

ASSEMBLY THIRD READING
AB 2157 (Connolly and Bryan)
As Amended May 18, 2026
Majority vote

SUMMARY

Eliminates the July 1, 2027, sunset on the Displaced Oil and Gas Worker Pilot Program (program) established to address employment dislocations associated with oil, gas, and related industries.

Major Provisions

See the above summary.

COMMENTS

The pilot program for displaced oil and gas workers was funded by a one-time allocation of \$30 million dollars in the 2022 Budget Act. Since 2022, several organizations have been awarded grants, and the regional targets are Kern County, Contra Costa County, and Los Angeles County. In addition, the funding targets stable yet diverse industries such as renewable energy, high-technology, construction, advanced manufacturing, and nanotechnology. To date, 518 individuals have been served with the goal of helping over 1,700 individuals total. Overall, about 27.7 million dollars has been awarded and of that, 4.8 million dollars has been spent by the awardees.

According to the Author

According to the author, "As California moves away from a dependence on fossil fuels, the state must support displaced workers to ensure they have the resources and training necessary for success in a changing economy. The Displaced Oil and Gas Workers Fund (DOGWF)¹ program is the only program that helps displaced oil and gas workers in transitioning into sectors that match their skills, expertise, and offer comparable wages. AB 2157 will establish this program permanently in California to ensure this support will continue to be available for workers now, and into the future."

Arguments in Support

United Steelworkers District 12, sponsor of the bill, states, "In addition to supporting workers, a well-designed transition program is essential for maintaining safety during refinery closures. California requires refineries to provide advance notice before closure, yet many workers, upon hearing the news of the impending closure, understandably leave early to seek new employment opportunities. This has resulted in understaffed facilities which greatly increases the risks to worker safety, surrounding communities, and the state's fuel supply. A comprehensive and permanent DOGWF will help address this challenge by supporting workers through the transition and encouraging workforce stability during critical shutdown periods, so workers do not have to quit when their specialized skills are most needed."

¹ Acronym for the Displaced Oil and Gas Worker Fund.

Arguments in Opposition

The State Building and Construction Trades Council is opposed unless amended and states, "AB 2157 intends to remove the sunset of what was intended to be a short-term study on how to retrain or compensate displaced oil and gas workers. As we objected to the original bill, we feel that this type of endeavor is a self-fulfilling prophecy for the thousands of highly paid workers in the oil and gas industry and poor use of public funds."

FISCAL COMMENTS

According to the Assembly Appropriations Committee,

- 1) Ongoing cost pressures of an unknown amount, likely in the tens of millions of dollars annually, to appropriate funds to the Employment Development Department (EDD) to continue providing grants to entities serving displaced oil workers under a permanent Program (General Fund (GF)). The author is requesting a one-time \$40 million appropriation from the Labor and Workforce Development Fund in the 2026-27 state budget to support a permanent Program and implementation of this bill. Additionally, ongoing costs of approximately \$500,000 annually to EDD to continue administering the Program on a permanent basis (GF).

VOTES**ASM LABOR AND EMPLOYMENT: 5-1-1**

YES: Ortega, Elhawary, Kalra, Lee, Ward

NO: Chen

ABS, ABST OR NV: Lackey

ASM APPROPRIATIONS: 11-4-0

YES: Wicks, Aguiar-Curry, Calderon, Caloza, Fong, Mark González, Krell, Pacheco, Pellerin, Sharp-Collins, Solache

NO: Hoover, Dixon, Ta, Tangipa

UPDATED

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