

Date of Hearing: August 5, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

SB 925 (McNerney) – As Amended June 15, 2026

Policy Committee:	Utilities and Energy	Vote:	18 - 0
	Natural Resources		13 - 0

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

SUMMARY:

This bill directs the California Energy Commission (CEC) to develop a strategic plan for the development, expansion and commercialization of fusion energy in California.

In addition, the bill expands the list in existing law of types of facilities the CEC may certify as environmental leadership development projects to newly include a discretionary project for the manufacture, production or assembly of specialized products, components, or systems that are integral to fusion energy.

FISCAL EFFECT:

This bill requires significant analytical and administrative workload of the CEC. Costs will likely total in the millions of dollars annually. CEC will incur some of these costs over a limited term to develop the strategic plan, and on an ongoing basis to permit eligible fusion facilities as environmental leadership projects under the CEC's "opt-in" program.

Regarding development of the fusion energy strategic plan, the CEC estimates annual costs through 2028 of approximately \$1.1 million for five positions—three program or subject matter specialists, an analyst and one project supervisor—as well as \$500,000 for contract support.

Regarding permitting of fusion energy projects under the opt-in program, the CEC estimates ongoing annual costs of approximately \$2.0 million for nine positions to work in a new unit—three senior planners, two engineering geologists, two attorneys, a mechanical engineer and a program specialist.

The funding source for all the costs described above would be the Energy Resource Programs Account (ERPA). However, the CEC warns ERPA faces an ongoing structural deficit and may not be able to support additional activity, such as that resulting from this bill.

COMMENTS:

As explained by the U.S. Department of Energy (USDOE), nuclear fission is the process where the nucleus of an atom splits into two or more smaller nuclei and other particles and can release large amounts of energy in the form of heat and radiation. Nuclear fission is fully commercialized technology and is used around the world to produce electricity, as it does in California at the Diablo Canyon Nuclear Power Plant. In contrast, nuclear fusion—the subject of this bill—occurs, again according to USDOE, when two light nuclei merge to form a single

heavier nucleus, a process that releases energy because the total mass of the resulting single nucleus is less than the mass of the two original nuclei, so leftover mass becomes energy.

Nuclear fusion is how our sun and the stars make energy. However, there are no commercial operations that produce large amounts of energy from nuclear fusion, and the use of fusion in this way remains largely theoretical. Nonetheless, many see nuclear fusion as a potential source of “baseload”—that is, constant— energy that does not produce climate warming gases.

There are many research facilities exploring nuclear fusion, several in California. The author sees the promise of this research and hopes to ensure California reaps its benefits. According to the author:

Successful fusion ignition has already been achieved multiple times at the Lawrence Livermore National Laboratories in my Senate district — the only place in the world to do so. California now needs to build out its regulatory framework to keep fusion jobs and investment here in the state.

Statute already charges the CEC with investigating fusion energy. Specifically, statute directs the CEC to include an assessment in the 2027 Integrated Energy Policy Report regarding the potential for fusion energy to contribute to California’s power supply.

The bill is supported by a large number of public and private research organizations and private companies that, together, describe themselves as California’s fusion energy ecosystem. There is no opposition registered against this bill.

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