

Date of Hearing: April 13, 2026

ASSEMBLY COMMITTEE ON NATURAL RESOURCES

Isaac G. Bryan, Chair

AB 1536 (Addis) – As Amended April 6, 2026

SUBJECT: Offshore oil

SUMMARY: Requires a public hearing on any requested exemption from the State Fire Marshal's (SFM) hazardous liquid pipeline safety regulations; requires additional environmental review for approved regulation exemptions; establishes new safety requirements for pipelines that have spilled specified amounts of oil; establishes new leak detection and response plan requirements for oil pipelines; and, creates geographical restrictions on where specified oil pipelines can operate.

EXISTING LAW:

- 1) Requires, pursuant to Governor Newsom's direction, the Air Resources Board (ARB) to evaluate how to phase out oil extraction by 2045 through the climate change scoping plan, the state's comprehensive, multi-year regulatory and programmatic plan to achieve required reductions in greenhouse gas emissions. (Executive Order N-79-20)
- 2) Provides the State Lands Commission (SLC) exclusive jurisdiction over all ungranted tidelands and submerged lands owned by the state, and of the beds of navigable rivers, streams, lakes, bays, estuaries, inlets, and straits, including tidelands and submerged lands or any interest therein, whether within or beyond the boundaries of the state as established by law, which have been or may be acquired by the state. (Public Resources Code (PRC) 6301)
- 3) Pursuant to the Elder California Pipeline Safety Act of 1981 (Government Code (GC) 51010 - 51019.1):
 - a) Requires the SFM to exercise safety regulatory jurisdiction over intrastate pipelines used for the transportation of hazardous or highly volatile liquid substances.
 - b) Requires the SFM to promulgate regulations as necessary to implement these testing requirements.
 - c) Requires any new or replacement pipeline near environmentally and ecologically sensitive areas in the coastal zone to use best available technology, including, but not limited to, the installation of leak detection technology, automatic shutoff systems, or remote controlled sectionalized block valves, or any combination of these technologies, based on a risk analysis conducted by the operator, to reduce the amount of oil released in an oil spill to protect state waters and wildlife.
- 4) Pursuant to SB 1137 (Gonzalez), Chapter 365, Statutes of 2022 (PRC 3280-3291):
 - d) Requires operators with a production facility or well with a wellhead in a health protection zone to develop a leak detection and response plan to be submitted to the Division of Geologic Energy Management (CalGEM) in the Department of Conservation

no later than July 1, 2028, and fully implemented by operators by July 1, 2030.
Establishes requirements for the leak detection and response plan.

- e) Defines “health protection zone” as the area within 3,200 feet of a sensitive receptor.
- 5) Establishes the California Environmental Quality Act (CEQA) to provide a process to identify the significant effects on the environment of a project, to identify alternatives to the project, and to indicate the manner in which those significant effects can be mitigated or avoided, and provides specified exemptions for wildfire risk reduction projects. (PRC 21000 *et seq.*)

THIS BILL:

- 1) Authorizes the SFM to exempt an application of regulation to any pipeline or portion thereof when it is determined that the risk to public safety is slight and the probability of the injury or damage is remote.
- 2) Requires an application to be subject to a 60-day public comment period and, upon request of any interested person, considered at a public hearing.
- 3) Requires the SFM to provide public notice of the application that specifies the period during which comments will be received and the date, time, and place of any public hearing on the application.
- 4) Requires notification of exemptions to be publicly available.
- 5) Requires that a project that has received a regulatory exemption be subject to CEQA.
- 6) Requires an independent expert to conduct a risk analysis to prevent and reduce the amount of a potential oil spill.
- 7) Requires the SFM to require permanent abandonment of a pipeline if the best available technology is not achievable for a pipeline because of operational aspects, pipeline or regional conditions, or other factors.
- 8) Requires the SFM to suspend the operations of any pipeline that is not in compliance with requirements of GC 51013.1 (see Existing Law (3) (c)) by January 1, 2027.
- 9) Prohibits idled, inactive, or out-of-service hazardous liquid pipelines under the jurisdiction of the SFM from being reactivated or operated unless all of the following conditions are met:
 - a) The incident spill volume was less than 10,000 gallons;
 - b) All repairs to the pipeline have been completed;
 - c) The pipeline has been retrofitted with the best available technology to prevent future spills from occurring and reduce the amount of hazardous liquid released;
 - d) The SFM has certified that both of the following apply to the pipeline:
 - i) It underwent all required integrity assessments and testing; and,

- ii) It is in compliance with all applicable pipeline integrity standards and reporting requirements.
 - e) The SFM holds at least one public hearing in the affected county or counties on any proposed postspill pipeline operation or reactivation; and,
 - f) The operator has complied with any other conditions the SFM has determined will ensure public safety and environmental protection.
- 10) Requires, for any idled, inactive, or out-of-service pipeline that has spilled 10,000 gallons or more of hazardous liquid, the operator to permanently abandon the pipeline in accordance with Federal Regulations by July 1, 2027, or within six months of the pipeline's most recent incident, and requires the operator to restore the site to its natural condition no later than one year following permanent abandonment.
- 11) Authorizes the SFM to extend the deadline for permanent abandonment and the deadline for restoration for no more than one additional year, and make exemptions as necessary to comply with a court order.
- 12) Requires an operator seeking approval for a new well, a production facility, and a pipeline in the coastal zone and under the SFM's jurisdiction to submit a leak detection and response plan and obtain approval from CalGEM prior to obtaining approval for the new well, production facility, or pipeline.
- 13) Requires the leak detection and response plan submitted for a new well or production facility to meet or exceed the requirements established by SB 1137 and its implementing regulations, except that the leak detection and response plan shall be submitted and approved prior to obtaining approval for the new well or production facility, and requires the operator to implement the approved leak detection and response plan, with best available technology, when the new well or production facility commences operation.
- 14) Requires the leak detection and response plan for a pipeline under the jurisdiction of the SFM to meet or exceed federal regulations (Title 49 Code of Federal Regulations 195.452) to the extent not in conflict with federal law. Requires the leak detection and response plan to include both an internal computational method for leak detection and an external or sensory method for leak detection.
- 15) Requires an operator seeking approval for a new well, production facility, or covered pipeline in the coastal zone to comply with the leak detection requirements no later than July 1, 2027.
- 16) Authorizes the California Coastal Commission (Commission) to adopt regulatory standards for leak detection and repair provided those standards are more protective than the standards promulgated by federal regulation.
- 17) Prohibits any intrastate oil pipeline that has spilled 10,000 gallons or more of oil cumulatively since its construction from operating within a half-mile of a state park, a designated ecological reserve, or wildlife area of California.

- 18) Provides that no reimbursement is required by this act pursuant to the California Constitution.

FISCAL EFFECT: Unknown

COMMENTS:

1) **Author's statement:**

As President Trump moves to restart oil drilling off our state's coastline, Californians are in the direct line of fire of any environmental accidents that may occur. Our local economy and way of life depend on the health of our coastline. AB 1539 protects California's coastline by strengthening pipeline safety requirements and mandating that pipelines that spill 10,000 gallons or more are abandoned and decommissioned.

- 2) **Offshore oil drilling.** SLC established a moratorium on new offshore oil and gas leases after the 1969 oil spill in Santa Barbara, yet the leases issued before 1969 continue operations. In general, lease terms provide for the leases to remain in effect as long as oil and gas production continues in paying or commercial quantities. When production ceases, a lease is quitclaimed back to SLC once the infrastructure has been removed and the lease terms satisfied.

The federal government imposed a moratorium on new leases in federal waters off California in 1984. In January of 2025, President Biden blocked drilling for oil in more than 625 million acres of U.S. ocean — the entire East Coast and West Coast, the eastern Gulf of Mexico, and a portion of the Bering Sea. President Biden's action prohibited new leases in the identified regions. Courts have found that the federal Offshore Continental Shelf Lands Act allows a president to protect waters indefinitely and doesn't include any explicit provision for *removing* that protection.

- 3) **Trump Administration's proposal for offshore oil drilling.** President Trump signed an executive order on the first day of his second term reversing President Biden's ban on future offshore oil drilling off both U.S. coasts. A federal court subsequently struck down President Biden's order to withdraw federal waters from oil development. In November 2025, the Trump Administration announced new oil drilling off the California and Florida coasts for the first time in decades, and proposed six offshore lease sales between 2027 and 2030 in areas along the California coast.

As a result of the conflict in Iran and the closure of the Strait of Hormuz, oil prices have skyrocketed, at one point topping \$110 per barrel. In early March, to buffer increasing gas prices, Trump signed an executive order invoking the Defense Production Act (DPA) to override state regulators to increase domestic supply of crude oil into the California market by approximately 17%.

A Center for Biological Diversity analysis¹ predicts that the federal Administration's latest offshore drilling plan could result in up to 886 oil spills off California, releasing roughly 1.9 million gallons of oil on our coast.

- 4) **Tug-o-war over jurisdiction.** Sable Offshore Corporation (Sable) has been endeavoring to restart the Santa Ynez Unit oil and gas operation off the coast of Santa Barbara County since 2015. The Santa Ynez Unit includes three offshore platforms in federal waters connected to shore by offshore pipelines, onshore pipelines, and the Las Flores Canyon Processing Facility. The onshore pipelines include pipelines identified as CA-324 and CA-325 (previously known as Lines 901 and 903), which were responsible for the 2015 Refugio oil spill. It is Sable's position that it is obligated to comply with the DPA order over existing California laws, regulations, and ongoing judgments in both state and federal courts.

The SFM in October 2025 notified Sable of more repairs that were needed before the pipeline could be restarted safely. After a federal review requested by Sable, the federal Pipeline and Hazardous Materials Safety Administration (PHMSA) determined that when Sable acquired pipelines 901 and 903 and other assets comprising the Las Flores pipeline in 2024, that included acquisition of offshore pipelines that transport crude oil from the OCS to an onshore processing facility at Las Flores Canyon, which then transfers that oil to Pentland Station terminal in Kern County, thus subject to PHMSA and preempted by state regulation. Until now, those pipelines have been under SFM's jurisdiction as intrastate pipelines.

On January 23, Attorney General (AG) Bonta filed a lawsuit against the Trump Administration challenging PHMSA's assertion that it has exclusive jurisdiction over the Las Flores Pipelines. The AG's petition for review challenges PHMSA's attempt to evade SFM regulation and approve Sable's restart plan and issue Sable an emergency permit to restart oil transport through the pipelines. The AG and the SFM allege that PHMSA's orders were arbitrary and capricious and violate the Administrative Procedure Act.

Sable announced in March that it began selling oil after it restarted production and the pipeline was filled at a rate in excess of 50,000 barrels of oil per day.

- 5) **Pipeline regulations.** According to the SFM, California has more than 5,600 miles of hazardous liquid pipelines that transport crude oil, refined products (e.g., gasoline, diesel, jet fuel) and highly volatile liquids around the state from production facilities to refineries and ultimately to market. The SFM regulates safety of intrastate pipelines in compliance with federal laws and requires routine hydrostatic testing, inspection and maintenance, among other safety requirements. Current law allows the SFM to exempt the application of regulations to any pipeline when risk of injury is "remote." AB 1536 requires an application for a regulation exemption to be subject to a 60-day public comment period and, upon request of any interested person, considered at a public hearing. Further, the bill requires a project that has received an exemption from the hazardous liquid pipeline safety regulations to be subject to CEQA.

The author states that that applying CEQA review to pipelines that are exempt from the SFM's safety regulations "is necessary because, despite twenty-three members of Congress and [more than]100 groups requesting public hearings from the California Department of Forestry and Fire Protection (CAL FIRE) regarding the state waivers issued for the Las Flores Pipeline System that was recently restarted, the [SFM] did not grant a hearing."

- 6) **Leak detection.** SB 1137 was enacted in 2022 to prohibit permits for most new oil and gas wells being drilled in setback zones ("health protection zones") – areas within 3,200 feet of a sensitive receptor, which includes schools, health care centers, businesses open to the public, and more. All operators with a production facility or well with a wellhead in a health

protection zone must develop a leak detection for target chemical constituents and detailed response plan.

This bill expands the leak detection and response plan requirements to operators seeking approval for a new well, production facility, or state-regulated pipeline in the coastal zone, notwithstanding proximity to a sensitive receptor. Operators in the coastal zone would be required to have their leak detection plans based on the best available technology, and approved before obtaining an approved notice of intention for the well, facility, pipeline.

SB 1137 requires the leak detection and response plan to identify the chemical constituents, such as methane and hydrogen sulfide, as well as potential toxics of highest concern in the region as identified by ARB or local air district. The intent under this bill is to require leak detection system to detect an *oil* leak, but the leak detection system referenced in SB 1137 is for air pollutants.

The bill may be better suited to refer to the leak detection systems covered as a best available technology under current law for any new or replacement pipeline near environmentally and ecologically sensitive areas in the coastal zone.

Lastly, the bill allows the Commission to adopt regulatory standards for leak detection and repair provided those standards are more protective than the standards promulgated by CalGEM. The Commission does not have the jurisdiction to adopt regulations more protective than the ARB and SWRCB's leak detection regulations, so this regulatory authority is misplaced.

- 7) **Penalizing bad actors.** The 2021 Huntington Beach, 2015 Refugio Beach, and 1969 Santa Barbara oil spills cumulatively resulted in the release of more than 4 million gallons of crude oil, which impacted more than 1,500 square miles of ocean waters, including marine protected areas, and closed fisheries. Oil or varying levels of tar balls from the spills traversed approximately 200 miles of beaches; at least 4,300 birds were killed.

AB 1536 prohibits idled, inactive, or out-of-service hazardous liquid pipelines have reported a spill from being reactivated unless the incident spill volume was less than 10,000 gallons, all repairs to the pipeline have been completed, and the pipeline has been retrofitted with the best available technology to prevent future spills. For any idled, inactive, or out-of-service pipeline that has spilled more than 10,000 gallons or more of hazardous liquid, the bill requires the operator to permanently abandon the pipeline in accordance with federal regulations by July 1, 2027, or within six months of the pipeline's most recent incident.

Sable contends that "the Santa Ynez Pipeline System is not—and has never been—"idled, inactive, or out-of-service" as used by AB 1536. PHMSA has confirmed that, under PHMSA's regulations, the Santa Ynez Pipeline System is an "active" pipeline." Sable further argues that Santa Ynez Pipeline System is an interstate pipeline facility subject to PHMSA's federal regulatory oversight and, "AB 1536 would not affect Sable's ongoing and active operation of the Santa Ynez Pipeline System that is delivering needed energy resources for California's residents."

- 8) **Protection areas.** This bill prohibits any intrastate oil pipeline that has spilled 10,000 gallons or more of oil cumulatively since its construction from operating a half mile of a state-park, a designated ecological reserve, or a wildlife area.

The state has more than 280 state parks covering 1.4 million acres; about 230,175 acres across ~135 ecological reserves of protected areas for wildlife and habitat conservation; and, the Department of Fish and Wildlife (CDFW) manages more than 1.1 million acres of wildlife habitat, which includes 110 officially designated wildlife areas.

There are 48 state-regulated (intrastate) pipelines in California that have each spilled more than 10,000 gallons cumulatively, but it's unknown how many of those pipelines or miles of pipeline this prohibition will cover. If the coverage is substantial, it could have meaningful impacts on the state's energy conveyance.

An environmental coalition sign-on letter with more than 30 organizations writes in support that "AB 1536 protects California's multibillion-dollar coastal economy. Over 150 million visitors enjoy California's coastline every year. Nearly 600,000 jobs and over \$42 billion in GDP rely on clean beaches and a healthy ocean. According to a 2024 National Atmospheric Administration report, coastal tourism and recreation produced 47% of GDP and 67% of the employment for California's marine economy. (By comparison, offshore mineral resources produced only 5% of GDP and 1% of employment.) The coastal tourism and recreation sector, their employees, and their clients must be protected from the threat of another oil spill that would devastate their homes, businesses, and livelihoods."

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

10) **Committee amendments.** The *committee may wish to consider* the following amendments:

- a) Require the SFM to coordinate with the Office of Spill Prevention and Response, when appropriate, on a public hearing related to any proposed postspill pipeline operation or reactivation.
- b) Clarify that idled, inactive, or out-of-service pipelines shall comply with the SFM's safety regulations in addition to applicable federal regulations.
- c) Clarify the pipeline leak detection requirements apply to oil leaks.
- d) Strike PRC 3239 (d) authorizing the Commission to adopt regulations on leak detection.
- e) Amend PRC 5012.3 to provide cross references to define ecological reserve and wildlife area.

11) **Related legislation:**

- a) AB 1448 (Hart) requires the pipelines onshore or offshore to be certified by the SFM as meeting specified safety conditions. Language from this bill was included in SB 237.
- b) SB 237 (Grayson), Chapter 118, Stutes of 2025, requires additional hydrostatic testing on offshore oil pipelines, among other things.

REGISTERED SUPPORT / OPPOSITION:

Support

350 Bay Area Action
350 Humboldt
Azul
California Interfaith Power and Light
Center for Biological Diversity
Center for Environmental Health
Clean and Healthy California
Clean Water Action
Cleaneearth4kids.org
Climate Action California
Climate First: Replacing Oil & Gas
(CFROG)
Clue-sb Environmental Justice Group
Environmental Action Committee of West
Marin
Environmental Defense Center
Environmental Protection Information
Center
Facts: Families Advocating for Chemical &
Toxics Safety
Food and Water Watch

Fossil Free California Votes
Friends Committee on Legislation of
California
Get Oil Out!
Los Padres Forest Watch
Monterey Bay Aquarium
Ocean Conservation Research
Oceana
San Francisco Bay Physicians for Social
Responsibility
San Diego350
Santa Barbara County Action Network
Santa Cruz Climate Action Network
Save Our Shores
Sierra Club California
Sierra Club Santa Barbara Group
Stand.earth
Sunflower Alliance
Surfrider Foundation
Wildcoast

Opposition

California Independent Petroleum Association
Sable Offshore Corp.

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

ⁱ [Oil Spill Projections for 2026-2031 Offshore Leasing Program.xlsx](#)