

AMENDED IN SENATE JUNE 19, 2024

AMENDED IN ASSEMBLY MARCH 21, 2024

CALIFORNIA LEGISLATURE—2023–24 REGULAR SESSION

ASSEMBLY BILL

No. 3233

Introduced by Assembly Member Addis
(Coauthor: Senator Wiener)

February 16, 2024

An act to amend Section 3011 of, and to add Section 3106.1 to, the Public Resources Code, relating to oil and gas.

LEGISLATIVE COUNSEL'S DIGEST

AB 3233, as amended, Addis. Oil and gas: operations: restrictions: local authority.

Under existing law, the Geologic Energy Management Division in the Department of Conservation regulates the drilling, operation, maintenance, and abandonment of oil and gas wells in the state. Existing law specifies that the purposes of the provisions relating to oil and gas include protecting public health and safety and environmental quality, including reduction and mitigation of greenhouse gas emissions associated with the development of hydrocarbon and geothermal resources in a manner that meets the energy needs of the state.

This bill would instead specify that the purposes of the provisions relating to oil and gas include protecting public health and safety and environmental quality, preserving California's air, water, environment, and natural resources, and advancing the state's climate goals in a manner that meets the energy needs of the state, and that these provisions create a mandate to minimize harm from oil and gas operation activities.

Existing law requires the State Oil and Gas Supervisor to supervise the drilling, operation, maintenance, and abandonment of wells and the operation, maintenance, and removal or abandonment of tanks and facilities attendant to oil and gas production, so as to prevent damage to life, health, property, and natural resources, as provided; to permit owners and operators of wells to utilize all known methods and practices to increase the ultimate recovery of hydrocarbons; and to perform the supervisor's duties in a manner that encourages the wise development of oil and gas resources to best meet oil and gas needs in this state. Existing California Supreme Court case law holds that these provisions preempt certain local ordinances that ban certain oil production methods, as provided. Existing law provides that the laws relating to oil and gas regulation apply to any land or well situated within the boundaries of an incorporated city in which the drilling of oil wells is now or may hereafter be prohibited, as provided.

Existing law requires the operator of a well to file a written notice of intention to commence drilling with, and prohibits any drilling until approval is given by, the supervisor or district deputy. Existing law authorizes the supervisor to require other pertinent information to supplement the notice. Existing law requires an operator proposing to perform a well stimulation treatment to apply to the supervisor or district deputy for a permit to perform the well stimulation treatment and imposes other requirements and conditions on the use of well stimulation treatments.

This bill would authorize a local entity, as defined, by ordinance, to limit or prohibit oil and gas operations or development in its jurisdiction, as provided, notwithstanding any other law or any notice of intention, supplemental notice, well stimulation *treatment* permit, or similar authorization issued by the supervisor or district deputy. The bill would authorize these limitations or prohibitions to include, but not be limited to, limitations or prohibitions related to the methods and locations of oil and gas operations or development. If a local entity limits or prohibits oil and gas operations or development of an owner or operator, the bill would require that owner or operator to comply with existing rules related to plugging and abandoning wells, decommissioning attendant production facilities, and related measures, as provided.

This bill would state that its provisions are severable.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares both of the
2 following:

3 (a) Protecting public health, safety, and the environment is of
4 the utmost importance to all Californians. In order to protect public
5 health and safety, cities and counties must have the authority to
6 regulate oil and gas operations within their jurisdictions, including
7 operations that may otherwise be approved by the State Oil and
8 Gas Supervisor.

9 (b) Empowering cities and counties to regulate, limit, or prohibit
10 oil and gas operations in their jurisdictions will therefore enable
11 communities to make decisions that align with their needs.

12 SEC. 2. Section 3011 of the Public Resources Code is amended
13 to read:

14 3011. (a) The purposes of this division include protecting
15 public health and safety and environmental quality, preserving
16 California's air, water, environment, and natural resources, and
17 advancing the state's climate goals in a manner that meets the
18 energy needs of the state. This division creates a mandate to
19 minimize harm from oil and gas operation activities.

20 (b) The supervisor shall coordinate with other state agencies
21 and entities described in subdivision (f) of Section 38501 of the
22 Health and Safety Code in furtherance of the goals of the California
23 Global Warming Solutions Act of 2006 (Division 25.5
24 (commencing with Section 38500) of the Health and Safety Code)
25 and to help support the state's clean energy goals.

26 SEC. 3. Section 3106.1 is added to the Public Resources Code,
27 to read:

28 3106.1. (a) Notwithstanding any other law, and
29 notwithstanding any notice of intention, supplemental notice, well
30 stimulation *treatment* permit, or similar authorization issued by
31 the supervisor or district deputy, a local entity may, by ordinance,
32 prohibit oil and gas operations or development in its jurisdiction
33 or impose regulations, limits, or prohibitions on oil and gas
34 operations or development that are more protective of public health,
35 the climate, or the environment than those prescribed by a state
36 law, regulation, or order. These limitations or prohibitions may
37 include, but are not limited to, limitations or prohibitions related

1 to the methods of oil and gas operations or development and the
2 locations of oil and gas operations or development.

3 (b) If a local entity limits or prohibits oil and gas operations or
4 development of an owner or operator pursuant to subdivision (a),
5 the owner or operator shall be responsible for plugging and
6 abandoning its wells, decommissioning attendant production
7 facilities, and related measures, pursuant to the rules of this
8 division.

9 (c) For purposes of this section, “local entity” means a city,
10 county, or city and county, including a charter city, county, and
11 city and county.

12 SEC. 4. The provisions of this act are severable. If any
13 provision of this act or its application is held invalid, that invalidity
14 shall not affect other provisions or applications that can be given
15 effect without the invalid provision or application.