

Senate Bill 834

Offshore Oil and Gas Development

Senator Jackson and Senator Lara

SUMMARY

This bill prohibits State Lands Commission from approving any new leases, or any lease renewals, extensions, or modifications, in state waters that would result in an increase of oil or natural gas production from federal waters.

BACKGROUND

California has long sought to protect its stunning coasts and oceans from the risks inherent with offshore drilling, beginning with the state's first withdrawal of coastal lands from oil and gas leasing in 1921. Over the years, leaders of both parties have recognized the unacceptably high risk that offshore oil and gas production poses to our environment, our economy, and our coastal communities. In 1994, the Legislature passed the California Coastal Sanctuary Act, which prohibited new oil and gas leases in the state's coastal waters. And, in December 2016, members of the California Senate joined Governor Brown in requesting then-President Obama to permanently withdraw California's coast from oil and gas leasing.

After over 30 years of bipartisan consensus to keep new drilling out of federal waters off California, in April 2017, the Trump administration issued an Executive Order directing federal agencies to seriously consider the production of offshore oil and gas in U.S. waters. Just months later, on January 4th, 2018, the administration announced an aggressive policy to open up over 90% of Outer Continental Shelf (OCS) nationwide to new leasing for oil & gas production, starting in 2019.

In the announcement, Interior Secretary Ryan Zinke made clear his department would push to open drilling at an unprecedented scale. Six of a total seven West Coast leases (excluding Alaska) were proposed off of California alone, along the entire length of the coast.

Additional offshore oil and gas development in California poses a serious risk of oil spills, jeopardizing our air and water quality, as well as our marine resources and wildlife, including threatened species.

Offshore oil development leads to the industrialization of the shoreline, visually degrading coastal areas, creating land use conflicts, and posing potentially life-threatening public safety risks.

Expanded offshore oil and gas production also directly threatens the health of California's ocean-based economy, which produces approximately \$44.5 billion in GDP each year, and employs almost half a million people in the state. According to the National Oceanic and Atmospheric Administration, California's coastal regions generated \$662 billion in wages and \$1.7 trillion in GDP in 2012. We cannot risk harming one of the world's largest economic engines by reversing course on 30 years of bipartisan agreement that has kept California's coast off limits to oil and gas exploration.

SOLUTION - SB 834

SB 834 protects the California coast from new offshore oil and gas development by prohibiting the State Lands Commission from approving any leases of submerged lands that would result in an increase of oil or natural gas production from federal waters.

This bill also prohibits the Commission from approving any lease renewal, extension, or modification – including for the construction of additional pipelines, piers, and wharves – undertaken to increase capacity for the production of oil and gas from federal waters.

An companion measure, AB 1775 (Muratsuchi and Limon), has been introduced in the Assembly.

STATUS

Currently held on suspense in Senate Appropriations. To be heard at Senate Appropriations on May 25th.

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