and recurring annual storms could impact more than 480,000 California residents (based on 2010 census data) and $119 billion in property value (in 2010 dollars).

   Climate change has effects beyond economic losses that are impossible to quantify. Physical health, mental health, food security, and other impacts affect people and communities. The

monumental costs of inaction far outweigh the costs of efforts to mitigate climate change.

3) **Legal precedents**. This bill is modeled after other laws that are designed to mitigate the costs of environmental damage.

   CERCLA, or Superfund, provides a Federal "Superfund" to finance the cleanup of hazardous waste sites. Under CERCLA, the US EPA has the authority to identify responsible parties to either perform cleanups or reimburse the government for US EPA-led cleanup efforts. Where there is no viable responsible party, CERLA provides for funding and authority for the US EPA to preform cleanup work.

   CERLA liability is retroactive, meaning parties may be held liable for acts that happened before CERCLA's enactment in 1980, joint and several (any one potentially responsible party may be held liable for the entire cleanup of the site when the harm caused by multiple parties cannot be separated), and strict (a responsible party cannot simply say that it was not negligent or that it was operating according to industry standards; if a responsible party sent some amount of the hazardous waste found at the site, that party is liable).

   The Childhood Lead Poisoning Prevention Act assesses compensatory fees against lead paint and leaded gas producers to fund programs to screen and treat lead poisoning in children. The program requires the Department of Public Health to collect the fee annually, based on the polluter's market share responsibility for environmental lead contamination. In a challenge by a petroleum company to its allocation, the California Court of Appeals found "there was a reasonable basis for the department to allocate the lead program fee in the manner it did, based on the gasoline industry's responsibility for contaminating the environment with lead."

   In the last year, New York and Vermont have enacted their own Climate Superfund laws. Vermont's law, the Climate Superfund Act, allows the state to recover financial damages from fossil fuel companies for the impacts of climate change to Vermont. Funds collected will support climate adaptation projects. The implementation strategy for the law is expected by July 1, 2025, and the formal rulemaking process is expected to begin in early 2026.

   New York's Climate Change Superfund Act, establishes a cost recovery program that requires companies that have significantly contributed to the buildup of GHGs in the atmosphere to bear a share of the costs for needed infrastructure investments to adapt to climate change.

   Similar legislation has been introduced in Maryland (HB 1438 and SB 958), Massachusetts (HB 872 and SB 481), and New Jersey (AB 4696 and SB 3545). Last year Senator Menjivar introduced SB 1147, which was substantially similar to this bill.

4) **Carbon majors**. Carbon Majors is a database of historical production data from 180 of the world's largest fossil fuel and cement producers operated by InfluenceMap, a nonprofit think tank. First published first in 2013 by Richard Heede, the Carbon Majors report describes the GHG contributions attributable to major fossil fuel companies. According to the April 2024 report:

> This project was undertaken to trace the origin of anthropogenic CO2 and methane to the world's largest extant producers of carbon fuels and cement. The primary driver of climate change is not current emissions, but cumulative (historic) emissions. This project quantifies and traces for the first time the lion's share of cumulative global CO2 and methane emissions since the industrial revolution began to the largest multinational and state-owned producers of crude oil, natural gas, coal, and cement. These fuels, used as intended by billions of consumers, have led to the most rapid increase in atmospheric CO2 of the last 3 million years and the highest concentration of CO2 of the last 800,000 years.

The report found that just 90 fossil fuel-producing entities (the so-called "carbon majors") were responsible for 63.4% of global industrial GHG emissions between 1751 and 2010.

5) **Attribution science**: Developments in recent years in a new type of research called "attribution science" (or "even attribution") can help determine if climate change made extreme weather and weather-related events more severe and more likely to occur, and if so, by how much. Extreme weather events have always existed, but climate change is increasing the frequency, number, and severity of these events. Attribution science is intended to quantify climate change's relative influence on these events.

   In implementing Vermont's Climate Superfund, a recent feasibility report produced by the Vermont Agency of Natural Resources reports that attribution science has developed in the past two decades, enabling researchers to link the emissions of individual actors to damages on a national level, with experts describing a full causal chain from emissions to impacts. Further development of this science will be necessary to address the full scope of climate impacts covered in Vermont by the Climate Superfund.

6) **Paying the price**. The costs of climate change, including the costs of climate disaster recovery, adaptation, and mitigation will continue to climb and must be paid. Should those costs be borne by the companies most involved in the production and sale of fossil fuels, or by the Californians unlucky enough to live through the disasters that result? This bill is intended to require those who profited from the production of fossil fuels to cover the costs of the damage done to the climate by their use.

   According to the Carbon Majors dataset, there are only 133 global entities that have ever produced over a billion tons of CO2-equivalent GHG emissions (through a combination of their own operations as well as those associated with the combustion of their products). Of those 133, only 26 operate in the United States. Of those 26, it is not apparent which have generated over one billion metric tons of GHG emissions or have done business in California. Regardless, this bill will likely impact relatively few entities as responsible parties.

7) **This bill**. This bill is intended to shift the burden of paying for the high costs of climate change from California taxpayers to the businesses that have profited off the fossil fuel industry.

8) **Author's statement**:

> The Central Coast has faced the devastating impacts of climate change, from floods and wildfires to coastal erosion. This year's fires in Los Angeles serve as a stark reminder that collective inaction has catastrophic consequences for all Californians. AB 1243 will provide critical relief to impacted communities. We can't deny that climate change is real, and we must take action now to prepare and rebuild after these devastating events.

9) **Double referral**. This bill has also been referred to the Assembly Judiciary Committee.

10) **Related legislation**.

SB 684 (Menjivar) is substantially similar to this bill. SB 684 has been referred to the Senate Judiciary Committee.

SB 1497 (Menjivar, 2024) was substantially similar to this bill. It was held on the Senate Inactive File.

REGISTERED SUPPORT / OPPOSITION:

Support

1000 Grandmothers
198 Methods
350 Bay Area Action
350 Conejo/San Fernando Valley
350 Contra Costa Action
350 Humboldt
350 Marin
350 Sacramento
350 Santa Barbara
350 Southland Legislative Alliance
350 Ventura County Climate Hub
350.org
Action for the Climate Emergency
Active San Gabriel Valley
Alliance of Californians for Community Empowerment
American Academy of Pediatrics, California
American Federation of State, County and Municipal Employees
American Lung Association
Asian Pacific Environmental Network
Avaaz
Azul
Ballona Institute
Bay Area-System Change Not Climate Change
Benioff Ocean Science Laboratory
Better APC
Better Future Project
Beyond Extreme Energy
Bicycling Monterey
Biofuelwatch
Black Women for Wellness Action Project
CA Youth Vs. Big Oil
California Association of Professional Employees
California Businesses for Climate Justice
California Calls
California Climate Voters
California Environmental Justice Alliance Action
California Environmental Voters
California Federation of Teachers
California Green New Deal Coalition
California Institute for Biodiversity
California Interfaith Power & Light
California National Organization for Women
California Nurses Association
California Nurses for Environmental Health and Justice
California Working Families Party
Californians Against Waste
Campaign for a Safe and Healthy California

Carbon Cycle Institute
CCAN Action Fund
Center for Biological Diversity
Center for Community Action and Environmental Justice
Center for Developing Leadership in Science
Center for Environmental Health
Center on Race, Poverty and the Environment
Central California Asthma Collaborative
Central California Environmental Justice Network
Cerbat
CFT- a Union of Educators & Classified Professionals, AFT, AFL-CIO
Church and Society of First Presbyterian Church of San Anselmo
Church and Society, First Presbyterian
Clean Water Action California
Cleanearth4kids.org
Climate Action California
Climate Action Campaign
Climate Defenders
Climate Equity Policy Center
Climate First: Replacing Oil & Gas
Climate Hawks Vote
Climate Health Now
Climate Reality Project San Diego
Climate Reality Project San Fernando Valley Chapter
Climate Reality Project San Francisco Bay Area Chapter
Climate Reality Project, California Coalition
Climate Reality Project, Orange County
Coalition for Clean Air
Coalition for Humane Immigrant Rights
Coastal Defenders
Coastal Lands Action Network
Communities for a Better Environment
Conejo Climate Coalition
Consumer Attorneys of California
Consumer Watchdog
Courage California
Culver City Democratic Club
Dayenu: a Jewish Call to Climate Action
Defend Ballona Wetlands
Democrats of Rossmoor
Dr. Bronner's
Earth Ethics, INC
Eco Office of ASUC Senator China Duff
Eko
Elders Climate Action
Elected Officials to Protect America
Endangered Habitats League
Environmental Center of San Diego
Environmental Defense Center
Evergreen Action
Extinction Rebellion San Francisco Bay Area
Facts Families Advocating for Chemical and Toxics Safety
Food & Water Watch
Fossil Free California
Fossil Free Media
Fractracker Alliance
Fridays for Future Sacramento
Friends Committee on Legislation of California
Friends of the Earth
Friends of the River
Glendale Environmental Coalition
Good Neighbor Steering Committee of Benicia
Great Basin Land & Water
Greenfaith
Greenpeace USA
Grid Alternatives
Human Impact Partners
ILWU Northern California District Council
Immaculate Heart Community Environmental Commission
Individual Climate Scientists & Environmental Science Experts
Individual Economists
Indivisible CA Statestrong
Indivisible Marin
Little Manila Rising
Long Beach Alliance for Clean Energy
Los Angeles Climate Reality Project
Los Angeles County Democratic Party
Los Angeles Faith & Ecology Network
Make Polluters Pay National Campaign
Mill Valley Seniors for Peace
Mothers Out Front Silicon Valley
Move LA
Natural Resources Defense Council
NextGen California

No Drilling Contra Costa
NorCal Elder Climate Action
Oil & Gas Action Network
Oil Change International
Our Revolution
Our Time to ACT
Oxfam America
Pacific Environment
Physicians for Social Responsibility - Los Angeles
Physicians for Social Responsibility - Pennsylvania
Physicians for Social Responsibility - Sacramento Chapter
Physicians for Social Responsibility - San Francisco Bay Area Chapter
Poder
Presente.org
Protect Monterey County
Protect Playa Now
Public Citizen
Reclaim Our Power!
Redeemer Community Partnership
Regional Asthma Management & Prevention
Resilient Palisades
Rise Economy
Rising Sun Center for Opportunity
Rootsaction.org
Sacramento Splash
San Diego 350
San Diego Pediatricians for Clean Air
San Francisco Baykeeper
Santa Cruz Climate Action Network
Santa Cruz County Democratic Central Committee
Social Eco Education
Seventh Generation
Sierra Club California
SoCal 350 Climate Action
SoCal Elders Climate Action
Society of Native Nations
Southern California Public Health Association
Spottswoode Winery, INC.
Stand.earth
Strategic Concepts in Organizing and Policy Education
Sunflower Alliance
Sunrise Bay Area
Sunrise Movement
Sunrise Movement LA
Sustainable Mill Valley
Sustainable Rossmoor
Synergistic Solutions
The Aquarian Minyan
The Climate Center
The Phoenix Group
The Story of Stuff Project
The Wendy and Eric Schmidt Center Data Science and Environment At UC Berkeley
Third ACT
Third ACT Bay Area
Third ACT Sacramento
Third ACT SoCal
Third ACT Upstate New York
Tiaa-divest!
Transition Sebastopol
Unidos Network INC
Union of Concerned Scientists
Vote Solar
Voters of Tomorrow
Voting 4 Climate & Health
Wellness Equity Alliance
West Berkeley Alliance for Clean Air and Safe Jobs
Wildearth Guardians
Youth for Earth
Youth V. Oil
Youth Will
Youth4Climate

Opposition

African American Farmers of California
American Chemistry Council
American Forest & Paper Association
Bay Area Council
California-Nevada Conference of Operating Engineers
California Business Properties Association

California Cement Manufacturers
Environmental Coalition
California Chamber of Commerce
California Fuels and Convenience Alliance
California Hispanic Chamber of Commerce
California Independent Petroleum Association
California League of Food Producers
California Manufacturers & Technology Association
California Retailers Association
California State Council of Laborers
California Sustainable Cement Manufacturing & Environment
California Taxpayers Association
Central Valley Business Federation
Civil Justice Association of California
Coastal Energy Alliance
District Council of Iron Workers of the State of California and Vicinity
East Bay Leadership Council
Greater Coachella Valley Chamber of Commerce
Hispanic 100
Independent Energy Producers Association
Industrial Association of Contra Costa County
Inland Empire Economic Partnership
International Brotherhood of Boilermakers
Lake Elsinore Valley Chamber of Commerce
Latin Business Association
Multicultural Business Alliance
Murrieta Wildomar Chamber of Commerce
Naiop of California
Nisei Farmers League
Orange County Business Council
Painters & Allied Trades
Port Hueneme Chamber of Commerce
Santa Barbara Taxpayers Advocacy Center
Si Se Puede
South County Chambers of Commerce
State Building & Construction Trades Council of California
Ventura County Coalition of Labor, Agriculture and Business
Western Propane Gas Association
WSPA

Analysis Prepared by: Elizabeth MacMillan / NAT. RES. /

Date of Hearing: April 21, 2025

ASSEMBLY COMMITTEE ON NATURAL RESOURCES
Isaac G. Bryan, Chair
AB 1244 (Wicks) – As Amended March 24, 2025

SUBJECT: California Environmental Quality Act: transportation impact mitigation: Transit-Oriented Development Implementation Program

SUMMARY: Establishes an in-lieu fee mechanism for vehicles miles traveled (VMT) mitigation – permitting a project, which is under the jurisdiction of a regional transportation planning agency (RTPA) and has a VMT mitigation requirement pursuant to the California Environmental Quality Act (CEQA), to satisfy its VMT mitigation requirement by contributing an unspecified amount per VMT to the Transit-Oriented Development Implementation Fund (TOD Fund), which would then be available, upon appropriation, to the Department of Housing and Community Development (HCD) to provide financing for transit-oriented rental housing developments located within the same county as the "donor" project.

EXISTING LAW:

1) Requires lead agencies with the principal responsibility for carrying out or approving a proposed discretionary project to prepare a negative declaration (ND), mitigated negative declaration (MND), or environmental impact report (EIR) for this action, unless the project is exempt from CEQA. (Public Resources Code (PRC) 21000 *et seq.*)

2) Requires the Office of Planning and Research (OPR, now known as the Office of Land Use and Climate Innovation (LUCI)) to prepare and develop proposed guidelines for the implementation of CEQA by public agencies. Requires the guidelines to include objectives and criteria for the orderly evaluation of projects and the preparation of EIRs and NDs. Also requires the guidelines to include criteria for public agencies to follow in determining whether a proposed project may have a significant effect on the environment. (PRC 21083)

3) Requires OPR to prepare proposed revisions to the CEQA Guidelines establishing criteria for determining the significance of transportation impacts within transit priority areas (TPAs). Requires the criteria to promote the reduction of greenhouse gas (GHG) emissions, the development of multimodal transportation networks, and a diversity of land uses. (PRC 21099)

4) Authorizes OPR to adopt CEQA Guidelines establishing alternative metrics to traffic "levels of service" (LOS) for transportation impacts outside of TPAs. Authorizes the alternative metrics to include the retention of LOS, where appropriate and as determined by OPR. Pursuant to this authority, OPR revised the CEQA Guidelines to identify VMT as the most appropriate metric to evaluate a project's transportation impacts and to apply VMT statewide. (PRC 21099)

5) Establishes the Transit-Oriented Development Implementation Program (TOD Program), to be administered by HCD, to provide local assistance to developers for the purpose of developing higher density uses within close proximity to transit stations that will increase public transit ridership. The TOD Program provides gap financing for rental housing

developments near transit that include affordable units as well as necessary infrastructure improvements. (Health and Safety Code 53560)

THIS BILL:

1) Authorizes a project to satisfy its VMT mitigation requirements by electing to contribute an unspecified amount for each VMT to the TOD Fund for the purposes of the TOD Program.

2) Requires that moneys contributed be available to HCD, upon appropriation by the Legislature, to fund developments located within the same region as the project, in the following priority order:

   a) First priority to developments within the same city as the project or for projects in unincorporated areas to developments in the same county.

   b) Second priority to developments in the same county.

3) Defines "region" as the territory of the RTPA with jurisdiction over the project.

FISCAL EFFECT: Unknown

COMMENTS:

1) **From LOS to VMT**. Level of service (LOS) is a measure used by traffic engineers to determine the effectiveness of elements of transportation infrastructure. LOS measures the presence of traffic and how quickly cars can move through a street. LOS was used for decades to analyze transportation impacts under CEQA. However, several years ago LOS became regarded as outdated, based on concerns it neglects transit, pedestrian crossings, and bicycles. Critics contended that an over-reliance on LOS considerations by planners had led to widening intersections and roadways to move automobile traffic faster at the expense of other, less polluting modes of transportation.

   In response, SB 743 (Steinberg), Chapter 386, Statutes of 2013, required OPR to update the criteria for analyzing transportation impacts of projects to replace LOS in TPAs (areas within a one-half mile of a major transit stop). According to SB 743, "(n)ew methodologies under (CEQA) are needed for evaluating transportation impacts that are better able to promote the state's goals of reducing (GHG) emissions and traffic-related air pollution, promoting the development of multimodal transportation system, and providing clean, efficient access to destinations." Under SB 743, the criteria was required to promote the reduction of GHG emissions, the development of multimodal transportation networks, and a diversity of land uses. For areas outside of a TPA, OPR was authorized to adopt guidelines that would establish alternative metrics to LOS. Additionally, OPR could retain LOS as a part of those alternative metrics outside of a TPA, if and where OPR deemed appropriate.

   Pursuant to SB 743, OPR proposed changes to the CEQA Guidelines that identify VMT as the most appropriate metric to evaluate a project's transportation impacts and to apply VMT statewide. VMT measures the amount and distance of automobile travel attributable to a project. The Guidelines took effect July 2020 and agencies are now required to analyze the transportation impacts of a project using a VMT metric instead of LOS.

According to OPR's *Technical Advisory on Evaluating Transportation Impacts in CEQA*, published in December 2018:

> The transportation sector has three major means of reducing GHG emissions: increasing vehicle efficiency, reducing fuel carbon content, and reducing the amount of vehicle travel. The California Air Resources Board (CARB) has provided a path forward for achieving these emission reductions from the transportation sector in its 2016 Mobile Source Strategy. CARB determined that it will not be possible to achieve the State's 2030 and post-2030 emission goals without reducing VMT growth. Further, in its 2018 Progress Report on California's Sustainable Communities and Climate Protection Act, CARB found that despite the State meetings its 2020 climate goals, 'emissions from statewide passenger vehicle travel per capita (have been) increasing and going in the wrong direction,' and 'California cannot meet its (long-term) climate goals without curbing growth in single-occupancy vehicle activity.' CARB also found that '(w)ith emissions from the transportation sector continuing to rise despite increases in fuel efficiency and decreases in the carbon content of fuel, California will not achieve the necessary (GHG) emissions reductions to meet mandates for 2030 and beyond without significant changes to how communities and transportation systems are planned, funded, and built.'
>
> Thus, to achieve the state's long-term climate goals, California needs to reduce per capita VMT. This can occur under CEQA through VMT mitigation. Half of California's GHG emissions come from the transportation sector, therefore, reducing VMT is an effective climate strategy, which can also result in co-benefits. Furthermore, without early VMT mitigation, the state may follow a path that meets GHG targets in the early years, but finds itself poorly positioned to meet more stringent targets later.

In addition to providing many examples of VMT-reduction measures, the technical advisory further addresses VMT-reduction programs and in-lieu fees:

> Notably, because VMT is largely a regional impact, regional VMT-reduction programs may be an appropriate form of mitigation. In lieu fees have been found to be valid mitigation where there is both a commitment to pay fees and evidence that mitigation will actually occur. (*Save Our Peninsula Committee v. Monterey County Bd. of Supervisors* (2001) 87 Cal.App.4th 99, 140-141; *Gentry v. City of Murrieta* (1995) 36 Cal.App.4th 1359; *Kings County Farm Bureau v. City of Hanford* (1990) 221 Cal.App.3d 692, 727–728.) Fee programs are particularly useful to address cumulative impacts. (CEQA Guidelines, § 15130, subd. (a)(3) [a "project's incremental contribution is less than cumulatively considerable if the project is required to implement or fund its fair share of a mitigation measure or measures designed to alleviate the cumulative impact"].) The mitigation program must undergo CEQA evaluation, either on the program as a whole, or the in-lieu fees or other mitigation must be evaluated on a project-specific basis. (*California Native Plant Society v. County of El Dorado* (2009) 170 Cal.App.4th 1026.) That CEQA evaluation could be part of a larger program, such as a regional transportation plan, analyzed in a Program EIR. (CEQA Guidelines, § 15168.)

(https://lci.ca.gov/docs/20190122-743_Technical_Advisory.pdf)

2) **Author's statement**:

> Developers that are required to mitigate for VMT produced by their projects have an array of options available to them, including through affordable housing, which we desperately need more of in order to address California's housing crisis. However, mitigating VMT by developing affordable housing is not currently a widely used strategy and there is no process at the state level to collect and disburse VMT mitigation dollars for this purpose. That is exactly what AB 1244 would do by creating a statewide VMT mitigation fund to facilitate the creation of affordable housing. This bill would not remove any of the existing strategies available to developers – it would expand the options available to them and add another tool to their mitigation toolbox. AB 1244 would also facilitate the pooling of VMT mitigation dollars, which will enable larger and more effective mitigation strategies than is possible for individual projects, and could help to spur more affordable housing development in California.

3) **Some basic accounting is needed to assure contributions to the TOD Fund result in valid mitigation**. In implementing this bill, HCD will need to consider requirements to assure funds awarded result in VMT reductions that match the VMT reductions claimed by the donor projects. Additional considerations may include demonstrating that the reductions claimed are additional, and would not otherwise occur absent the HCD award, and that the reductions are not counted toward any other requirement, such as a regional Sustainable Communities Strategy. Without good accounting, contributions to this program may be considered risky by developers.

   In addition, CEQA lead agencies and HCD will want to take steps to confirm that the voluntary fees resulting from this bill either are not subject to, or comply with, the Mitigation Fee Act (Government Code 66000 *et seq*.).

4) **Suggested amendments**. *The author and the committee may wish to consider* adding requirements for HCD to confirm and report VMT reductions attributed to the projects it funds, as well as report the VMT reductions claimed by donor projects.

   In addition, the author proposes to replace the blank dollar amount with an amount "to be determined by the Office of Land Use and Climate Innovation" and require the Office to update the amount at least every three years.

5) **Double referral**. This bill has been double-referred to the Housing and Community Development Committee.

REGISTERED SUPPORT / OPPOSITION:

Support

California Housing Partnership (co-sponsor)
Housing California (co-sponsor)
Active San Gabriel Valley
Brilliant Corners
California Walks
Homes & Hope

San Diego Housing Federation
Southern California Association of Nonprofit Housing
Streets for All
Transform
Wakeland Housing and Development Corporation

Opposition

None on file

Analysis Prepared by: Lawrence Lingbloom / NAT. RES. /

Date of Hearing: April 21, 2025

ASSEMBLY COMMITTEE ON NATURAL RESOURCES
Isaac G. Bryan, Chair
AB 1304 (Schultz) – As Amended April 3, 2025

SUBJECT: Paint product recovery program: paint recovery: education and outreach

SUMMARY: Revises the Paint Product Recovery Program (Program) to include consumer, contractor, and retailer education and outreach efforts and to include investment in workforce training.

EXISTING LAW establishes the Program, which establishes an expanded producer responsibility (EPR) program for the collection and recycling of architectural paint. (Public Resources Code 48700 *et seq*.) The Program:

1) Defines various terms, including "paint product" as interior and external architectural coatings, aerosol coatings, and nonindustrial coatings and coating-related products.

2) Requires the Department of Resources Recycling and Recovery (CalRecycle) to adopt regulations to implement the Program.

3) Requires manufacturers, individually or through a stewardship organization, to establish and implement a paint stewardship plan (plan), which covers the collection and management of postconsumer paint products.

4) Requires the plan to demonstrate sufficient funding for the Program, including a stewardship assessment for each container of paint products sold by manufacturers in the state. Requires that the assessment to be added to the cost of all paint products sold in California.

5) Requires the plan to include consumer, contractor, and retailer education and outreach efforts to promote the source reduction and recycling of paint products, including developing and updating educational and other outreach materials.

6) Requires producers, individually or through a stewardship organization, to submit an annual report to CalRecycle that includes:

    a) The total volume of paint sold in the state;

    b) The total volume or postconsumer paint recovered;

    c) A description of methods used to collect, transport, and process paint products;

    d) The total cost of implementing the Program;

    e) An evaluation of how the Program's funding mechanism operated;

    f) An independent financial audit;

    g) Examples of educational materials provided to consumers; and,

h) Any other information deemed relevant by the stewardship organization.

7) Requires CalRecycle to review the annual report and adopt a finding of compliance or noncompliance with the requirements

8) Establishes administrative civil penalties for violations of the Program.

THIS BILL:

1) Defines "paint recovery" to mean the process of collecting and transporting leftover paint for the purpose of reusing, processing, or recycling to reduce its environmental impact and disposal costs.

2) Requires a stewardship plan to include consumer, contractor, and retailer education and outreach efforts to promote the proper use, handling, source reduction, and recycling of paint products.

3) Requires a stewardship plan to include investment in the training of California's future workforce by working with California apprenticeship programs for training apprentices and journey-level painters.

FISCAL EFFECT: Unknown

COMMENTS:

1) **Product stewardship**. According to CalRecycle, product stewardship, or EPR, is a strategy that places shared responsibility for end-of-life management of products on the producers and all entities involved in the product chain, instead of entirely on local governments and consumers. EPR programs rely on industry, formalized in a product stewardship organization, to develop and implement approaches to create a circular economy that makes business sense, with oversight and enforcement provided by a government entity. This approach provides flexibility for manufacturers to design products in a way that facilitates recycling and to develop systems to capture those products at the end-of-life to meet statutory goals. California has established EPR programs for carpet, paint, pharmaceuticals, household batteries, and mattresses. Additionally, SB 54 (Allen) Chapter 75, Statutes of 2022, established the Plastic Pollution Prevention and Packaging Producer Responsibility Act, which imposes minimum content and source reduction requirements for plastic single-use packaging and food service ware through an EPR program.

2) **PaintCare**. California's Program was originally established in 2012 and was expanded to include aerosol and other paint types and revised by SB 1143 (Allen), Chapter 989, Statutes of 2024. Producers are required to participate individually or through a stewardship organization acting on their behalf. In California, the Program is administered by PaintCare, a nonprofit organization that operates paint stewardship programs in 11 states, including Colorado, New York, Oregon, and Washington. California's program includes 816 free collection sites located throughout the state, offering convenient collection to the majority of the state. According to PaintCare, the Program has collected over 37 million gallons of used paint for recycling or proper disposal. In addition to the free drop-off locations, PaintCare offers free pick-up service for large volumes, which is defined as 100 gallons or more.

The Program is funded by an assessment, or fee, charged to consumers for every container of paint at the time of sale. The current assessment for paint products sold in California is $0.30 for containers one-half pint to less than one gallon, $0.65 for containers one to two gallons, and $1.50 for containers larger than two gallons.

The Program requires the plan to include consumer, contractor, and retailer education and outreach efforts to promote the source reduction and recycling of paint products. The materials may include signage, written materials and templates of materials for use by retailers to be provided to consumers at the time of purchase or delivery, advertising or other promotional materials, a website that publicizes the location of free and convenient collection sites that accept used paint, and efforts to support participation by all California communities, including efforts to communicate in languages other than English.

As part of its education and outreach efforts, PaintCare maintains a website with resources for contractors (easily accessed from their main website) that includes a fact sheet with information for painting contractors about the Program, drop-off sites, the assessment and Program funding, specific recommendations to contractors relating to preparing estimates for customers, including the assessment in their estimates, free pick-up for large volume paint projects, and what products are covered in the Program. In addition to the fact sheet, PaintCare has implemented strategies to educate trade painters on how to recycle paint through the Program, including employing six coordinators that are responsible for building and maintaining contractor relationships by attending local and state chapter events sponsored or frequented by painters.

3) **Regulations process**. CalRecycle has begun revisions to the regulations governing the Program pursuant to SB 1143. The regulations would implement the addition of aerosol coating products, nonindustrial coatings, and coating-related products. Last month, CalRecycle held an informal workshop to solicit feedback on the regulatory concepts and opened an informal public comment period. Initial public comments were due by April 11. Additional changes to the Program would likely delay the current regulatory process or require a new regulatory process.

4) **This bill**. This bill adds additional requirements to the product stewardship plan relating to consumer, contractor, and retailer education and outreach and requires the plan to provide for "investment in the training of California's future workforce by working with California apprenticeship programs for training apprentices and journey-level painters." This bill seems to be modeled after a provision in AB 863 (Aguiar-Curry), Chapter 675, Statutes of 2024, which requires that 8% of the carpet assessment collected be awarded as grants to fund apprenticeship programs for carpet installers. Because the assessment is collected from consumers at the point-of-sale, any increased funding for workforce development will either result in reduced funding for other components of the Program or higher costs for consumers.

5) **Author's statement**:

> While California's paint stewardship program, operating under PaintCare, has successfully diverted millions of gallons of paint from landfill, at a recovery rate of approximately 5% a year, conservative evaluations estimate a disposal rate of 10% annually. That additional 5% plus of unrecovered paint is millions of gallons being disposed of in landfill or worse yet finding its way into California's

waterways and environment, costing local governments millions of dollars to remediate.

AB 1304 strengthens the program by requiring PaintCare to invest in the training of California's future workforce, thereby increasing the recycling rate of unused paint and providing career pathways for Californians by working with our existing apprenticeship programs.

REGISTERED SUPPORT / OPPOSITION:

Support

California Teamsters Public Affairs Council
District Council 16, International Union of Painters and Allied Trades
District Council 36, International Union of Painters and Allied Trades
State Building and Construction Trades Council

Opposition

American Coatings Association
North American Wood Pole Council
Rural County Representatives of California
Treated Wood Council
Western Wood Preservers Institute

Analysis Prepared by: Elizabeth MacMillan / NAT. RES. /

Date of Hearing: April 21, 2025

ASSEMBLY COMMITTEE ON NATURAL RESOURCES
Isaac G. Bryan, Chair
AB 1305 (Arambula) – As Introduced February 21, 2025

SUBJECT: Air pollution control and air quality management districts: permit information: internet website

SUMMARY: Requires the Office of Data and Innovation (ODI) to develop a website template, based on specified design criteria, for each local air district to use to present specified information regarding district-permitted facilities in map form.

EXISTING LAW:

1) Establishes the Federal Clean Air Act to regulate, reduce, and control air pollution nationwide, including national ambient air quality standards for major air pollutants, hazardous air pollutants standards, state attainment plans, stationary source emissions standards and permits, and enforcement provisions. (42 United States Code 7401)

2) Designates the Air Resources Board (ARB) as the state agency with the primary responsibility for the control of vehicular air pollution and air pollution control and air quality management districts with the primary responsibility for the control of air pollution from all sources other than vehicular sources. (Health and Safety Code (HSC) 39500 *et seq.*)

3) Requires the board of every air district to establish, by regulation, an emission reduction credit (ERC) system by which all reductions in the emission of air contaminants that are to be used to offset certain future increases in the emission of air contaminants be banked prior to use to offset future increases in emissions, except as specified. (HSC 40709)

4) Requires ARB to develop and adopt a methodology for use by air districts to calculate the value of ERCs from stationary, mobile, indirect, and area-wide sources when those credits are used interchangeably, consistent with certain requirements. Requires ARB to periodically update the methodology as it applies to future transactions, if necessary. (HSC 40716)

5) Requires ARB to make available on its website the emissions from stationary sources of greenhouse gases, criteria pollutants, and toxic air contaminants throughout the state, as specified, and to update that information at least once a year.

6) Requires the plans developed by air districts with moderate or more serious air pollution (nonattainment districts) to include the use of best available control technology (BACT) for new sources and best available retrofit control technology (BARCT) for existing sources, with specified exceptions.

THIS BILL:

1) Requires ODI to develop a website template to present specified permit information on each air district's website.

2) Requires ODI to consult with local community groups when determining how best to design the website template so that district permit information is presented in a manner that does all of the following:

   a) Simplifies, and displays visually, complex data wherever possible and empowers communities to assess and manage local health and safety risk.

   b) Reveals patterns and trends and makes data easily and publicly accessible to third parties for analyzing those patterns and trends.

   c) Enables the use of data-driven decisionmaking.

   d) Maximizes accessibility.

   e) Makes real-time monitoring possible.

   f) Provides tools for predictive analysis and makes data easily and publicly accessible to third parties for that analysis.

   g) Enhances storytelling.

3) Requires each air district to use the ODI template to post a map on its website of specified permitted facilities (i.e., those that rely on ERCs) containing information regarding permits that includes, but is not limited to, all of the following information:

   a) Site address.

   b) Permitholder contact information.

   c) Name of the permitted business and the names of all parent organizations.

   d) The scope or description of the permitted process or equipment.

   e) A list of all credits used in conjunction with the identified permit, including the type and quantity of emissions allowed under the permit.

   f) Any best available control technology, best available retrofit control technology, or other emissions control measures identified as a requirement of the permit.

4) Makes related findings.

5) Provides that no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because air districts have the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act.

FISCAL EFFECT: Unknown

COMMENTS:

1) **Background**. The federal Clean Air Act requires the U.S. Environmental Protection Agency (US EPA) to set health-based limits, called National Ambient Air Quality Standards (NAAQS), for six dangerous outdoor air pollutants: particulate matter (PM), ozone, NOx, SOx, CO, and lead. The NAAQS identify what is considered a safe level of each pollutant to breathe based on the most recent health and medical science, including an adequate margin of safety for those most at risk. These standards require states and local governments to take steps to reduce emissions to attain the standards.

   Geographic areas within each state that do not meet a standard are called non-attainment for that air pollutant. The designation of an area as non-attainment triggers the regulatory requirements for banking and use of emission reductions credits. California is home to several regions with some of most severe air pollution in the U.S., including air districts with severe non-attainment for one or more NAAQS.

   For example, the San Joaquin Valley is designated as a nonattainment area for the federal 1997 annual and 2006/2012 PM2.5 standards and the federal 8-hour ozone standards. The American *Lung Association's* 2022 *State of the Air* report gave the Valley an 'F' for Ozone, an 'F' for particle pollution in a 24-hour period, and a failing grade for particle pollution annually. The report also indicates that 13,971 kids and 52,942 adults in San Joaquin County are at risk of developing asthma, and it reports that San Joaquin County has experienced an increase in dangerous "high particle days" every year since 2014, culminating in a record 25 high particle days in 2020.

   Despite successes reducing criteria air pollutants with more stringent source-specific regulations, the San Joaquin Valley continues to face major air quality challenges with the worst air quality in the nation.

   All air districts in California are authorized by the federal Clean Air Act and by the state to operate emission reduction credit or ERC programs within their jurisdictions. These programs function similarly to cap-and-trade. If a polluter reduces emissions beyond what is currently required, they can earn a credit. In order for a credit to be issued, the qualifying source emissions must be "quantifiable, enforceable, permanent, and surplus." These credits can then be sold to polluters that need to offset anticipated future emissions in order to obtain a permit. Credits are stored in "banks" managed by the air districts. Once a credit is used by a permit, it is permanently removed from its bank.

2) **Author's statement**:

   All Californians should be able to breathe clean air. Exposure to air pollution is linked to increases in mortality in infants, hospital admissions for cardiovascular and chronic obstructive pulmonary diseases, and severity of asthma attacks among children. Rural communities, farmworker communities, disadvantaged communities, tribal nations, young people, and those living at or below the poverty level often live adjacent to transportation corridors or commercial and industrial facilities and are at the highest risk of adverse health outcomes.

   Unfortunately, there is no way to publically verify that a polluter is implementing emissions control technology guidelines. Worse, air pollution control and air quality

management districts are unable to monitor every polluter for compliance due to limited resources. As a result, communities are often left with little to no information on polluters and the conditions of their permits.

AB 1305 requires air control districts to publicize information about pollution permits issued to empower communities to hold polluters accountable.

3) **Will the bill help confirm or enforce the validity of ERCs or BACT and BARCT requirements**? This bill provides a basic, standardized level of information about district-permitted sources that rely on ERCs. This may be useful as a first step for members of the public to identify significant sources in their communities. However, the bill does not provide air quality data, or information regarding permittees' compliance, including the quality of ERCs or performance of BACT or BARCT equipment. Though the format may be different, and it might not be as user-friendly, existing ARB and air district websites provide more detailed information about permitted sources.

4) **Should ODI provide website design to non-state agencies**? According to ODI, developing and implementing website templates or data tools for local, regional, or other non-state agencies is not a service ODI currently provides. ODI indicates its work is primarily focused on supporting state agencies and departments, and it is not resourced at this time to implement the provisions outlined in AB 1305. If this bill were to move forward, ODI would most likely need to coordinate with ARB, the Department of Finance, and others to identify the necessary resources to complete the work. Additionally, any engagement of this nature would likely require cost recovery from the air districts, as this type of support falls outside ODI's standard scope of work.

   Meanwhile, air districts object to surrendering website design to ODI. Requiring each district to do the assignment itself preserves the districts' autonomy and would likely be faster and less expensive. *The author and the committee may wish to consider* striking the requirements on ODI, and instead make the bill a direct requirement on each air district. (Striking subdivision (a) of Section 40714.)

REGISTERED SUPPORT / OPPOSITION:

Support

350 Humboldt: Grass Roots Climate Action
A Voice for Choice Advocacy
California Environmental Voters
Central California Environmental Justice Network
Leadership Counsel Action
Public Health Advocates

Opposition

African-American Farmers League
Agricultural Council of California
Agricultural Energy Consumers Association
Almond Alliance

American Chemistry Council
BOMA California
California Advanced Biofuels Alliance
California Air Pollution Control Officers Association
California Association of Winegrape Growers
California Business Properties Association
California Chamber of Commerce
California Cotton Ginners and Growers Association
California Fresh Fruit Association
California Grain and Feed Association
California League of Food Producers
California Manufacturers & Technology Association
California Poultry Federation
California Retailers Association
California Special Districts Association
California Walnut Commission
California Warehouse Association
Milk Producers Council
NAIOP of California
Nisei Farmers League
Pacific Coast Renderers Association
Pacific Egg and Poultry Association
San Joaquin Valley Air Pollution Control District
Western Growers Association
Western Plant Health Association
Western States Petroleum Association
Western Tree Nut Association

Analysis Prepared by: Lawrence Lingbloom / NAT. RES. /

Date of Hearing: April 21, 2025

ASSEMBLY COMMITTEE ON NATURAL RESOURCES
Isaac G. Bryan, Chair
AB 1325 (Michelle Rodriguez) – As Amended March 24, 2025

SUBJECT: Lubricants and waste oil: producer responsibility

SUMMARY: Repeals the California Oil Enhancement Program and replaces it with a Lubricant and Waste Oil Producer Responsibility Program (Program), which establishes an expanded producer responsibility program (EPR) for used oil and other automotive fluids.

EXISTING LAW:

1) Pursuant to the California Oil Recycling Enhancement Act (CORE Act), requires the Department of Resources Recycling and Recovery (CalRecycle) to adopt a used oil recycling program to promote and develop alternatives to the illegal disposal of used oil. (Public Resources Code (PRC) 48600 *et seq*.)

    a) Requires the used oil program to include a recycling incentive system; public and private grants and contracts, including between CalRecycle and local governments, nonprofits, and public entities; an education program; and, a reporting, monitoring, and enforcement program. (PRC 48631)

    b) Requires every oil manufacturer to pay an amount equal to $0.06 for every quart or $0.24 for every gallon of lubricating oil sold, transferred, or imported into the state to CalRecycle on a quarterly basis, as specified. Reduces the amounts charged for rerefined oil. Provides that these amounts are deposited into the California Used Oil Recycling Fund. (PRC 48650)

    c) Requires CalRecycle pay a recycling incentive of not less than $0.10 per quart to every industrial generator, curbside collection program, and certified used oil collection center for used oil collected from the public or generated by the certified used oil collection center or industrial generator, as specified. (PRC 48651.5)

    d) Requires CalRecycle to pay a rerefining incentive of not less than $0.02 per gallon to a recycling facility for rerefined oil produced, as specified. (PRC 48651.5)

    e) Establishes certification requirements for collection centers. (PRC 48660)

    f) Requires CalRecycle to annually inspect used oil recycling facilities. (PRC 48661)

    g) Establishes reporting requirements for sellers, haulers, industrial generators, used oil collection centers, curbside collection programs, and local governments. (PRC 48670)

    h) Establishes labeling requirements for lubricating oil. (PRC 48671.5)

    i) Establishes enforcement provisions for the Act. (PRC 48680)

    j) Authorizes local governments to develop local used oil collection programs and provides for payments for those local governments to support those programs. (PRC 48690)

2) Establishes requirements for the management of used oil. (Health and Safety Code (HSC) 25250 *et seq*.)

   a) Establishes standards and purity requirements for recycled oil.

   b) Requires used oil to be managed as hazardous waste, unless it is excluded by federal law or has been shown by the generator to meet specified standards.

   c) Prohibits the disposal of used oil by discharge to sewers, drainage systems, surface water or groundwater, watercourses, marine waters, incineration or burning, onto land, and for use as a dust, weed, or insect repellant, except as specified.

   d) Establishes requirements for transporters of used oil.

   e) Establishes requirements for storage, transfer, and recycling facilities of used oil.

   f) Establishes testing requirements for used oil.

3) Pursuant to SB 54 (Allen), Chapter 75, Statutes of 2022, establishes the Plastic Pollution Prevention and Packaging Producer Responsibility Act (PRC 42040 *et seq*.), which:

   a) Imposes minimum recycled content requirements and source reduction requirements for single-use packaging and plastic food service ware, to be achieved through an EPR program.

   b) Requires CalRecycle to conduct a material characterization study of covered material categories that are disposed of in California landfills before July 1, 2025, and to report to the Legislature on the status of materials at solid waste facilities by January 1, 2024. Requires CalRecycle to update the material characterization study required pursuant in 2028, 2030, 2032, and at least every four years thereafter.

   c) Requires producers, through the producer responsibility organization (PRO), to pay $500 million per year from January 1, 2027, through January 1, 2037, to be deposited into the California Plastic Pollution Mitigation Fund. Authorizes the PRO to collect up to $150 million from plastic resin manufacturers to fund plastic mitigation activities, as specified.

THIS BILL:

1) Exempts products covered by the Act from the requirements of SB 54.

2) Specifies that the Program will become inoperative when CalRecycle adopts regulations to implement the Act and the PRO has an approved producer responsibility plan (plan).

3) States that the purpose of the Act is to provide for the safe and proper management of used oil, automotive fluids, lubricant products, and the packaging containing those products.

4) Requires CalRecycle, in coordination with the Department of Toxic Substances Control (DTSC), to adopt regulations to implement the Act. Specifies that the regulations shall not have an implementation date earlier than January 1, 2028.

5) Requires CalRecycle to establish methodologies to determine a baseline amount of covered products improperly disposed or dumped and to measure progress towards meeting performance-based standards, as specified.

6) Requires DTSC to establish a list of covered products on its website by January 1, 2028.

7) Requires CalRecycle to include in its "2028 material characterization study" (required pursuant to SB 54) the amount of covered products being improperly disposed of or dumped and the amount of covered products being properly collected.

8) Defines terms used in the bill, including:

   a) "Brand" as a name, symbol, word, or mark that identifies a covered product rather than its components, and attributes the covered product to the owner or licensee of the brand as the producer;

   b) "Covered product" as a petroleum-based automotive product and other related products, including, but not limited to, antifreeze, engine additives, engine oils, fuel additives, greases, marine lubricants, transmission and gear oils, two-cycle oils, and other fluids commercially available to a nonbusiness consumer. Specifies that "covered product" includes the product packaging.

   c) "Importer" as a person qualifying as an importer of record of a covered product, as specified, or a person importing into the state for sale, distributing for sale, or offering for sale a covered product that was manufactured or assembled by a company located outside the state.

   d) "Producer" as a person who manufactures a covered product and who sells, offers for sale, or distributes a covered product into the state under the person's own name or brand:

      i) If no person meets that definition, the producer is the owner or exclusive licensee of a brand under which the covered product is sold or distributed in the state;

      ii) If no person meets that definition, the producer is the person that imports the covered product into the state for sale, distribution, or installation; or,

      iii) If no person meets that definition, the producer is the distributor, retailer, dealer, or wholesaler who sells the product into the state.

   e) "Producer responsibility organization" as an organization that is exempt from taxation pursuant to Section 501(c)(3) of the Internal Revenue Code that is appointed by one or more producers to "design, submit, and administer a producer responsibility organization."

   f) "Producer responsibility plan" as the plan developed by a PRO for the collection, transportation, and the safe and proper management of covered products.

9) Specifies that this bill does not apply to a covered product if the covered product is included in an approved producer responsibility plan pursuant to another producer responsibility program, including, but not limited to, SB 54.

10) No longer than 90 days after CalRecycle's approval of a PRO, requires a producer to register with the PRO.

11) Requires producers to provide CalRecycle and DTSC with contact information and a list of the covered products and brands that the producer sells, distributes for sale, imports for sale, or offers for sale in or into the state within 180 days of the effective date of the regulations.

12) Requires the PRO to have a governing board consisting of participant producers that represent the diversity of covered products.

13) Authorizes CalRecycle to revoke the approval of the plan if it determines that the PRO no longer meets the requirements of the Act or fails to administer an approved plan.

14) Requires the PRO to notify CalRecycle within 30 days if:

    a) The end of a three-month period in which the PRO unsuccessfully attempted to obtain a fee, records, or information from a participant producer;

    b) The date that a producer no longer participates in the PRO's approved plan; or,

    c) Any instance of noncompliance by a participant producer.

15) Requires the PRO with an approved plan to provide "a convenient collection and management system for covered products at no cost to residents or local governments" within 24 months of the effective date of the regulations.

16) Authorizes the PRO to conduct a needs assessment to determine appropriate strategies and investments needed to comply with the bill.

17) Requires the PRO to develop and submit a proposed plan to CalRecycle within 12 months of the effective date of the regulations.

18) Requires CalRecycle, in collaboration with DTSC, to approve, approve in part, or disapprove the plan within six months of receipt, as specified.

19) Requires CalRecycle and DTSC to jointly determine a process for approving the plan and any other information submitted in compliance with this bill to ensure that both retain oversight commensurate with their jurisdiction and authority, and minimize the cost and burden to producers.

20) Requires DTSC to approve, approve in part, or disapprove the plan within four months of receipt, as specified.

21) Authorizes CalRecycle to impose additional requirements for any portion of a plan that does not comply with the Act and has not been approved.

22) Requires "substantial changes" to a plan to be submitted to CalRecycle for approval.

23) Requires CalRecycle to post on its website the approved plan and a list of all participant producers within 90 days of approval, conditional approval, or revision.

24) Requires a PRO to have an approved or conditionally approved plan within 24 months of the effective date of the regulations.

25) Requires that the plan:

    a) Be designed to ensure the "safe and convenient collection and management of covered products" and to ensure that:

        i) The PRO decreases the aggregate percentage of covered products improperly disposed of or dumped by 20% by 2032; and,

        ii) The PRO decreases the aggregate percentage of covered products improperly disposed of or dumped by 40% by 2035.

    b) Include strategies to ensure elderly customers, disabled customers, and any other consumers with limited mobility have access to the safe and proper collection and management of covered products, including to have covered products collected.

    c) Include a financial section that demonstrates how the PRO will comply with the financial requirements of the Act, including a five-year budget.

    d) Include a section describing the PRO's contingency plan in the event the plan expires or is revoked, as specified.

    e) Include a section describing a comprehensive statewide education and outreach program designed to educate consumers and promote participation in the program, as specified.

    f) Include a description of how the PRO will leverage and use existing collection programs and infrastructure.

26) Requires the PRO to review its plan at least every five years and determine whether revisions are necessary. Establishes a process for revisions.

27) Requires the PRO to:

    a) Establish a method for fully funding the plan in a manner that equitably distributes the plan's costs among participant producers, as specified;

    b) The distribution of the plan's costs shall incorporate malus fees or credits for producers with adjustments based on actions taken to invest in sustainable packaging or reuse and refill systems and labeling;

    c) Operate on a budget that establishes a funding level sufficient to operate the PRO in a prudent and responsible manner. Demonstrate that the budget will cover all of the PRO's budgeted costs.

    d) Pay fees to CalRecycle to cover CalRecycle's and DTSC's actual and reasonable regulatory costs, as specified.

    e) Establish a process by which the financial activities of the PRO will be subject to an independent audit.

28) Requires CalRecycle to deposit all moneys received from the PRO to be deposited into the Lubricant and Waste Oil Producer Responsibility Fund (Fund). Specifies that, upon appropriation by the Legislature, moneys in the Fund be expended by CalRecycle to implement and enforce the Act.

29) If the plan relies on a local jurisdiction to collect or manage a covered product, or to otherwise comply with the collection and management system established by the plan, requires the PRO to reimburse the local jurisdiction for the costs associated with the collection and management of the covered product. Limits these costs to the actual transportation and management costs of a covered product, including the costs to collect and manage covered products that have been illegally dumped.

30) Requires the PRO to keep books, minutes, and records, as specified, for not less than five years.

31) Requires producers and the PRO to provide CalRecycle with reasonable and timely access to its records, facilities, and operations upon request, as necessary to determine compliance with the Act.

32) Requires the PRO to retain an independent certified public accountant to annually audit the accounting books of the PRO. Requires CalRecycle to review the audits.

33) Requires the PRO to submit an annual report to CalRecycle for approval, including:

    a) The PRO's costs, as specified;

    b) A summary of any anticipate changes in cost categories for the next calendar year;

    c) Any changes to the distribution of costs to producers;

    d) Updated producer contact information;

    e) An estimate of the quantity of covered products sold in or into the state by participant producers, as determined by the best available commercial data;

    f) A summary of efforts made as part of the education and outreach program;

    g) Recommendations for proposed substantial changes to the plan; and,

    h) Any information required by regulation.

34) Prohibits a retailer, dealer, importer, or distributor from selling, distributing, offering or sale, or importing a covered product in or into the state unless the producer is listed as a compliant producer, as specified.

35) Requires CalRecycle to annually publish a list of compliant producers, including the reported brands for each producer.

36) Upon notification that a producer is not in compliance with the Act, requires CalRecycle to issue a notice of noncompliance.

37) Authorizes CalRecycle to administratively impose any person who is in violation of the Act a civil penalty of up to:

    a) $10,000 per day; and,

    b) $50,000 per day if the violation if intentional or knowing.

38) When imposing a penalty, requires the consideration of the nature and extent of the violation, the number and severity of violations, the economic effect of the penalty on the violator, good faith effort, the willfulness of the conduct, the deterrent effect of the penalty, and any other factors that justice may require.

39) Authorizes CalRecycle to revoke a plan or require a revised plan or require additional reporting if a PRO, producer, importer, or other regulated party has not met a material requirement of the Act. Prohibits the imposition of penalties until two years after the regulations become effective.

40) Requires CalRecycle to deposit penalties into the Lubricant and Waste Oil Penalty Account, which is available for expenditure, upon appropriation, for activities related to the collection, reuse, and recycling of covered products and the administration and enforcement of the Act.

41) Establishes antitrust immunity for producers.

FISCAL EFFECT: Unknown

COMMENTS:

1) **Used oil**. State law defines used oil as "any oil that has been refined from crude oil, or any synthetic oil, that has been used, and, as a result of use or as a consequence of extended storage, or spillage, has been contaminated with physical or chemical impurities." Used oil includes, but is not limited to, the following: used motor oils, used industrial oils, vehicle crankcase oils, hydraulic oils, transformer oils, engine lubricating oils, compressor oils, refrigeration oils, transmission fluids, turbine oils, metalworking oils, gearbox and differential oils, bearing oils, railroad oils, gear oils, and vegetable oils used for lubrication. Waste synthetic oils that may be managed as used oil include oil derived from coal, oil shale, or polymers; water-soluble petroleum-based oils; vegetable or animal oil used as a lubricant; hydraulic fluid; and, heat transfer fluid. Used oil does not include antifreeze, brake fluid, other automotive wastes, fuels, and solvents.

2) **Used oil management**. Used oil must be managed properly to avoid risks to waterways and the environment. Used oil can contain contaminants like lead, magnesium, copper, zinc, chromium, arsenic, chlorides, cadmium, and chlorinated compounds. Oil that is illegally poured down drains, into storm drains, or onto the ground can seep into waterways and groundwater. According to CalRecycle, one gallon of used oil can contaminate one million gallons of drinking water.

    In order to ensure that used oil is collected and properly managed, California has a number of statutory requirements relating to used oil. DTSC's used oil program regulates the proper management of used oil through inspections and enforcement of used oil recyclers, transfer facilities, and transporters. The CORE Act implemented by CalRecycle establishes

requirements for the responsible management of used oil in California to reduce the amount of illegal disposal of used oil and encourage recycling and reuse, thereby minimizing impacts on the environment.

State law requires that used oil be managed as a hazardous waste in California unless it has been recycled and is shown to meet the specifications for recycled oil in statute, or qualifies for a recycling exclusion under the law. Consumers who change their own oil must manage their used oil appropriately (e.g., by taking it to a used oil collection center and not illegally disposing of it on land, water, or storm drains). Consumers are allowed to transport their own used oil to a used oil collection center or to a used oil recycling facility without any permits or a hazardous waste manifest. Businesses that generate used oil and used oil collection centers are required to meet all hazardous waste generator requirements. There are specific requirements for the types of containers that used oil is stored in and how long the used oil can be stored by the generator of the used oil. Prior to transporting individual containers of used oil, regulations require that the generator label shipping containers for used oil as follows: "HAZARDOUS WASTE - State and Federal Law Prohibit Improper Disposal. If found, contact the nearest police or public safety authority, or the U.S. Environmental Protection Agency."

According to DTSC, California's used oil programs collect and recycle approximately 100 million gallons of used oil in-state each year, and another 14 million gallons are sent to out-of-state recycling facilities.

3) **CORE Act**. The goals of the CORE Act are to provide the public with convenient collection locations for used oil and oil filters, develop ways to motivate the public to recycle their used oil, provide payments to local governments for used oil and oil filter collection and recycling programs, and to provide grants for research project. Widely viewed as a successful program, it is funded by a fee on used oil at the point of sale ($0.24 per gallon or $0.12 per gallon for oil containing 70% rerefined oil). The funding is used to provide incentives for the collection and recycling of used oil.

   Under the Act, California has certified over 3,000 used oil collection centers that are eligible to receive up to $0.40 per gallon for used oil brought in by consumers and $0.16 per gallon for oil generated by the center itself.

   Cities and counties are eligible for funding to create and maintain used oil collection programs. Payments can also be made to an entity implementing a program on behalf of a local government. Currently, up to $11 million is allocated annually for local governments' used oil and filter collection programs through the Act. Cities can receive a minimum of $5,000 per award, and counties may receive a minimum of $10,000 per award. Payments are calculated on a per capita basis. Local programs may include collection centers, drop off programs, and curbside collection programs. The 2024-25 cycle awarded 181 payments to local governments totaling $6 million.

   California's local conservation corps also receive funding from the CORE Act for used oil recycling collection activities, including certified collection center signage reviews; staffing filter exchange events, filter draining, and filter crushing; and, internships with used oil recycling businesses. The amount available for the 2025-26 funding cycle for local conservation corps is $2 million.

Additionally, the CORE Act supports the recycling of used oil. Under the Act, CalRecycle pays an incentive of $0.03 per gallon to certified used oil recycling facilities for rerefined oil produced from used oil generated in California if it meets certain requirements.

4) **Author's statement**:

> AB 1325 requires producers of petroleum-based oil products to fund and ensure convenient access to a system for the safe collection, transportation, and disposal of the used oil and packaging waste created by their products, including recycling covered products when feasible. The bill will shift the cost burden of managing this used oil program from CalRecycle to the producers through an extended producer responsibility (EPR) system while maintaining CalRecycle and DTSC's respective oversight.
>
> Almost 100 million gallons of used oil is generated each year in the state, which is a valuable petroleum resource that can be recycled. Despite this potential for recycling, significant quantities of used oil are wastefully disposed of or improperly used by means which pollute the water, land, and air, and endanger the public health, safety, and welfare. Readily available technologies exist to recycle used oil into useful products and that used oil should be collected and recycled, to the maximum extent possible, by means that are economically feasible and environmentally sound, in order to conserve irreplaceable petroleum resources, to protect the environment, and to protect public health, safety, and welfare. This includes nonflammable petroleum-based automotive products, antifreeze, engine oils, oil filters, and other fluids commercially available to a nonbusiness consumer. Consumers struggle to understand which products are considered hazardous and how to properly dispose of those that are, especially as the list of products that can be collected at a local collection facility varies from jurisdiction to jurisdiction and is often a function of what that jurisdiction can afford. Many communities lack convenient access to facilities permitted to accept these dangerous products altogether.
>
> Places like Canada and Colorado are implementing EPR programs for petroleum-based oil products to increase access to safe collection and shift the cost burden of managing these products from local cities and counties, and ultimately ratepayers, to the producers designing the products. AB 1325 builds on California's extensive experience with EPR programs and allows producers a degree of flexibility in meeting these goals while also saving ratepayers money and encouraging safer, sustainable end-of-life methods for petroleum-based oil products.

5) **This bill**. This bill replaces the CORE Act with a new EPR program that includes used oil and adds other automotive fluids, along with their packaging. Some producers have taken steps to form new EPR programs for their products to avoid the requirements imposed by the packaging EPR program established by SB 54 or the potential household hazardous waste (HHW) EPR program proposed by SB 501 (Allen).

Unlike the CORE Act, which relies on financial incentives to encourage the collection and recycling of used oil, the Program requires the plan to ensure the "safe and convenient

collection and management of covered products." The Program requires that PRO decrease the aggregate percentage of covered products that are improperly disposed or dumped by 20% in 2032 and 40% by 2035, as measured against a baseline established by CalRecycle. Rather than focusing on recycling, the Program is designed to "promote the safe and proper management" of covered products and "not promote the disposal of covered products in a manner that is inconsistent with the services offered by the producer responsibility plan." The plan also includes a description of how the PRO will "leverage and use existing collection programs and infrastructure."

While this bill directs the PRO to leverage the use of existing programs and infrastructure, it does not ensure ongoing financial support for local programs and used oil recyclers comparable to the existing CORE Act. Without this ongoing funding, those programs, and their infrastructure, may not be able to continue to operate.

This bill focuses on "safe and proper management" rather than recycling. California has historically prioritized recycling in the state. The CORE Act reflects this by providing incentives for rerefining used oil, which is a direct replacement for virgin oil, fostering the goals of a circular economy. Without focusing on rerefining as a management priority, this bill could result in all used oil being used as fuel as diesel, in industrial processes, or in boilers.

This bill exempts covered products from the requirements of SB 54, which establishes collection, source reduction, and recycling goals for packaging. However, this bill does not establish any recycling or source reduction targets for covered product packaging.

Should the bill move forward, the author and sponsors may wish to work with CalRecycle, DTSC, and stakeholders to consider whether a new EPR program is necessary. The author may wish to consider alternatives, such as expanding the existing CORE Act to additional automotive fluids or establishing an EPR program for used oil and other automotive fluids packaging.

6) **Suggested amendments**. In order to address a number of issues raised by this bill, *the committee may wish to amend the bill to*:

   a) Clarify the definition of "covered product."

   b) Define "recycling" to have the same meaning as defined by SB 54.

   c) Ensure that the bill preserves, maintains, and builds upon the existing used oil collection and management infrastructure.

   d) Ensure that the bill preserves current funding levels for used oil collection programs and rerefining incentives.

   e) Establish source reduction and recycling targets for covered products, including packaging.

   f) Require the PRO annual reports to include updates on plan implementation.

g) Ensure that the CORE Act remains in effect until the Program is fully implemented.

h) Make related clarifying and technical amendments.

7) **Double referral**. This bill has also been referred to the Assembly Judiciary Committee.

8) **Related legislation**.

SB 501 (Allen) establishes an EPR for specified HHW products for the purposes of providing a convenient collection and management system for products in the program at no cost to residents or local governments that achieves a 40% diversion rate for covered HHW products by Jan 1, 2036. This bill has been referred to the Senate Judiciary Committee.

SB 1143 (Allen) would have established an EPR program for specified HHW products for the purposes of providing a convenient collection and management system for covered products at no cost to residents or local governments. This bill was gut-and-amended to revise the state's Paint EPR program.

REGISTERED SUPPORT / OPPOSITION:

Support

Serlin Haley LLP

Opposition

California Association of Local Conservation Corps
Californians Against Waste

Analysis Prepared by: Elizabeth MacMillan / NAT. RES. /

Date of Hearing: April 21, 2025

ASSEMBLY COMMITTEE ON NATURAL RESOURCES
Isaac G. Bryan, Chair
AB 1380 (Elhawary) – As Amended April 10, 2025

SUBJECT: Wildland firefighters: Formerly Incarcerated Firefighter Certification and Employment Program

SUMMARY: Requires the Department of Forestry and Fire Prevention (CAL FIRE), in partnership with the Department of Corrections and Rehabilitation (CDCR) and the California Conservation Camp program, to implement a standardized process to ensure that all individuals who complete CAL FIRE's firefighting training program (FFT program) while incarcerated receive official written certification before their release, and requires this certification to be adequate for employment at CAL FIRE in the classification of Fire Fighter 1.

EXISTING LAW:

1) Establishes CAL FIRE in the California Natural Resources Agency (NRA) to provide fire protection and prevention services, as specified.

2) Establishes the California Conservation Camps for the purpose of having incarcerated persons work on projects supervised by CAL FIRE. Establishes the policy of this state to require the inmates and wards assigned to such camps to perform public conservation projects including, but not limited to, forest fire prevention and control, forest and watershed management, recreation, fish and game management, soil conversion, and forest and watershed revegetation. (Public Resources Code (PRC) 4951)

3) Requires CAL FIRE to utilize inmates and wards assigned to conservation camps in performing fire prevention, fire control, and other work of CAL FIRE. (PRC 4953)

THIS BILL:

1) Requires, within six months from the date bill this becomes operative, CAL FIRE, in partnership with CDCR and the California Conservation Camp program, to implement a standardized process to ensure that all individuals who successfully complete CAL FIRE's FFT program while incarcerated receive official written certification before their release from prison.

2) Requires that certification to be considered adequate for employment at CAL FIRE in the classification of Fire Fighter 1.

3) Requires the official written certification to include, but not limited to, the following certifications:

    a) L180 Human Factors in the Wildland Fire Service;

    b) S130 Wildland Fire Safety Training;

    c) S190 Introduction to Wildland Fire Behavior;

d) Public Safety First Aid;

e) Fire Protection Orientation;

f) Confined Space Rescue Awareness; and,

g) Fire Fighter 1B: HazMat Certificate.

4) Requires, on or before January 1, 2027, CAL FIRE to ensure a minimum percentage of Fire Fighter Classification 1 positions are reserved for the hiring of qualified formerly incarcerated individuals as follows:

   a) Subject to the receipt of a sufficient quantity of job applications from qualified formerly incarcerated individuals, CAL FIRE is required to reserve at least 15% of all vacant Fire Fighter 1 classification positions each year for the hiring of qualified formerly incarcerated individuals.

   b) If in any year CAL FIRE does not receive enough applications from qualified formerly incarcerated individuals to meet the 15%, CAL FIRE is required to nevertheless remain in compliance with this bill if the following conditions are meet:

      i) CAL FIRE took meaningful steps to recruit qualified formerly incarcerated individuals to comply; and,

      ii) CAL FIRE hired all qualified formerly incarcerated individuals who submitted an application that year.

5) Requires CAL FIRE, in partnership with CDCR, to annually track the number of incarcerated individuals who have completed the FFT program and are set to be released from prison within the next 90 days to ensure a sufficient number of vacant Fire Fighter 1 classification positions are available for hiring purposes.

6) Provides that nothing in this bill precludes other state agencies with wildland management responsibilities from establishing similar pathways to support wildfire prevention, mitigation, and response efforts with priority hiring reserved for formerly incarcerated individuals who completed the FFT program.

7) Requires CAL FIRE to develop and implement policies and procedures to track and report the outcomes of this bill, including, but not limited to, the number of participants hired, retention rates, and career advancement opportunities.

8) Requires, for three years from the date this bill becomes operative, CAL FIRE to submit an annual report to the Legislature on the implementation and effectiveness of this bill, including recommendations for improvement.

9) Provides that this bill shall only become operative only upon an appropriation by the Legislature for its purposes in the annual Budget Act or any other statute.

10) Defines, for purposes of this bill, "qualified formerly incarcerated individual" as any formerly incarcerated individual who completed the FFT program and has a valid certification.

FISCAL EFFECT: Unknown

COMMENTS:

1) **Author's statement**:

> AB 1380 is a restorative justice measure that creates a real path to employment for formerly incarcerated individuals who trained and served in California's fire camps. Despite gaining hands-on experience fighting wildfires alongside CAL FIRE, these individuals are often released without certification and shut out of the very workforce they helped sustain.
>
> By requiring CAL FIRE and CDCR to issue formal certification and reserving 15% of vacant Firefighter I positions for qualified former fire camp participants, AB 1380 invests in rehabilitation, reduces recidivism, strengthens our firefighting workforce, and promotes equity by ensuring that those most impacted by the justice system have the opportunity to serve their communities with dignity.

2) **Inmate fire fighters**. After inmates were dispatched to extinguish a 1944 fire in Southern California near a forestry camp, the state created the Rainbow Conservation Camp in 1946 near San Diego. It was administered through an agreement between the corrections and forestry departments, and established a model for the camps we have now. Today, inmate firefighters form handcrews, creating breaks in vegetation and carving out swaths of barren soil that deny flames fuel to go further. They manage these perimeters by hand, using chainsaws, shovels, and axes. Firefighting provides job skills training that can be employed post release and a sense of purpose during incarceration.

   California's inmate firefighter ranks have plummeted in recent years, due in part to measures to reduce the prison population under Governor Newsom and hastened by the early release of non-violent offenders during the pandemic. In 2011, more than 4,000 incarcerated individuals were in a firefighting program; currently, there are approximately 1,600. Though their numbers have fluctuated over the years, they have generally comprised approximately one-third of California's firefighting force.

3) **Conservation Camp Program.** The primary mission of the Conservation Camp Program is to support state, local, and federal government agencies as they respond to emergencies such as fires, floods, and other natural or manmade disasters. CDCR, in cooperation with CAL FIRE and the Los Angeles County Fire Department, jointly operates 30 conservation camps, commonly referred to as fire camps, across 30 counties. All camps are minimum-security facilities, staffed with correctional staff, and typically located within a few miles of a small population center. CAL FIRE is allocated up to 2,584 spaces for incarcerated firefighters; currently there are approximately 1,125 incarcerated persons serving at fire camps, 1,011 of whom are fire-line qualified.

In addition to inmate firefighters, camp inmates can work as support staff. All inmates receive the same entry-level training as CAL FIRE's seasonal firefighters, in addition to ongoing training from CAL FIRE throughout the time they are in the program. An inmate must volunteer for the fire camp program; no inmate is involuntarily assigned to work in a fire camp. Volunteers must have "minimum custody" status, or the lowest classification for inmates based on their sustained good behavior in prison, their conforming to rules within the prison and participation in rehabilitative programming. Some conviction offenses automatically make an inmate ineligible for conservation camp assignment, even if they have minimum custody status. Those convictions include sexual offenses, arson, and any history of escape with force or violence.

The crews at the conservation camps, known as "fire crews" or "hand crews," are available to respond to all types of emergencies, including wildfires, floods, search, and rescue. Fire crew participants are paid between $5-$10 per day (paid by CDCR), and an additional $1 per hour (paid by CAL FIRE) when fighting an active fire. The crews perform more than 3 million hours of emergency response work each year. When not assigned to emergency response or pre-fire project work, crews undertake labor-intensive project work on public lands. Fire crews conduct critical hazard fuels reduction projects in support of the state and federal fire plans, repair and maintain public infrastructure, and implement other community-service projects.

4) **Firefighting training program**. CAL FIRE operates three training centers that include core and ancillary learning spaces to provide realistic operational environments to conduct readiness training for CAL FIRE's workforce. At these three instructional facilities, CAL FIRE provides year-round training in fire prevention and protection, emergency response, law enforcement and enhancement of natural resource systems. Additionally, personnel from allied fire protection and law enforcement agencies throughout California and the nation attend courses during the academic year.

5) **This bill**. AB 1380 requires CAL FIRE, in partnership with CDCR and the California Conservation Camp program, to implement a standardized process to ensure that all individuals who successfully complete CAL FIRE's FFT program while incarcerated receive official written certification before their release from prison, and requires that certification to be considered adequate for employment at CAL FIRE in the classification of Fire Fighter 1.

   The State Fire Marshal's Training Procedures Manual is intended to provide standardization for the training and certification program; it does not have specific guidance for formerly incarcerate individuals.

   A Fire Fighter 1 is an entry-level position for seasonal firefighters, requiring basic training and skills for fire suppression, wildland firefighting, and hazardous materials response. This position involves suppressing various fires, assisting with maintenance and repairs, and performing other related duties under supervision. This bill requires the certification for inmate firefighters to include various qualifications.

6) **Hiring prioritization.** The bill requires CAL FIRE to have at least 15% of its Fire Fighter 1 positions reserved for qualified formerly incarcerated individuals.

The Firefighter Candidate Testing Center maintains a list of eligible candidates to be used by California fire departments during their hiring process. According to the California Professional Firefighters, there are currently more than 4,000 individuals on list that have completed the physical agility and written exams through the Firefighting Joint Apprenticeship Committee and are actively trying to get hired by CAL FIRE. This bill prioritizes formerly incarcerated inmates ahead of those existing eligible candidates.

7) **66-hour work week**. The state is in the process of implementing a 66-hour work week plan for the state's firefighters. Unit 8 (CAL FIRE Local 2881), which represents most of CAL FIRE's positions, such as Fire Captains, Fire Apparatus Engineers, Fire Fighter IIs, and Fire Fighter Is, executed a Memorandum of Understanding (MOU) with the state in September 2022 to, among other things, reduce the CAL FIRE firefighter workweek from 72 hours to 66 hours—a 24-hour reduction per 28-day pay period. By FY 2028-29, the state is committed to adding 2,457 new permanent positions to CAL FIRE.

   According to the Legislative Analyst's Office (LAO), the proposal extends the peak staffing period from five months to nine months, resulting in additional CAL FIRE firefighters being on duty at any given time because there will be more engines deployed overall. Further, by extending peak season for an additional four months, the plan will significantly increase the number of firefighters on duty throughout the whole year. The permanent personnel would allow CAL FIRE to adjust its staffing rotation to a platoon model in which firefighters would rotate on and off duty together as a group rather than individually. The LAO estimates that by the time the change to the workweek is fully implemented in 2028-29, CAL FIRE positions focused on wildfire response will increase roughly to 12,900.

   The author may wish to work with CAL FIRE to ascertain how the requirements of this bill fit into the 66-hour work week implementation plan.

8) **Double referral**. This bill is also referred to the Assembly Public Safety Committee.

9) **Relevant legislation**:

   AB 247 (Bryan) requires an incarcerated individual hand crew member, in addition to receiving credits, to be paid an hourly wage equal to $19 while assigned to an active fire incident. This bill is referred to the Assembly Appropriations Committee.

   AB 619 (Ransom) requires CAL FIRE and CDCR to jointly evaluate the Ventura Training Center and report to the Legislature on its evaluation. This bill is referred to the Assembly Appropriations Committee.

   AB 409 (Weber, 2023) was nearly identical to this bill. That bill was referred to the Natural Resources Committee, but pulled by the author.

   SB 936 (Glazer, 2021) would have required, upon an appropriation, the director of the CCC to establish a forestry training center in northern California in partnership with CAL FIRE and CDCR to provide enhanced training, education, work experience, and job readiness for entry-level forestry and vegetation management jobs. This bill was vetoed by the Governor.

AB 2126 (Eggman), Chapter 362, Statutes of 2018, requires the CCC to establish a forestry corps program to accomplish certain objectives including developing and implementing forest health projects, as provided, and establishing forestry corps crews.

REGISTERED SUPPORT / OPPOSITION:

Support

California for Safety and Justice
Californians United for a Responsible Budget
Communities United for Restorative Youth Justice
Courage California
Debt Free Justice California
Ella Baker Center for Human Rights
Fair Chance Project
Friends Committee on Legislation of California
Initiate Justice Action
LA Defensa
Prosecutors Alliance Action
The Change Parallel Project
The W. Haywood Burns Institute
Vera Institute of Justice

Opposition

California Professional Firefighters
State council of the International Association of Fire Fighters

Analysis Prepared by: Paige Brokaw / NAT. RES. /

Date of Hearing: April 21, 2025

ASSEMBLY COMMITTEE ON NATURAL RESOURCES
Isaac G. Bryan, Chair
AB 1417 (Stefani) – As Amended March 24, 2025

SUBJECT: Energy: Voluntary Offshore Wind and Coastal Resources Protection Program: community capacity funding activities and grants

SUMMARY: Creates the Offshore Wind Community Capacity Funding Grant Account to fund capacity funding grants, and requires an offshore wind entity to provide financial assistance to fund those activities and grants for the 4-year period after the offshore wind entity executes an offshore wind lease, as provided.

EXISTING LAW:

1) Establishes the policy goal of the state that eligible renewable energy resources and zero-carbon resources supply 100% of all retail sales of electricity to California end-use customers and 100% of electricity procured to serve all state agencies by December 31, 2045. (Public Utilities Code 454.53)

2) Requires the California Energy Commission (CEC), in coordination with relevant federal, state, and local agencies, to develop a strategic plan for offshore wind energy developments installed off the California coast in federal waters, and requires the CEC to submit the strategic plan to the Natural Resources Agency and the Legislature on or before June 30, 2023. (Public Resources Code (PRC) 25991)

3) Establishes the Voluntary Offshore Wind and Coastal Resources Protection Program (Program) to be administered by the CEC for the purpose of supporting state activities that complement and are in furtherance of federal laws related to the development of offshore wind facilities, including federal laws. Specifies for what the CEC may allocate moneys from the Program. (PRC 25992.10)

4) Establishes the Voluntary Offshore Wind and Coastal Resources Protection Fund (Fund) in the State Treasury. Establishes the Private Donations Account in the Fund. (PRC 25992.20)

5) Authorizes the CEC to accept federal and private sector moneys, including for purposes of financial commitments made to fulfill a lessee's bidding credits in a bureau lease sale auction. The private sector moneys shall be deposited into the Private Donations Account. The federal moneys shall be deposited into the Fund. (PRC 25992.21)

6) Requires, on before March 15, 2024, and each January thereafter concurrent with the submission of the Governor's Budget, the CEC to submit a report to the Legislature and the relevant policy and fiscal committees of the Legislature on the moneys received and allocated to the aforementioned accounts. (PRC 25992.22)

THIS BILL:

1) Defines the following terms:

a) "California tribes" means California Native American tribes identified on the contact list maintained by the Native American Heritage Commission or a federally recognized tribe.

b) "Donations account" means the Private Donations Account.

c) "Grant account" means the Offshore Wind Community Capacity Funding Grant Account.

d) "Offshore wind entity" means any entity engaged in offshore wind energy development that meets all of the following criteria:

i) Has a planned generation capacity of 50 megawatts or more;

ii) Involves development activities expected to impact the coastal environment, marine environment, or human environment of the California coast or submerged lands within its jurisdiction; and,

iii) Will require the entity to obtain a lease, permit, or other authorization from the State Lands Commission, the Coastal Commission, the Department of Fish and Wildlife, the State Water Resources Control Board, a California regional water quality control board, the State Air Resources Board (ARB), the Public Utilities Commission (CPUC), the Independent System Operator, or another state agency or local government, in connection with its development activities.

2) Authorizes the CEC to allocate moneys from the Program for capacity funding activities and grants within local communities and tribal communities.

3) Establishes the Grant Account in the Fund. Continuously appropriates funds without regard to fiscal year to the CEC to fund capacity funding activities and award capacity funding grants. Authorizes the CEC to use up to 5% of the total amount deposited into the Grant Account, if needed, to administer the Grant Account.

4) Requires moneys appropriated to the Grant Account to be awarded in an equitable manner, as determined by the CEC that takes into account the needs and capacities of the communities, tribes, and organizations that apply for the funding for capacity funding activities and the capacity funding grants. Requires the CEC, in consultation with local communities, tribes, and other relevant stakeholders, to develop, through a public process that includes holding public workshops, guidelines for the use of those moneys. The guidelines may include categories of eligible activities, application requirements, and criteria for evaluating applicants. The guidelines shall be subject to review and revision every three years.

5) Requires offshore wind entities to provide financial assistance to fund capacity funding activities and grants. Authorizes the financial assistance to be provided directly to an eligible entity, or deposited into the Grant Account for allocation.

6) Requires the requirement on an offshore wind entity to provide this financial assistance to apply to the leaseholder for the four-year period after the offshore wind entity executes an offshore wind lease and may be satisfied through one or more payments.

7) Requires financial assistance provided by offshore wind entities to be used for any of the following purposes:

a) Activities related to consultation for purposes of, and participation in, project planning and development;

b) Activities related to the development of local and tribal benefit agreements; or,

c) Capacity funding grants.

8) Provides that entities eligible for the capacity funding activities and grants include a local community, California tribe, or nonprofit organization selected by California tribes to represent their interest. A coalition of multiple of these eligible entities may also apply as a single entity if each coalition member is also an eligible entity.

9) Prohibits financial assistance provided by an offshore wind entity from being used to satisfy financial commitments made to fulfill bidding credits it received in a bureau lease sale auction.

10) Requires financial assistance provided by an offshore wind entity to be subject to the reporting requirements of this bill.

11) Requires, for each donation contributed directly to an eligible entity, the offshore wind entity to disclose the following information to the CEC within 30 days of making the contribution:

a) The name and address of the donor;

b) The name and address of the eligible entity that received the donation;

c) The amount of the donation;

d) The date the donation was made;

e) A brief description of the goods or services donated or purchased, if any; and,

f) A description of the specific purpose or event for which the donation was made, if any.

12) Requires the CEC to additionally report on its internet website the name and address of the eligible entity that received the donation, if the donation was received directly by an eligible entity.

13) Requires the CEC to annually prepare and submit, on or before March 1 of each year, a report to the Legislature on the implementation and effectiveness of the capacity funding activities and grants, including the amount of activity and grant moneys and direct financial assistance provided by offshore wind entities, using information provided by offshore wind entities, local communities, and tribes. The report shall include, but not be limited to, the total amount of capacity funding activity and grant moneys and direct financial assistance awarded for purposes of those activities and grants, a description of the activities and grants funded, and an assessment of the impact of the funding.

FISCAL EFFECT: Unknown

COMMENTS:

1) **Author's statement**:

> California is leading the charge on clean energy and offshore wind is key to our renewable future—but we must ensure the benefits reach the communities most impacted. AB 1417 creates a dedicated statewide fund at the California Energy Commission, empowering local communities, tribes, and nonprofits to actively shape offshore wind development. This bill drives environmental justice, economic opportunity, and a more equitable transition to clean power—ensuring those on the frontlines have a voice in the process. By investing in a responsible and inclusive transition, we maximize benefits while minimizing harm. This is about smart, sustainable growth that protects our coast, uplifts communities, and secures California's clean energy future.

2) **Offshore wind**. The 100 Percent Clean Energy Act of 2018 [SB 100 (De León), Chapter 321, Statutes of 2018] increased California's renewable portfolio standard (RPS) goal to 60% by 2030 and requires RPS-eligible resources and zero-carbon resources to supply 100% of California's electricity retail sales and electricity procured to serve state agencies by 2045.

   Based on a joint analysis by the CEC, CPUC, and ARB, an estimated six gigawatts of renewable energy and storage resources need to come online annually to meet the state's 2045 carbon neutrality goal. Offshore wind is part of the state's plan to meet those goals.

   AB 525 (Chiu), Chapter 231, Statutes of 2021, requires the CEC to evaluate and quantify the maximum feasible offshore wind capacity to achieve reliability, ratepayer, employment, and decarbonization benefits and to establish offshore wind planning goals for 2030 and 2045. The range in the planning goals for 2030 reflects an understanding that achieving a 2030 online date for any proposed offshore wind project will take a significant mobilization of resources as well as timely infrastructure investments, while the planning goal for 2045 reflects anticipated technological developments and related cost reductions.

   The July 2024 strategic plan pursuant to AB 525 lays out the path forward for achieving offshore wind goals. The three call areas for offshore wind in federal waters off the coast of California are the Humboldt area on the North Coast and the Morro Bay and Diablo Canyon areas off the Central Coast. In addition, AB 3 (Zbur), Chapter 314, Statutes of 2023, requires the CEC to develop a 2nd-phase plan and strategy for seaport readiness that builds upon the recommendations and alternatives in the strategic plan for offshore wind developments and submit a report to the Legislature by December 31, 2026.

3) **Community benefits fund.** The federal Bureau of Ocean Energy Management (BOEM), as part of the official offshore wind leases off California's coast, requires leasees to invest funds into a community benefit agreement, which will provide support to those who are directly or indirectly impacted by the floating offshore wind energy development. The community benefit agreement can assist fishing and related industries (including tribal fisheries) by supporting their resilience and ability to adapt to gear changes or any potential gear loss or damage; provide money for infrastructure to alleviate impacts from the projects; provide increased support to facilitate engagement as the projects are developed; and for mitigating potential impacts to cultural viewsheds or potential impacts on marine and land species. Additional contributions for workforce training and/or domestic supply chain development

can be made in support of existing programs, or for the establishment of new programs or incentives associated with the planning, design, construction, operation, maintenance or decommissioning of U.S. floating offshore wind energy projects, or the manufacturing or assembling of their components in the United States.

4) **California Tribes impacted by offshore wind.** Many California Native American tribes and peoples have connections to the Pacific Ocean, the coast, and marine habitats, and species. Each California Native American tribe has its own perspective, concerns, and priorities regarding offshore wind. Many tribal members depend on local fishing and harvesting of sea life for cultural, subsistence, and commercial needs, and have concerns about the potential impact on their ability to feed their families and loss of income from commercial fishing. On the North Coast, tribes have expressed significant concern about the impacts on the population and migration patterns of the already endangered salmon.

   There are five existing offshore wind leases in California: two in northern California off Humboldt County, and three in Central California near Morro Bay. In Humboldt, there are three federally-recognized Tribes near the offshore wind lease site: the Yurok, the Wiyot, and the Mattole. Morro Bay and Diablo Canyon are ancestral lands of cultural, ceremonial, and spiritual importance to the Santa Ynez Band of Chumash Indians Tribe, and the Gabrieleño are nearby on the Santa Barbara coastline.

   Tribes are seeking a direct role in the decision-making process throughout the planning, permitting, operation, and decommissioning of offshore wind operations and associated infrastructure for offshore wind development. The CEC's AB 525 strategic plan identifies and proposes strategies for potential impacts to Native American and Indigenous peoples.

   Strategies for addressing impacts to California Native American tribes could include conducting meaningful consultation with tribal representatives, supporting the establishment of strong, legally binding tribal community benefits agreements, continuing to study impacts on tribes including exploring public safety measures to reduce violent crime and sexual and gender-based violence against California tribes and other vulnerable populations, and collaborating with tribes on avoidance, mitigation, and co-management opportunities.

5) **Voluntary Offshore Wind and Coastal Resources Protection Program**. The Program is an existing grant program at the CEC that supports state activities that complement and are in furtherance of federal laws related to the development of offshore wind facilities. The CEC provides grants to public and private entities, including state agencies, tribal entities, local governmental agencies, research institutions, and nonprofit entities. The CEC can accept federal and private sector money for the Voluntary Program; the Voluntary Fund is funded with federal dollars, and the Private Donations Account within the Voluntary Fund can accept private donations. As of Aril 10, no donations or other deposits have been made into the Voluntary Fund or the Account and the balances of each are zero.

6) **Second attempt.** Last year, the Legislature considered AB 2537 (Addis) which was almost identical to this bill. It would have established an Offshore Wind Community Capacity Building Fund Grant Program at the CEC to award grants for the purpose of building capacity within local communities and tribal communities to engage in the process of offshore wind energy development. The bill was vetoed by the governor, who stated:

> *While I share the author's desire to ensure communities hosting [offshore wind] projects are resourced to constructively engage in their planning and development, this bill falls short of providing a viable funding stream to accomplish this very objective. I encourage the author and the OSW developers to collaborate further with communities to identify an approach that not only fosters capacity for engagement but considers community benefits from the development of these projects.*

AB 1417 is picking up where AB 2537 left off by attempting to address the Governor's concern about a lack of a funding source.

7) **Funding the capacity building grants under this bill**. The bill requires a leaseholder, for the four-year period after the offshore wind entity executes an offshore wind lease, to provide financial assistance to fund capacity funding activities and grants. The bill allows financial assistance to be provided either directly to an eligible entity, or deposited into the Grant Account. The bill does not specify the amount of the financial assistance required to be provided by the Offshore Wind Energy leaseholder; whether there be a minimum amount each leaseholder is required to contribute; or, if a leaseholder provides financial assistance directly to an eligible entity, whether that amount would count toward any total amount each entity is expected to contribute. Without that specification, the requirement can be applied unequally across the leaseholders, or worse, they could each contribute $1 and claim compliance with the bill.

   The current Trump Administration makes funding for offshore wind investments uncomfortably uncertain. In January, President Trump announced a withdrawal of wind energy leasing in all areas within the Offshore Continental Shelf. While that is not expected to impact the areas already leased by BOEM off the coast of California, the clear lack of federal support for offshore wind, the tariffs and global economic ripple effects, the likely increase in infrastructure costs, and the general ongoing whiplash from the federal government is resulting in industry-wide uncertainty. American Clean Power-California, which represents offshore wind companies, expresses concern that AB 1417 exacerbates this uncertainty by adding requirements to fund capacity building activities at an already increasingly difficult time for the industry.

8) **Committee amendments**. To address the aforementioned concerns, the *committee may wish to consider* amending the bill to strike the creation of the Offshore Wind Community Capacity Funding Grant Account and strike the mandatory requirement for offshore wind entities to provide financial assistance.

9) **Double referral**. This bill is also referred to the Assembly Utilities and Energy Committee.

10) **Related legislation**. AB 2537 (Addis, 2024) was almost identical to this bill. It would have established an Offshore Wind Community Capacity Building Fund Grant Program at the CEC to award grants for the purpose of building capacity within local communities and tribal communities to engage in the process of offshore wind energy development. This bill was vetoed by the governor.

REGISTERED SUPPORT / OPPOSITION:

Support

350 Humboldt
Brightline Defense Project
Central Coast Alliance United for a Sustainable Economy
Clean Power Campaign
Elected Officials to Protect America
Environmental Defense Fund
EPIC (Environmental Protection Information Center)
Monterey Bay Aquarium
National Wildlife Federation
NRDC
Sierra Club California
Slo Climate Coalition
UAW Region 6
USC Schwarzenegger Institute

Opposition

American Clean Power- California
Bay Area Council
California Chamber of Commerce
Greater Eureka Chamber of Commerce, the
Independent Energy Producers Association
Large Scale Solar Association
Los Angeles Business Council
The California Wind Energy Association (CALWEA)

Analysis Prepared by: Paige Brokaw / NAT. RES. /

Date of Hearing: April 21, 2025

ASSEMBLY COMMITTEE ON NATURAL RESOURCES
Isaac G. Bryan, Chair
AB 1478 (Hoover) – As Amended March 24, 2025

SUBJECT: Used Mattress Recovery and Recycling Act: mattress recycling charge

SUMMARY: Allows a retailer or distributor to directly pay the mattress recycling charge (charge) on behalf of a consumer.

EXISTING LAW establishes the Used Mattress Recovery and Recycling Act (Act), which establishes an expanded producer responsibility (EPR) program (program) for used mattresses. Pursuant to the Act:

1) Requires a mattress responsibility organization (MRO) to develop, implement, and administer the program.

2) Requires the MRO to develop, submit, and administer a plan for recycling used mattresses, including mattresses, box springs, and futons, in the state.

3) Requires mattress retailers to offer consumers the option to have a used mattress picked up at the time of delivery of a new mattress, at no cost to the consumer, as specified.

4) Requires the MRO to set the charge to be added to the purchase price of a mattress at the point of sale that is sufficient to fund the revenue requirements of the program. Requires the charge to be clearly visible on the invoice, receipt, or functionally equivalent document by the seller to a consumer as a separate line item. (Public Resources Code 42985 *et seq*.)

THIS BILL:

1) Allows a retailer or distributor to directly pay the applicable charge to the MRO on behalf of the consumer of the mattress.

2) Specifies that the retailer or distributor who pays the charge on behalf of a consumer is not required to include the charge on the invoice, receipt, or functionally equivalent document as a separate line item.

3) Specifies that in order for a retailer or distributor to pay the charge on behalf of a consumer, the following requirements must be met:

    a) The retailer or distributor is not primarily engaged in the sale of mattresses to a consumer or ultimate end user in the state;

    b) The retailer or distributor provides proof to the MRO that the charge is not being passed onto the consumer or the ultimate end user in the state;

    c) The charge for each mattress sold by the retailer or distributor is fully and timely paid to the MRO; and,

d) The retailer or distributor promotes consumer awareness about available mattress recycling options to its customers, including, but not limited to, retailer take-back programs, collection sites, and mattress collection programs in local communities.

FISCAL EFFECT: Unknown

COMMENTS:

1) **California's mattress stewardship program**. Established in 2016, California's program was developed to find alternatives to landfill disposal. Unlike most waste, mattresses clog up landfill machinery and are difficult to manage. Additionally, mattresses have been prone to illegal disposal, creating a public nuisance. The program is intended to ensure that used mattresses, box springs, and futons are reused, recycled, or properly disposed. The program is run by the Mattress Recycling Council (MRC), which acts as the MRO in the state. MRC's program, which is called Bye Bye Mattress, provides free retail take-back or free drop off at numerous locations throughout the state. The program is funded by a consumer fee on mattress sales, which is currently $16.

   According to the Department or Resources Recycling and Recovery (CalRecycle), the program has collected 11.1 million mattresses since its inception in 2016. Of those mattresses, nearly 80% have been diverted from landfill disposal through recycling, renovation, and biomass conversion. With 240 collection sites, more than 99% of California residents have "convenient access" to the program within 15 miles of their homes.

2) **This bill**. Ideally, EPR programs require producers to share in the costs associated with the end-of-life management of the products they produce. However, a number of the state's EPR programs shift that cost directly to consumers by assessing a visible fee, or "charge," at the point of purchase.

   This bill allows retailers to pay the charge on behalf of consumers if the retailer is "not primarily engaged in the sale of mattresses," provides proof that the charge is not being passed on to the consumer, the charge is paid to the MRO, and the retailer promotes consumer awareness of mattress recycling options. This approach more closely aligns with a true EPR model and benefits consumers by reducing the purchase price of a new mattress from a participating retailer.

   Should this bill move forward, the author should continue ongoing discussions with CalRecycle and stakeholders to ensure that terms such as "primarily engaged in the sale of mattresses" are clear and that charges paid by the retailer are reported accurately to CalRecycle and the MRO.

3) **Author's statement**:

   > As it stands, the Used Mattress Recovery & Recycling Act requires the mattress recycling fee to be passed on to the consumer. With cost of living in California being unarguably far too high, consumers need support and relief now more than ever. Retailers wishing to provide this relief should not be barred from doing so. AB 1478 will allow certain retailers and distributors to absorb the required fee on behalf of their customers. This would alleviate an unnecessary burden, while

maintaining the integrity of the program by keeping its educational components intact.

4) **Suggested amendments**. The *committee may wish to amend the bill* to require retailers to enter into a written agreement with the MRO to remit the charge on behalf of consumers and define "functionally equivalent document" as documentation for consumers regarding the program.

REGISTERED SUPPORT / OPPOSITION:

Support

California Retailers Association
National Stewardship Action Council
Williams-Sonoma, INC.

Opposition

None on file

Analysis Prepared by: Elizabeth MacMillan / NAT. RES. /

Date of Hearing: April 21, 2025

ASSEMBLY COMMITTEE ON NATURAL RESOURCES
Isaac G. Bryan, Chair
AB 1486 (Soria) – As Amended April 3, 2025

SUBJECT: Climate resiliency: research farms: grant program

SUMMARY: Requires the State Department of Education (DOE), in consultation with the Department of Food and Agriculture (CDFA), on or before January 1, 2026, to establish a grant program to provide grants to public postsecondary educational institutions that are designated as Agricultural Experiment Stations or Agricultural Research Institutes to develop or expand research farms to improve climate resiliency, as specified.

EXISTING LAW:

1) The Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024, approved by the voters as Proposition 4 at the November 5, 2024, statewide general election, authorizes $10 billion in general obligation bonds to finance projects for safe drinking water, drought, flood, and water resilience, wildfire and forest resilience, coastal resilience, extreme heat mitigation, biodiversity and nature-based climate solutions, climate-smart, sustainable, and resilient farms, ranches, and working lands, park creation and outdoor access, and clean air programs: (Public Resources Code (PRC) 90000 – 95015)

2) Proposition 4 includes $300 million for improving climate resilience and sustainability of agricultural lands, of which $15 million is available, upon appropriation, for DOE, in consultation with CDFA, to provide grants to public postsecondary educational institutions that are designated as Agricultural Experiment Stations or Agricultural Research Institutes, to develop research farms to improve climate resiliency. Specifies that funding for each institution is limited to no more than $1 million. (PRC 93570)

THIS BILL:

1) States the intent of the Legislature to ensure that the $15 million made available for grants to educational institutions for research farms is used for this purpose.

2) Requires, on or before July 1, 2026, the DOE, in consultation with CDFA, to establish a grant program to provide grants to public postsecondary educational institutions that are designated as Agricultural Experiment Stations or Agricultural Research Institutes to develop or expand research farms to improve climate resiliency, in accordance with PRC 93570.

FISCAL EFFECT: Unknown

COMMENTS:

1) **Proposition 4**. Proposition 4 authorized the issuance of bonds in the amount of $10 billion to fund projects for safe drinking water, drought, flood, and water resilience, wildfire and forest resilience, coastal resilience, extreme heat mitigation, biodiversity and nature-based climate solutions, climate-smart, sustainable, and resilient farms, ranches, and working lands, park creation and outdoor access, and clean air programs.

Of these funds, Proposition 4 allocated $300 million to fund improvements in climate resilience and sustainability of agricultural lands. As part of this allocation, $15 million was made available, upon appropriation by the Legislature, to DOE, in consultation with CDFA, to provide grants to public postsecondary educational institutions that are designated as Agricultural Experiment Stations or Agricultural Research Institutes, to develop research farms to improve climate resiliency, as specified. The proposed 2025-26 State budget does not appropriate these funds for research farm grants.

2) **Climate resilience**. California's agricultural operations generated nearly $60 billion in 2023; its top exports included almonds, dairy and dairy products, pistachios, wine, and walnuts. Climate change poses direct threats to California's agricultural productivity, the livelihoods of farmers and ranchers, and food security. As the climate continues to warm, experts predict that some areas of the state will no longer be able to support the production of certain crops, including wine grapes, walnuts, and some stone fruits. Increasing droughts, unpredictable precipitation, extreme heat, diseases and pests, and wildfires have the potential to significantly impact the state's critical agricultural productivity.

3) **Research farms**. The California State University (CSU) system has ten campus centers and institutes (CCIs) that are devoted to agricultural research. These research organizations are affiliated with CSU campuses but also offer noncredit instruction, information, or other services to groups beyond the campus community. They are designed to serve public organizations and agencies, private companies, and individuals throughout California. The CCIs include the Agribusiness Institute at Chico State University, which offers general agricultural business expertise, and the Irrigation Training and Resource Center at California Polytechnic State University, San Luis Obispo, which provides training and technical assistance for industry members, farmers, and state and local government agencies. The four CSU campuses with colleges of agriculture (CSU Chico, Fresno State, Cal Poly Pomona, and Cal Poly San Luis Obispo) operate working farms and ranches to support education and research in agriculture.

   In addition to those operated by the CSU system, California has numerous research farms and programs. The University of California (UC) Davis plays a key role through the UC Agriculture and Natural Resources (ANR) and the College of Agricultural and Environmental Sciences.

4) **This bill**. The funding in Proposition 4 to support research farm grants is intended to improve agricultural resilience to the challenges posed by climate change. However, funding for this purpose has not been appropriated by the Legislature. This bill is intended to ensure the appropriation of those funds by establishing a clear timeline for DOE to implement the grant program.

5) **Author's statement:**

   Proposition 4's research farm grants will help California's public colleges improve existing, or help start up, research farms with a focus on improving climate resiliency.

6) **Double referral**. This bill was passed by the Assembly Agriculture Committee on March 26th with a vote of 8-0.

REGISTERED SUPPORT / OPPOSITION:

Support

Sustainable Conservation

Opposition

None on file

Analysis Prepared by: Elizabeth MacMillan / NAT. RES. /