SENATE COMMITTEE ON APPROPRIATIONS

Senator Anna Caballero, Chair 2025 - 2026 Regular Session

AB 1448 (Hart) - Coastal resources: oil and gas development

Version: June 25, 2025 **Policy Vote:** N.R. & W. 4 - 3

Urgency: No Mandate: Yes

Hearing Date: August 29, 2025 **Consultant:** Ashley Ames

Bill Summary: This bill would expand upon existing requirements for the transfer or modification of leases for oil and gas-related infrastructure upon tidelands and submerged lands within state waters associated with Pacific Outer Continental Shelf leases to include lease assignments, as provided, among other provisions.

****** ANALYSIS ADDENDUM - SUSPENSE FILE ********

The following information is revised to reflect amendments adopted by the committee on August 29, 2025

Fiscal Impact:

- Potential loss in annual rental revenue of an unknown amount, potentially in excess
 of \$150,000, from offshore oil- and gas-related infrastructure leases to the extent the
 State Lands Commission (SLC) or a local trustee denies one or more applications
 for a lease renewal, extension, amendment, assignment, or modification, as a result
 of the bill's requirements and conditions (General Fund). SLC collected
 approximately \$949,000 in rental revenue from its approximately one dozen pipeline
 right-of-way leases in fiscal year 2023-24.
- By imposing additional duties on local trustees in the consideration of a lease renewal, extension, amendment, assignment, or modification, and by imposing additional duties on a local government with a certified LCP in processing and reviewing an application for a CDP, this bill imposes a state-mandated local program. These costs are potentially reimbursable by the state, subject to a determination by the Commission on State Mandates (General Fund).

Author Amendments: These amendments would strike authorization for the reactivation of an existing oil and gas facility to also be permitted as a coastal-dependent industrial facility. They would also require a coastal development permit for a facility that has been idled, inactive, or out of service for 5 years or more, instead of 3 years.