

THIRD READING

Bill No: AB 1661
Author: Bryan (D)
Amended: 8/13/26 in Senate
Vote: 21

SENATE NATURAL RES. & WATER COMMITTEE: 5-2, 6/23/26
AYES: Becker, Allen, Cabaldon, Laird, Stern
NOES: Seyarto, Grove

SENATE APPROPRIATIONS COMMITTEE: 5-2, 8/13/26
AYES: Cervantes, Cabaldon, Grayson, Richardson, Wahab
NOES: Seyarto, Dahle

ASSEMBLY FLOOR: 58-14, 5/26/26 - See last page for vote

SUBJECT: Oil and gas: low-production wells: Baldwin Hills Conservancy:
Equitable Community Repair and Reinvestment Account: health
impacts

SOURCE: Black Women for Wellness
Strategic Concepts in Organizing and Policy Education

DIGEST: This bill expands the uses of the Equitable Community Repair and Reinvestment Account and requires direct cash assistance to be made available to certain families living within 2-1/2 miles of the identified low production oil or gas wells located in the Inglewood Oil Field in Los Angeles County, as provided.

ANALYSIS:

Existing law:

- 1) Establishes the Geologic Energy Management Division (CalGEM) in the Department of Conservation (department).. The State Oil and Gas Supervisor (supervisor) leads CalGEM.

- 2) Directs the supervisor to so 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, as specified, so as to prevent, as far as possible, damage to life, health, property, and natural resources, as provided. (Public Resources Code (PRC) §3106)
- 3) Prohibits, on or after March 1, 2026, an oil well located in a county of the first class (defined as a county with a population of more than 4 million, which currently only applies to Los Angeles County) in an oil field that is adjacent to a state recreation area or state park and is located, in whole or in part, within the boundary of the Baldwin Hills Conservancy, from being a low-production well, as defined, for more than 12 months.
 - a) Requires the supervisor to charge an administrative penalty of \$10,000 per month to a low-production well owner in violation of the time limit on low-production well status until the low-production well is plugged and abandoned. Requires penalties to be remitted annually on a schedule determined by the supervisor.
 - b) Requires all funds collected to be deposited in the Equitable Community Repair and Reinvestment Account (Account).
 - c) Requires funds from the Account to be available, upon appropriation by the Legislature, to the department for allocation to a county of the first class (Los Angeles County) for the following:
 - i) Park creation or explanation and maintenance of new outdoor amenities in park-poor neighborhoods.
 - ii) Urban greening.
 - iii) Affordable housing needed to accommodate community needs.
 - iv) Climate mitigation and resilience. or
 - v) Community benefit projects with environmental cobenefits.
 - d) Caps the Account from accruing more than \$20 million. (PRC §3206.1.5)

This bill:

- 1) Requires the funds from the Account to be available, upon appropriation, to the department for allocation to a county of the first class (county).
- 2) Requires the department, upon appropriation and subject to the terms of the appropriation, to distribute the first \$5 million deposited in the Account, after accounting for funds appropriated for the county's administrative costs, to the county, to disburse direct cash assistance to households located within 2-1/2 miles of the identified low production oil or gas wells in the Inglewood Oil Field that request direct cash assistance where at least one (household) member

has respiratory or reproductive health impacts and the household meets the residency requirement, as provided.

- a) Requires the county to establish a program to distribute the assistance as a one-time lump sum per verified household in an equal amount to each household. Requires that no more than 1,000 households are eligible for assistance. Requires the county to select recipient households by randomized lottery if the number of applications from verified households exceeds 1,000.
 - b) Requires the county to require a household requesting direct cash assistance to verify the residency of its members through various means including voter registration and utility billing records, among others.
 - c) Requires the county to establish a process to verify that a household has one member who has respiratory or reproductive health impacts, including via self-attestation.
 - d) Requires the application process for direct cash assistance to be noninvasive, simple, and standardized. Requires the county to design and administer the application process to ensure equitable access for all eligible households, as provided. Prohibits a person who assists an applicant with completing or submitting their application from charging, demanding, receiving, or collecting any amount of the applicant's direct cash assistance.
 - e) Requires the county to disburse payments within 60 days of recipient selection, as provided.
 - f) Provides that none of the distributed direct cash assistance is income or resources for purposes of determining eligibility for benefits or assistance, as provided.
 - g) Provides immunity for the county, its officers, employees, and agents from any liability resulting from implementation of the direct cash assistance program, as specified.
- 3) Requires the department, subject to an appropriation from the Account for administrative purposes, to distribute to the county for the county to expend for administrative purposes an amount that does not exceed 10% of the amount appropriated for programmatic purposes (e.g. up to \$500,000 if the \$5 million is appropriated), as specified. Requires the source of this appropriation to be the initial money deposited into the Account.
 - 4) Directly authorizes Los Angeles County, instead of requiring the department to make an allocation to the county, upon appropriation and subject to the terms of the appropriation, to contract with entities within its jurisdiction including cities and nonprofit organizations, among others, to use funds for certain projects within 2-1/2 miles of the identified low-production oil or gas wells in the

Inglewood Oil Field provided that no funds will be disbursed for these projects until the first \$5 million has been distributed per (2) above.

- 5) Provides that reimbursement to local agencies and school districts is required if the Commission on State Mandates determines there are state-mandated costs, and make minor, technical changes.

Comment

No funds have yet been distributed as penalties from identified low-production oil or gas wells in the Inglewood Oil Field. Due to the timelines established in existing law, no penalties for violations would be possible prior to April 2027. Therefore, the Account has no moneys in it.

[NOTE: Additional information regarding this bill can be found in the Senate Natural Resources and Water Committee's analysis.]

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: Yes

According to the Senate Appropriations Committee:

- The Department of Conservation (DOC) estimates ongoing costs of \$477,000 in the first year and \$441,000 annually thereafter (Oil, Gas, and Geothermal Administrative Fund [OGGAF]) to develop program guidelines, including defining criteria for fund eligibility, provide support to the county in form of answering questions and provide policy guidance in relation to fund use, and audit the county's compliance in following the developed guidelines.
- By requiring a set-aside for direct cash assistance from the Account, this bill would create a one-time cost pressure of \$5 million on the Account, the General Fund, or some other potential funding source to the extent there is insufficient funding for all eligible families or DOC is unable to allocate this funding to other authorized project categories, such as park creation or expansion and maintenance of new outdoor amenities in park-poor neighborhoods, urban greening, affordable housing needed to accommodate community needs, climate mitigation and resilience, and community benefit projects with environmental cobenefits.
- To the extent the Commission on State Mandates determines that the provisions of this bill create a new program or impose a higher level of service on local agencies, local agencies could claim reimbursement of those costs, which could have a General Fund impact. By requiring the county to establish processes for individuals to verify that they meet the residency and health-impact

requirements, this bill would imposing new duties on the County of Los Angeles. The bill would require DOC, subject to an appropriation, to distribute to the county for administrative purposes an amount that does not exceed 10% of the programmatic appropriation.

SUPPORT: (Verified 8/14/26)

Black Women for Wellness (co-sponsor)
Strategic Concepts in Organizing and Policy Education (co-sponsor)
350 Bay Area Action
350 Conejo/ San Fernando Valley
350 South Bay Los Angeles
Access Reproductive
All Things Bayview
Alliance of Nurses for Healthy Environments
APEN Action
Asian Pacific Islander Forward Movement
California Environmental Voters
Consumer Watchdog
Esperanza Community Housing
Extinction Rebellion Los Angeles
Food & Water Watch
Greenpeace USA
Holman United Methodist Church
Long Beach Alliance for Clean Energy
Los Angeles Neighborhood Land Trust
National Association for the Advancement of Colored People
California-Hawaii State Conference
Parents Against Santa Susana Field Lab
Physicians for Social Responsibility LA
Protect Playa Now
Redeemer Community Partnership
San Francisco Bay Physicians for Social Responsibility
Sierra Club
Sierra Club Clean Break
South Asian Network
South Coast Air Quality Management District
STAND-LA
Sunflower Alliance
Valley Improvement Project
West Berkeley Alliance for Clean Air and Safe Jobs

OPPOSITION: (Verified 8/14/26)

None received

ARGUMENTS IN SUPPORT: According to the author, “Communities living next to active oil fields continue to experience disproportionately high rates of respiratory illness. Families in these neighborhoods are routinely exposed to harmful air pollutants, as well as chronic noise and vibration associated with oil drilling operations. AB 1661 ensures that the first \$5 million deposited into the Equitable Community Repair and Reinvestment Account, established under AB 2716, will be given as direct cash assistance to families living within 2.5 miles of the Inglewood Oil Field who have a child with a respiratory health condition. This targeted support recognizes the immense harm these communities have endured and provides environmental reparations for families who continue to experience the health impacts of neighborhood oil drilling.”

ASSEMBLY FLOOR: 58-14, 5/26/26

AYES: Addis, Aguiar-Curry, Ahrens, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Connolly, Elhawary, Fong, Gabriel, Garcia, Gipson, Mark González, Haney, Harabedian, Hart, Irwin, Jackson, Kalra, Krell, Lee, Lowenthal, McKinnor, Nguyen, Ortega, Pacheco, Papan, Patel, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Michelle Rodriguez, Rogers, Blanca Rubio, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Valencia, Ward, Wicks, Wilson, Zbur, Rivas

NOES: Chen, Davies, DeMaio, Dixon, Ellis, Flora, Gallagher, Jeff Gonzalez, Hadwick, Johnson, Macedo, Patterson, Sanchez, Tangipa

NO VOTE RECORDED: Alanis, Castillo, Hoover, Lackey, Muratsuchi, Celeste Rodriguez, Ta, Wallis

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8/17/26 10:38:07

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