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## SENATE COMMITTEE ON APPROPRIATIONS

Senator Sabrina Cervantes, Chair  
2025 - 2026 Regular Session

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### SB 1039 (Grove) - Air resources: refinery-related community air monitoring system

**Version:** March 19, 2026  
**Urgency:** No  
**Hearing Date:** April 20, 2026

**Policy Vote:** E.Q. 4 - 0  
**Mandate:** Yes  
**Consultant:** Ashley Ames

**Bill Summary:** This bill would require guidance for refinery fenceline air monitoring systems to include a process for a petroleum refinery to provide substantial evidence to the appropriate air district to exclude a pollutant for monitoring in a fence-line monitoring system and would authorize the air district to exclude a pollutant for monitoring at a petroleum refinery fence-line monitoring system if the air district determines that substantial evidence supports certain considerations.

**Fiscal Impact:**

- To the extent that air districts must modify existing rules as a result of the provisions of this bill, unknown but potentially significant costs (various funds) for the state agencies supporting air districts.

**Background:** Petroleum refineries generate various emissions that can deteriorate air quality and impact the health and safety of on-site workers and nearby communities. The emissions generated depends on what the facility is producing, the processing techniques used, equipment and its condition, and at times, incidents or accidents that occur at the facility.

Following two explosions at the Chevron Richmond refinery in 2012 and the ExxonMobil Torrance refinery in 2015, AB 1647 (Muratsuchi, Chapter 589, Statutes of 2017) was passed, which required the implementation of fenceline monitoring systems at refineries and community air monitoring systems nearby the facilities. The intent of the bill was to increase community awareness of air quality impacts, and to identify sources of pollution, appropriately mitigate them, and understand when they may be hazardous, especially in emergency situations.

In particular, fenceline monitoring systems can be useful in detecting fugitive emissions and gas leaks. If emissions detected at the fence are abnormally high from a leak or malfunctioning equipment, the facility can be responsive and promptly address the source of emissions. The 2019 report issued by the Interagency Refinery Task Force provided recommendations for robust air monitoring systems that includes fenceline monitoring that would allow for the rapid detection of potentially hazardous releases and equip the refinery and emergency responders with the necessary information to make the appropriate safety decisions. Furthermore, data collected for long time periods can provide information on chronic exposures and support efforts to reduce routine releases.

AB 1647 also required the air districts to develop guidance for the refineries' implementation of their monitoring systems and that both the air districts and refineries

make the monitoring data publicly accessible. All of California's remaining refineries covered by AB 1647 fall under the jurisdiction of either the Bay Area Air Quality Management District (BAAQMD), South Coast Air Quality Management District (SCAQMD), or San Joaquin Valley Air Pollution Control District (Valley Air District). Each of these air districts have published guidance that outlines the requirements for fence-line air monitoring plans, pollutants to be monitored, siting considerations, best available monitoring technologies, quality assurance and control, and data transparency and public notification.

The implementation of AB 1647 faced many challenges. The guidance developed by the air districts varied, and smaller emitting refineries were excluded from regulation, which led to litigation. Following a 2022 report by Earthjustice that compared the guidance and implementation of AB 1647 across the three air districts and highlighted gaps and shortfalls of the policy, AB 674 (Gonzalez, 2023) attempted to close some of those gaps by ensuring the provisions of AB 1647 applied to all emitting facilities, standardizing the monitoring requirements for specific pollutants, and improving data transparency through reporting and notification requirements.

Notably, SB 674 included an authorization for an air district to exclude a pollutant for monitoring in either the fence-line or community air monitoring systems if the refinery provided substantial evidence that real-time monitoring of the pollutant was technologically infeasible, or the pollutant would not be released by refining processes during routine and non-routine operations at the facility. SB 674 included this exemption process because the bill also required all refineries to monitor all 18 toxic chemicals identified by OEHHA, recognizing that not every refinery emits all of the pollutants. This exemption process was already established in the air district guidelines for fence-line monitoring, and SB 674 would have codified it. SB 674 was vetoed by the Governor, however, the guidelines from each air district maintain the opportunity for refineries to provide rationale to exclude monitoring certain pollutants.

**Proposed Law:** This bill would require guidance for refinery fence-line air monitoring systems to include a process for a petroleum refinery to provide substantial evidence to the appropriate air district to exclude a pollutant for monitoring in a fence-line monitoring system and would authorize the air district to exclude a pollutant for monitoring at a petroleum refinery fence-line monitoring system if the air district determines that substantial evidence supports certain considerations. It would allow a district to exclude a pollutant for monitoring at a petroleum refinery fence-line monitoring system if the district determines that substantial evidence supports any of the following:

- (A) The pollutant would not be released through routine and nonroutine operations, activities, and processes of the petroleum refinery.
- (B) Realtime monitoring of the pollutant is technologically infeasible.
- (C) Technical justifications deemed appropriate by the district.

**Related Legislation:**

SB 674 (Gonzalez, 2023) would have specified covered facilities and monitoring requirements, enhanced data transparency and public notification, required auditing and root cause analyses, and made related provisions for refinery-related monitoring systems. This bill was vetoed by the Governor.

AB 1647 (Muratsuchi, Chapter 589, Statutes of 2017) established requirements for refinery-related community air monitoring systems and fenceline monitoring systems.

**Staff Comments:** Although air districts themselves are not state agencies, they rely on state funding and cooperation with state agencies, like the California Air Resources Board (CARB). Current monitoring networks are a result of recommendations made in collaboration between CARB and Air Districts. CARB would likely need to provide air district staff with additional guidance and support on issues that may come up in response to changes in state law. This bill would potentially require air districts to modify existing rules and guidance material to align with state law. Increased litigation could further fiscally burden air districts, and in turn, increase reliance on state funds or resources to fill gaps.

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