
SENATE COMMITTEE ON APPROPRIATIONS

Senator Sabrina Cervantes, Chair
2025 - 2026 Regular Session

AB 605 (Muratsuchi) - Employment: refineries: task force: safe staffing management plans

Version: July 2, 2026

Urgency: No

Hearing Date: August 3, 2026

Policy Vote: L., P.E. & R. 4 - 1, E.Q. 4 - 2

Mandate: Yes

Consultant: Robert Ingenito

Bill Summary: AB 605 would (1) establish the Refinery Safe Staffing Task Force to develop standards and best practices for retaining safe staffing levels at refineries, and (2) direct the California Environmental Protection Agency (CalEPA) and the Division of Occupational Safety and Health (Cal/OSHA), within the Department of Industrial Relations (DIR), to adopt regulations that require all refineries to develop safe staffing management plans, as specified.

Fiscal Impact:

- DIR indicates that it would incur first-year costs of \$1.8 million to \$2.2 million, and \$1.7 million to \$2.0 million annually thereafter, to implement the provisions of the bill. Additionally, the bill would result in a one-time cost of \$100,000 to conduct the Standardized Regulatory Impact Assessment as part of the rulemaking project (Occupation Safety and Health Fund).
- CalEPA estimates that the bill would result in one-time and annual costs of \$2.5 million to conduct rulemaking and enforcement (General Fund).

Background: The Process Safety Management (PSM) Unit within Cal/OSHA regulates workplace safety at refineries and other facilities that handle large quantities of hazardous chemicals. California's refinery safety regulations are based on the principle of process safety, which requires employers to identify and address hazards before accidents occur and to involve employees in safety reviews and investigations.

California adopted refinery-specific PSM regulations in 1990 under the California Refinery and Chemical Plant Worker Safety Act, largely mirroring federal standards. Following the 2012 Chevron refinery fire and chemical release in Richmond, an interagency review led by Cal/OSHA, the California Environmental Protection Agency (CalEPA), and the U.S. Environmental Protection Agency identified shortcomings in Chevron's safety practices and recommended stronger preventive measures. In response, the Occupational Safety and Health Standards Board (Standards Board) adopted comprehensive revisions to the PSM regulations in 2017.

The revised standards require refinery employers to conduct more rigorous process hazard analyses, including damage mechanism reviews, safeguard protection analyses, and evaluations of human factors and organizational safety culture. Employers must also involve frontline employees in safety reviews and complete management of organizational change (MOOC) assessments before implementing certain operational

changes lasting more than 90 days, including staffing reductions or changes to employee schedules.

In 2024, the Legislature expanded the definition of "refinery" to include facilities producing transportation fuels or biofuels from crude oil or alternative feedstocks. The PSM standard now applies to approximately 1,500 facilities statewide that handle hazardous chemicals, including 11 petroleum refineries.

In 2019, the Western States Petroleum Association (WSPA) challenged portions of the 2017 regulations in state and federal court, alleging procedural deficiencies and conflicts with federal labor law. Under a 2024 settlement agreement, Cal/OSHA and the Standards Board agreed to pursue regulatory amendments to clarify selected provisions, including definitions, hazard control requirements, and employee participation standards. The proposed amendments remain in the Administrative Procedure Act rulemaking process following a public hearing in January 2026.

Despite California's refinery safety standards, enforcement challenges remain. A July 2025 California State Auditor report found that Cal/OSHA relied heavily on correspondence rather than onsite inspections, experienced significant delays in initiating inspections, did not consistently document penalty reductions, and faced a vacancy rate of approximately 32 percent in fiscal year 2023-24. Federal oversight has also diminished following staffing reductions at the U.S. Chemical Safety and Hazard Investigation Board. Recent refinery explosions in Martinez and El Segundo in 2025 underscore the continued importance of effective safety oversight.

The Standards Board is responsible for adopting and amending occupational safety and health regulations through the Administrative Procedure Act. The seven-member board, appointed by the Governor, includes representatives from labor, management, occupational safety, occupational health, and the public. The Board must adopt standards at least as effective as federal OSHA requirements while maintaining California-specific protections where appropriate.

CalEPA administers the California Accidental Release Prevention (CalARP) Program, which seeks to prevent accidental releases of hazardous substances and minimize their impacts. Following the 2012 Chevron incident, the state also established the Interagency Refinery Task Force, led by CalEPA and including Cal/OSHA and other federal, state, and local agencies, to coordinate refinery oversight and support implementation of CalARP Program 4 for petroleum refineries.

Proposed Law: This bill, among other things, would do the following:

- Establish the Refinery Safe Staffing Task Force to develop strategies for:
 - Maximizing employee retention during periods preceding refinery closures or long-term idling.
 - Addressing employment dislocations associated with the oil, gas, and related industries.
 - Ensuring safe refinery operations during periods of potential understaffing.

- Transitioning displaced oil and gas workers into sectors that align with their skills and experience.
- Require the Task Force to:
 - Be appointed and operational by January 1, 2028.
 - Submit a report to the Legislature and make the report publicly available by June 1, 2029, identifying potential methods and strategies related to refinery staffing, safety, and workforce transitions.
 - Sunset on January 1, 2030.
- Require CalEPA to adopt regulations by January 1, 2028, requiring refineries to develop safe staffing management plans to address staffing risks associated with anticipated refinery closures or long-term idling.
- Require refinery safe staffing management plans to:
 - Be periodically updated and revised following announcements of refinery closures or long-term idling.
 - Be subject to public review and comment.
 - Be submitted to CalEPA for approval.
- Require CalEPA to:
 - Conduct inspections and investigations to ensure compliance with approved staffing plans.
 - Enforce violations using available enforcement authority.
 - Publish draft plans, public comments, approved plans, and updates on its website.
- Require Cal/OSHA and the Standards Board to establish similar safe staffing requirements under the California Refinery and Chemical Plant Worker Safety Act of 1990 by:
 - Requiring Cal/OSHA to propose, and the Standards Board to consider, regulations requiring refinery employers to develop safe staffing management plans.
 - Requiring plans to address staffing risks associated with anticipated refinery closures or long-term idling.
 - Requiring plans to be periodically updated and revised following closure or idling announcements.
 - Subjecting plans to public comment and review by Cal/OSHA.

- Requiring Cal/OSHA to conduct inspections and investigations, enforce compliance, and publish related documents online.

Related Legislation:

- SB 966 (Gonzalez) would codify specified provisions of Cal/OSHA's PSM safety standard related to employee participation in PSM activities. Specifically, the bill would require an employer, in consultation with employees and employee representatives, to develop, implement, and maintain a written plan providing for employee participation in all PSM elements, as specified. The bill is currently pending in the Assembly Appropriations Committee.
- AB 2157 (Connolly) would remove the July 1, 2027, sunset date for the Displaced Oil and Gas Worker Pilot Program, making the program permanent. This bill is currently pending in this Committee.
- AB 3258 (Bryan, Chapter 978, Statutes of 2024) expanded the scope of the California Refinery and Chemical Plant Worker Safety Act of 1990 by revising the definition of "refinery" and directed the Standards Board to consider for adoption, regulations that implement process safety management standards for the revised definition of refinery, as specified.
- AB 3138 (Muratsuchi, Chapter 308, Statutes of 2018) restructured civil and administrative penalties for CalARP violations.
- SB 1300 (Hancock, Chapter 519, Statutes of 2014) required every petroleum refinery employer to, every September 15, submit to the Cal/OSHA a full schedule for the following calendar year of planned turnarounds, and to inspect, test, and replace process materials and equipment, as specified. The bill also required a petroleum refinery employer, upon the request of Cal/OSHA, to provide onsite access and specified documentation.

Staff Comments: Any local government costs resulting from the mandate in this measure are not state-reimbursable because the mandate only involves the definition of a crime or the penalty for conviction of a crime.

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