

Date of Hearing: August 20, 2025

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

SB 614 (Stern) – As Amended July 10, 2025

Policy Committee:	Utilities and Energy	Vote:	17 - 0
	Natural Resources		12 - 0

Urgency: No State Mandated Local Program: Yes Reimbursable: No

SUMMARY:

This bill directs the State Fire Marshal to adopt regulations governing the safe transportation of carbon dioxide in pipelines.

Specifically, this bill, among other things:

- 1) Allows a pipeline to be used to transport carbon dioxide to or from a carbon dioxide capture, removal or sequestration project only after the Fire Marshal adopts regulations and the carbon dioxide capture, removal or sequestration project operator demonstrates that the pipeline meets the standards in those regulations.
- 2) Directs the Fire Marshal, by April 1, 2026, to adopt regulations governing the safe transportation of carbon dioxide in pipelines that are equivalent to the draft federal regulations set forth in the unofficial version of the Notice of Proposed Rulemaking issued by the federal Pipeline and Hazardous Materials Safety Administration (PHMSA) on January 10, 2025, pursuant to rulemaking (RIN 2137-AF60) regarding the minimum federal safety standards for transportation of carbon dioxide by pipeline.
- 3) Directs the Office of Administrative Law (OAL) to consider adoption of the initial regulations as an emergency, and necessary for the immediate preservation of the public peace, health, safety and general welfare to remain in effect until amended by the Fire Marshal.
- 4) States the regulations are to require all pipelines permitted to transport carbon dioxide be newly constructed.
- 5) Authorizes the Fire Marshal to amend the regulations to protect public health and welfare and the environment and directs the Fire Marshal, at least once every five years, to assess the carbon dioxide pipeline safety standards.

FISCAL EFFECT:

This bill creates significant new administrative, analytical and regulatory work for the Fire Marshal. Presumably, the Department of Forestry and Fire Protection (CAL FIRE), in which the Fire Marshal is located, will require additional resources to undertake this work.

When this committee considered AB 881 (Petrie Norris) this spring, CAL FIRE reported it is already working on carbon dioxide pipeline regulation pursuant to authority provided by existing law, so any costs to the Fire Marshal to implement AB 881 should be minor and absorbable.

The committee asked CAL FIRE about costs to implement this bill, and further asked CAL FIRE, if it asserted it could do so with existing resources, to explain, in detail, why it would not require additional resources to undertake the significant workload created by this bill. CAL FIRE did not provide an explanation by the time this analysis was prepared.

It is reasonable to assume, in the absence of evidence to the contrary, this bill entails significant new one-time costs for CAL FIRE, in the low hundreds of thousands of dollars, at least (General Fund).

COMMENTS:

- 1) **Purpose.** The author intends this bill to allow the safe use of pipelines to move carbon dioxide. The author notes that “the permitting and building of carbon dioxide pipelines are an important part of the state’s carbon capture and sequestration efforts,” but asserts the use of such pipelines “cannot come at the expense of community safety.” The author intends this bill to “enshrine the Biden administration draft regulations in state law to ensure best-in-class safety practices.”
- 2) **Background.** According to the Air Resources Board’s (ARB’s) “2022 Scoping Plan for Achieving Carbon Neutrality,” carbon capture and sequestration (CCS) will be a necessary tool to reduce greenhouse emissions and mitigate climate change while minimizing leakage and minimizing emissions where no technological alternatives may exist.

State law requires ARB to establish a Carbon Capture, Removal, Utilization, and Storage Program and adopt regulations to create a unified permit application for the construction and operation of carbon dioxide capture, removal or sequestration projects to expedite the issuance of permits or other authorizations for the construction and operation of those projects. However, state law prohibits a pipeline from being used to transport carbon dioxide to or from a carbon dioxide capture, removal, or sequestration project until the federal PHMSA has concluded its rulemaking regarding minimum federal safety standards for transportation of carbon dioxide by pipeline and the carbon dioxide project operator demonstrates that the pipeline meets those standards.

Following the rupture of a pipeline transporting carbon dioxide as part of an enhanced oil recovery operation in Satartia, Mississippi, in February 2022, which led to local evacuation and the hospitalization of 46 people, PHMSA began updating its carbon dioxide pipeline safety standards and issued draft regulations on January 10, 2025. However, it is unclear if or when PHMSA, under the Trump administration, will finish the rulemaking.

This bill allows transport of carbon dioxide in a pipeline to or from a carbon dioxide capture, removal or sequestration project, not when PHMSA finishes its rulemaking, but when the State Fire Marshall, instead, adopts emergency regulations governing the safe transportation of carbon dioxide in pipelines.

This bill is very similar to AB 881 (Petrie Norris) when it was heard and approved by this committee earlier this year. AB 881 is pending hearing in the Senate Appropriations Committee.

- 3) **Support and Opposition.** The bill is supported by industry groups and the California State Pipe Trades Council, which writes the bill “will establish much-needed state safety regulations for the transportation of carbon dioxide (carbon dioxide) by pipeline, ensuring that California remains at the forefront of climate action while prioritizing public and environmental safety.”

The bill is jointly opposed by the Center for Biological Diversity and a long list of advocacy organizations, who together write:

Both the federal government and California need to fill the dangerous regulatory gaps for carbon dioxide pipelines before CCS projects are allowed to proceed. Our groups fully support California regulating above and beyond what PHMSA sets as the federal floor. But ending California’s existing partial moratorium before PHMSA’s regulations are complete risks preemption and prevents the state and its residents from benefitting from the nationwide attention and expert input that the federal rulemaking will generate. Ending the moratorium prematurely will also accelerate the poor investment and false climate solution that is CCS.

In short, there is no benefit to California jumping out early and changing the precautionary measure that is already in place.

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