
UNFINISHED BUSINESS

Bill No: SB 227
Author: Grayson (D) and Cabaldon (D), et al.
Amended: 6/30/25 in Assembly
Vote: 27 - Urgency

SENATE BUS., PROF. & ECON. DEV. COMMITTEE: 10-0, 4/7/25
AYES: Ashby, Choi, Archuleta, Arreguín, Grayson, Menjivar, Niello,
Smallwood-Cuevas, Umberg, Weber Pierson
NO VOTE RECORDED: Strickland

SENATE LOCAL GOVERNMENT COMMITTEE: 7-0, 5/7/25
AYES: Durazo, Choi, Arreguín, Cabaldon, Laird, Seyarto, Wiener

SENATE FLOOR: 39-0, 5/27/25
AYES: Allen, Alvarado-Gil, Archuleta, Arreguín, Ashby, Becker, Blakespear,
Cabaldon, Caballero, Cervantes, Choi, Cortese, Dahle, Durazo, Gonzalez,
Grayson, Grove, Hurtado, Jones, Laird, Limón, McGuire, McNerney, Menjivar,
Niello, Ochoa Bogh, Padilla, Pérez, Richardson, Rubio, Seyarto, Smallwood-
Cuevas, Stern, Strickland, Umberg, Valladares, Wahab, Weber Pierson, Wiener
NO VOTE RECORDED: Reyes

ASSEMBLY FLOOR: 76-0, 8/28/25 - See last page for vote

SUBJECT: Green Empowerment Zone for the Northern Waterfront area of the
County of Contra Costa

SOURCE: Author

DIGEST: This bill is an urgency measure that makes various updates to the
administration of the Green Empowerment Zone (GEZ) for the Northern
Waterfront area of Contra Costa County.

Assembly Amendments of 6/30/25 update the GEZ Board chair and deputy chairs
terms of service in those positions to authorize those individuals to be reselected

for up to three additional terms and strike the prohibition in current law for the chair and deputy chairs to serve consecutive terms.

ANALYSIS:

Existing law:

- 1) Authorizes the establishment of a GEZ for the Northern Waterfront area of Contra Costa County until January 1, 2028 with a specified geography and stated purpose to build upon the comparative advantage provided by the regional concentration of highly skilled energy industry workers by prioritizing access to tax incentives, grants, loan programs, workforce training programs, and private sector investment in the renewable energy sector. Specifies that various cities in Contra Costa County, one city in Solano County, and Contra Costa County may be included in the GEZ upon adoption by the city or county legislative body that states intent to participate in the GEZ. Authorizes the GEZ board of directors to vote to include additional jurisdictions in the GEZ membership. (Government Code (GC) § 7599.100)
- 2) Specifies that the GEZ is comprised of representatives from stakeholder groups who serve as directors (GEZ Board) and tasks the GEZ with: identifying projects and programs that best utilize public dollars and most quickly improve the economic vitality of the Northern Waterfront area of the County of Contra Costa; working with members of Congress and federal officials to gain federal support for projects identified as critical; partnering with the UC, the California State University, community colleges, and the state's other research and educational institutions, as well as private foundations; reviewing state policies and regulations; making recommendations to the Governor that would improve the economic well-being of the region and the quality of life of its residents and; creating an internet website that is managed and updated by an entity designated by the GEZ Board (GC §§ 7599.101 and 7599.102)
- 3) Requires a GEZ Board steering committee, on or before January 1, 2023, to develop metrics to be reported to the Legislature and state departments and agencies gauging the progress of the zone that include, but are not limited to jobs, wages, grants, and workforce training. Requires the GEZ, beginning January 1, 2023 and on or before January 1 of each year to post a report on its website and submit a letter to the Legislature informing that it has been posted. (GC § 7599.103)

This bill:

- 1) Extends the GEZ until 2040.
- 2) Updates the list of cities included in the GEZ and expands the GEZ Board from 10 to 14 to include representatives of the additional cities. Authorizes the legislative body of a city or county to remove land within its jurisdiction from the GEZ by adopting a resolution.
- 3) Removes authority for various stakeholder groups and state government entities to select a GEZ Board representatives and instead authorizes the GEZ Board to select GEZ Board representatives from these groups. Specifies GEZ Board terms and actions, processes for establishing GEZ Board representative eligibility, processes for GEZ Board representative removal, and processes for addressing a GEZ Board representative vacancy. Specifies the GEZ Board shall meet at least four times per year and subjects the GEZ Board to the Ralph M. Brown Act which guarantees the public's right to attend and participate in meetings of local legislative bodies.
- 4) Expands the GEZ Board to include seven individuals who reside in the GEZ and who represent environmental or environmental justice organizations or interests.
- 5) States that this bill is urgent in order to facilitate the proper function of the GEZ Board.

Background

Regional Economic Development. In February 2025, the *California Jobs First State Economic Blueprint* was released, following the establishment of a state Regional Investment Initiative (RII) in 2021. The report noted that the RII brought together “a diverse set of community members to build the economic vision for their region”. 13 economic regions were identified: North State, Redwood, Capital, Sierra, Bay Area, North San Joaquin, Central San Joaquin, Central Coast, Kern County, Los Angeles County, Inland SoCal, Orange County, and Southern Border.

California’s Green Energy and Economy Efforts. California has been a leader in prioritizing green energy and a green economy. In 2006, AB 32 (Nunez, Chapter 488, Statutes of 2006) required the California Air Resources Board (CARB) to determine the 1990 statewide greenhouse gas (GHG) emissions level and approve a statewide GHG emissions limit that was equivalent to that level, to be achieved

by 2020, and to adopt GHG emissions reductions measures by regulation. AB 32 (Pavley, Chapter 249, Statutes of 2016) modified this goal slightly, requiring CARB to ensure statewide GHG emissions are reduced to 40% below the 1990 level by 2030. In 2018, Governor Jerry Brown signed SB 100 (De León, Chapter 312, Statutes of 2018), which increased the Renewables Portfolio Standard (RPS) requirement from 50 to 60 percent by 2030, and created a policy which endeavors to meet all of the state's retail electricity supply with a mix of RPS-eligible and zero-carbon resources by December 31, 2045. Governor Brown also signed an Executive Order in 2018 requiring that California reduce its net output of greenhouse gases to zero by 2045. Governor Newsom has engaged in a number of climate-related efforts as well, including issuing an Executive Order requiring sales of all new passenger vehicles to be zero-emission by 2035, requiring the end of new permits for hydraulic fracturing (or “fracking”) by January 2024, and requesting that CARB analyze how to phase out oil extraction in California by 2045. According to the EPA, the oil and gas sector, and refineries specifically, are some of the highest overall contributors to GHG emissions.

Contra Costa County, Oil Refineries, and their Economies. According to the Los Angeles County Economic Development Corporation, in 2017 the Oil and Gas Industry in California provided 152,100 direct employment jobs and 365,970 jobs in the state, which makes up about 1.6% of the state’s overall employment. The Bay Area historically ranked as the second largest oil refining center on the West Coast, home to five refineries, with four in Contra Costa County.

In 2021, the Author introduced, and the Governor signed AB 844 (Grayson, Chapter 377, Statutes of 2021) to establish the GEZ. At the time, the Author highlighted state mandates and goals to produce a clean-energy economy in the coming decades and the commensurate state responsibility related to jobs, noting “it is a matter of equity and economic justice that we support the growth of high-paying jobs and industry to replace the ones that are being phased out.” The phasing out of industries such as coal in West Virginia without a transition plan have had a devastating effect on the state’s economy in regions where the coal industry was a primary employer. For example, where the coal industry used to provide more than 100,000 jobs to West Virginians in the 1950s, it now provides less than 20,000. The region is also grappling with increased drug addiction rates. The Author advised at the time that AB 844 was the Author’s attempt to avoid a similar outcome in his district.

A January 2025 report from the UC Berkeley Labor Center, Refining Transition: A Just Transition Economic Development Framework For Contra Costa County, California, notes that

“...Refinery closures are already happening—in 2020, the Marathon Martinez refinery announced it would idle and laid off over 750 workers. The announcement was shocking and painful for workers and their families, many of whom had worked at the refinery for multiple generations. People wondered if Marathon’s idling heralded more imminent refinery closures... Additional refinery closures in Contra Costa County are likely in the coming decades. Without a robust and just transition strategy, Contra Costa faces a future of deteriorating public services, worsening inequality, and prolonged threats to public health. Three core challenges include: Loss of tax revenue for essential services: Refineries and related industries generate a significant share of local tax revenue. Refinery closures in Contra Costa County will reduce this revenue, threatening critical public services and public sector jobs; Loss of good jobs without comparable replacements: Low-wage jobs are a growing share of the local labor market, leaving displaced refinery workers with limited options to move into jobs with comparable pay and benefits. Local workers from disadvantaged communities continue to have limited options for quality jobs and upward mobility and; Continued public health hazards: Pollution from refineries and other industries has led to serious public health impacts for people who live nearby, who are disproportionately low income and people of color. Refinery closures will reduce air pollution but will nonetheless pose ongoing health hazards without extensive cleanup of land and water. In addition, without protections in place, new post-fossil fuel industries could continue to perpetuate environmental injustice in the region.”

Following the passage of AB 844, Contra Costa County received \$5 million in the state budget for one-time startup funding for the GEZ. The GEZ is administered by Contra Costa County and the GEZ Board convened for the first time on December 7, 2023.

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

SUPPORT: (Verified 8/28/25)

None received

OPPOSITION: (Verified 8/28/25)

None received

ASSEMBLY FLOOR: 76-0, 8/28/25

AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Castillo, Chen, Connolly, Davies, DeMaio, Dixon, Elhawary, Ellis, Flora, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Wallis, Ward, Wicks, Wilson, Zbur, Rivas

NO VOTE RECORDED: Alvarez, Berman, Valencia

Prepared by: Sarah Mason / B., P. & E.D. /
8/28/25 16:49:58

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