

SENATE THIRD READING
SB 925 (McNerney)
As Amended August 13, 2026
Majority vote

SUMMARY

This bill requires the California Energy Commission (CEC) to develop a strategic plan for the development of fusion energy in the State. Additionally, the bill expands the types of facilities eligible to be certified by the CEC as environmental leadership development projects (ELDPs) to include discretionary projects for the manufacture, production, or assembly of specialized products, components, or systems integral to fusion energy.

Major Provisions

- 1) Requires the CEC, in coordination with specified agencies, to develop a strategic plan for the development of fusion energy in California and submit the plan to the Legislature on or before December 31, 2029.
- 2) Requires the CEC, in coordination with relevant agencies and the fusion energy industry, to develop and include the following in the strategic plan report:
 - a) Develop a strategy for the expansion and development of fusion research and development in California.
 - b) Develop a strategy for supporting the commercialization of fusion energy in California.
 - c) Develop a regulatory framework for fusion energy and roadmap for licensing and permitting for new fusion energy research and fusion energy facilities.
 - d) Assess the level at which fusion energy at scale would best support California's long-term renewable energy and greenhouse gas emission reduction goals.
- 3) Expands the types of facilities eligible to be certified as environmental leadership development projects by the CEC to include a discretionary project, as described, for the manufacture, production, or assembly of specialized products, components, or systems that are integral to fusion energy.

COMMENTS

California is a leader in fusion research with one-third of all US-based fusion companies in the state. SB 80 (Caballero), Chapter 334, Statutes of 2025 dedicated \$5 million to fusion research and development. The sector currently employs 4,700 people. However, the technology is not currently able to produce utility-scale energy. Presently, fusion energy can generate 1.74 megajoules (MJ) for 15 minutes (approximately 500 Wh).

This bill aims to create a roadmap for the development of nuclear fusion facilities. The goal of this bill is to ensure California reaps the benefits of fusion energy investments and has a framework in place to welcome this pioneering technology for utility-scale energy. The bill requires the CEC to build off the CEC's 2027 Integrated Energy Policy Report findings of fusion energy established by AB 1172 (Calderon) Chapter 360, Statutes of 2023 and expand to develop

a strategic plan for fusion energy development, including criteria for suitable locations for testing facilities and demonstrations, workforce development, regulatory framework and roadmap for licensing and permitting, and an assessment of the level at which fusion energy at scale would best support the state's long-term renewable energy and greenhouse gas emissions reduction goals.

There are varying perspectives about the timeline for when fusion energy may become commercially available (as well as viable at producing energy cost-effectively). However, as this bill plans to build off the findings of the 2027 IEPR, it will be informed by any findings by the CEC in that effort, including the time horizon the state should be considering for the resource. As the State rapidly approaches clean energy and reliability goals, including the SB 100 (De León) Chapter 312, Statutes of 2018 requirement to achieve 100% zero-carbon electricity by 2045, this strategic plan may be helpful to identify if and how fusion energy could play a role in meeting those goals.

According to the Author

According to the author, "For decades, fusion energy was viewed as a distant promise of unlimited clean energy that might never be realized. But not anymore. 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. SB 925 will require the California Energy Commission to create a strategic roadmap to advance fusion energy. This includes assisting research and development, locating sites for future power plants, and creating a licensing and permitting framework."

Arguments in Support

General Atomics, a sponsor of this bill, along with additional fusion research entities and cities that host those entities, write this bill positions California "to retain and grow its fusion ecosystem" and that the state is already home to "world-leading research facilities, robust academic programming, and a rapidly growing private sector."

Arguments in Opposition

None of file

FISCAL COMMENTS

According to the Assembly Committee on Appropriations, the CEC estimates annual costs of approximately \$1.1 million for the development of the fusion energy strategic plan and ongoing costs of approximately \$2.0 million for the permitting of fusion energy projects under the opt-in program.

VOTES

SENATE FLOOR: 37-0-3

YES: Allen, Alvarado-Gil, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Choi, Cortese, Durazo, Grayson, Grove, Hurtado, Jones, Laird, Limón, McGuire, McNerney, Menjivar, Ochoa Bogh, Padilla, Pérez, Reyes, Richardson, Rubio, Seyarto, Smallwood-Cuevas, Stern, Strickland, Umberg, Valladares, Wahab, Weber Pierson, Wiener
ABS, ABST OR NV: Dahle, Gonzalez, Niello

ASM UTILITIES AND ENERGY: 18-0-0

YES: Petrie-Norris, Patterson, Boerner, Calderon, Chen, Davies, Mark González, Harabedian, Hart, Irwin, Kalra, Papan, Rogers, Schiavo, Schultz, Ta, Wallis, Zbur

ASM NATURAL RESOURCES: 13-0-1

YES: Bryan, Ellis, Alanis, Connolly, Garcia, Haney, Hoover, Kalra, Macedo, Pellerin, Schultz, Wicks, Zbur

ABS, ABST OR NV: Muratsuchi

ASM APPROPRIATIONS: 11-0-4

YES: Wicks, Arambula, Calderon, Caloza, Fong, Mark González, Krell, Pacheco, Pellerin, Sharp-Collins, Solache

ABS, ABST OR NV: Hoover, Dixon, Ta, Tangipa

UPDATED

VERSION: August 13, 2026

CONSULTANT: Alexa Cohill-Milanick / U. & E. / (916) 319-2083

FN: 0003631