

Date of Hearing: April 22, 2026

ASSEMBLY COMMITTEE ON UTILITIES AND ENERGY

Cottie Petrie-Norris, Chair

AB 2608 (Patterson) – As Amended April 13, 2026

SUBJECT: Energy: transportation fuels assessment

SUMMARY: Requires the California Energy Commission (CEC) in its 2027 update to the Transportation Fuels Assessment (TFA) to assess: 1) the human rights record of each country from which California imports oil, 2) the amount of oil California would need to produce to stop importing from countries with negative human rights records, and 3) California laws and regulations that prevent domestic oil production. Permits the CEC to consult with the California Research Bureau and to utilize a report from the federal State Department to make this assessment.

EXISTING LAW:

- 1) Establishes the CEC as a five-member commission within the Natural Resources Agency and tasks the CEC with monitoring, analyzing, and making recommendations on statewide trends in the energy sector, including fuel supply and demand. (Public Resources Code § 25200 et. seq.)
- 2) Establishes the Petroleum Industry Information Reporting Act of 1980 (PIIRA), which establishes requirements for oil refiners and marketers to submit specified data to the CEC and requires the CEC to analyze this data to identify trends in demand and supply for petroleum, including factors influencing gasoline price changes. Existing law requires retail transportation fueling stations to report specified information about their sales of gasoline, diesel, and other fuels to the CEC. (Public Resources Code § 25350 et. seq.)
- 3) Establishes various confidentiality protections within PIIRA, including specifying that the CEC may disclose certain confidential information received under PIIRA to CARB or the Attorney General if CARB or the Attorney General agrees to keep the information confidential. (Public Resources Code § 25350 et. seq.)
- 4) Requires the CEC by January 1, 2024, and every three years after, to submit an assessment to the Legislature – the Transportation Fuels Assessment (TFA) – that identifies methods to ensure a reliable supply of affordable transportation fuel in California, evaluates fuel prices and market demand, examines impacts on fuel additives, monitors gasoline station availability, analyzes the impacts on production of refinery maintenance and turnarounds, and evaluates the feasibility of alternative methods to maintain adequate fuel supply in the state, among other requirements. (Public Resources Code § 25371)

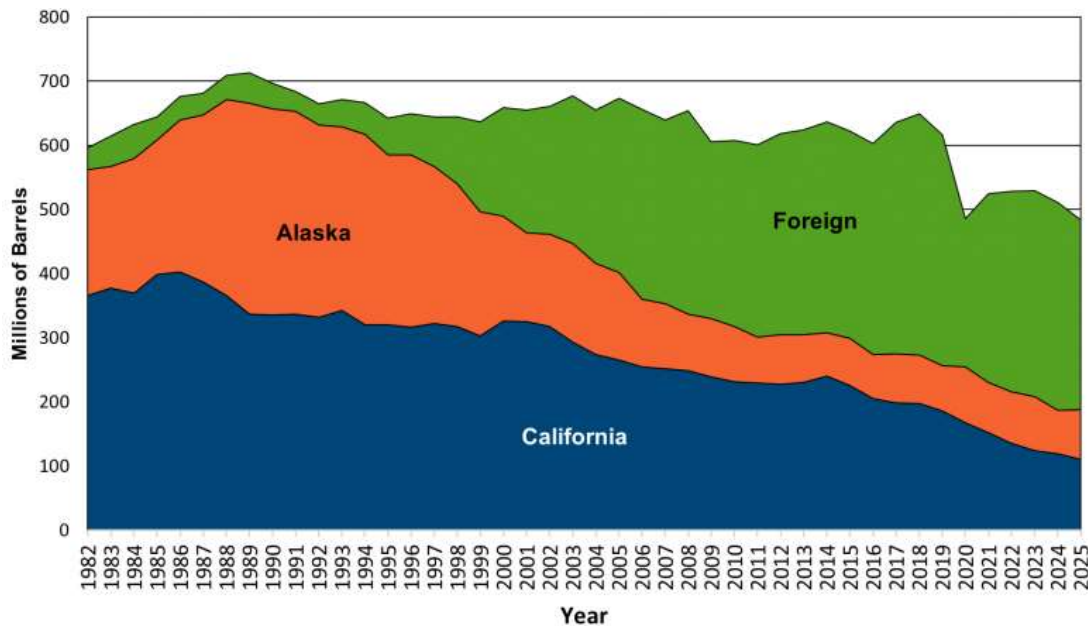
FISCAL EFFECT: Unknown. This bill is keyed fiscal and will be referred to the Assembly Committee on Appropriations for its review.

BACKGROUND:

Oil production in California – California has about four percent of the nation's total crude oil reserves and produced a little over 110 million barrels of crude oil in 2025.¹ There are about 100,000 oil wells in California, mostly in Kern and Los Angeles counties. While California is a top-10 oil-producing state, production has been declining since the mid-1980s, with California having dropped from third to eighth among oil-producing states (as of 2024).² The oil and gas sector is a major employer in some areas. According to the Gender Equity Policy Institute, the oil and gas industry in California employs approximately 45,900 workers, with 1 in 5 union members.³

Magnitude of foreign oil imports to California – California produces only a small fraction of its daily oil consumption. California’s dependence on foreign oil has grown as Californian supply has dropped and Alaskan imports have fallen. According to the most recent data available from the CEC, in 2025, California’s refineries used 22.9% Californian oil, 16% Alaskan oil, and 61.1% foreign oil,⁴ as shown in Figure 1. The top three sources of foreign oil were Brazil, Iraq, and Guyana, each accounting for approximately 14%-18% of oil imports, as shown in Figure 2.⁵

Figure 1: Crude Oil Supply Sources to California, 1982-2025.⁶



¹ <https://www.energy.ca.gov/data-reports/energy-almanac/californias-petroleum-market/annual-oil-supply-sources-california>

² <https://www.eia.gov/states/CA/overview>

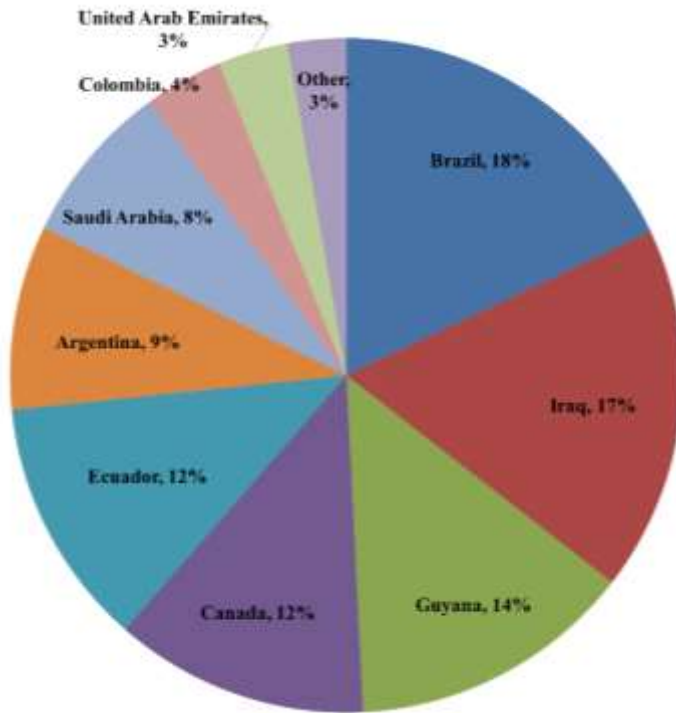
³ “California’s Oil and Gas Workers: An analysis of the fossil fuel workforce, occupational transition opportunities, and State support for potentially impacted workers,” Gender Equity Policy Institute, January 2023. <https://thegepi.org/reports/GEPI-CA-Oil-Gas-Workers-Report.pdf>

⁴ <https://www.energy.ca.gov/data-reports/energy-almanac/californias-petroleum-market/annual-oil-supply-sources-california>

⁵ <https://www.energy.ca.gov/data-reports/energy-almanac/californias-petroleum-market/foreign-sources-crude-oil-imports>

⁶ <https://www.energy.ca.gov/data-reports/energy-almanac/californias-petroleum-market/annual-oil-supply-sources-california>

Figure 2: Foreign Sources of Crude Oil Imports to California, 2025⁵



Assessments of Human Rights Violations – The United States Department of State issues annual Country Reports on Human Rights Practices for countries receiving U.S. assistance and all United Nations member states.⁷ These reports cover internationally recognized individual, civil, political, and worker rights, as set forth in the Universal Declaration of Human Rights and other international agreements.

The most recent Department of State reports covering 2024 qualitatively document human rights transgressions in Iraq and Brazil, the top oil exporters to California. None of these abuses were specifically linked to the oil industry, though scattered examples linked to oil extraction exist from previous years, especially for Iraq. It is important to note several mainstream

outlets, including Lawfare, CNN, and Human Rights First, reported at the time of the August 2025 release that the 2024 Country Reports were significantly scaled back compared with prior years under the current State Department leadership, with reductions in length and in coverage of topics such as corruption, LGBTQ+ rights, discrimination, and the conduct of allied governments.

COMMENTS:

- 1) *Author’s Statement.* According to the author, “Regulations in California pressure the state to rely heavily on other countries to support its fuel market. This not only creates price volatility, cost increases, and higher emissions, but also raises serious concerns about exacerbating human rights abuses. Many top exporters to California have documented, persistent histories of abuses that the state may be inadvertently funding through its purchases. AB 2608 will provide the state with vital information which will allow it to cut burdensome regulations and decrease the need for imports by producing more fuel in California.”
- 2) *Purpose of Bill.* The purpose of this bill is to examine the ethical and strategic trade-offs associated with California's reliance on imported oil, which, as shown in Figure 1, has accounted for a growing share of supply over the last 30 years. The bill's author argues that California, which has positioned itself as a leader on human rights and environmental

⁷ <https://www.state.gov/reports-bureau-of-democracy-human-rights-and-labor/country-reports-on-human-rights-practices>

policy, should consider whether its fuel purchases may be indirectly supporting governments with documented human rights concerns, and that the state has an interest in better understanding (and potentially reducing) its connection to those practices. By estimating how much domestic production would be needed to replace imports from the countries in question, and by cataloging the state laws and regulations that may affect in-state production, the bill seeks to build a record that situates California oil production within a broader frame that includes human rights and national-security considerations alongside environmental ones. The underlying aim appears to be to provide legislators with a comparative basis – weighing the costs of in-state production against the costs of sourcing oil from abroad – from which restrictions on domestic drilling could be reassessed. As discussed below, however, the bill's framing misses key considerations to appropriately weigh these questions, and poses these questions to a state agency that is not well-matched to answer them. Taken together, this suggests that while the bill may raise issues worth examining, the mechanism it proposes would benefit from additional consideration.

- 3) *An Inappropriate Venue?* The CEC's Transportation Fuels Assessment is structured as a technical energy-market analysis, focused on California's fuel supply chain, refinery capacity, pricing, and transition trajectory. The purpose is not to assess the internal conduct of foreign governments. Asking the CEC to assess the human rights records of oil-exporting countries, as this bill does, moves the assessment into a different category, closer to political judgment, and raises several concerns worth weighing. First, it sits outside the CEC's core expertise, since its staff are energy analysts rather than diplomats or human rights specialists. Second, it overlaps with work the U.S. State Department and specialized non-governmental organizations already perform with greater capacity and focus. Third, embedding a foreign-affairs-style inquiry in a state energy document could complicate the CEC's role as a credible arbiter on energy policy, while producing an asymmetric analysis that weighs the costs of imports without comparable treatment of the public-health, environmental-justice, and climate considerations associated with expanded in-state production. (More on this below.) While a human rights lens on California's fuel supply is a reasonable and merited policy question, it may be better suited to a framework designed for that purpose rather than appended to a statutory energy assessment whose usefulness depends on keeping its political considerations within the domain a state energy commission is institutionally equipped to address.
- 4) *An Incomplete Analysis?* The framing of this bill sidesteps the question of what domestic production would look like in practice. California's restrictions on drilling exist for reasons beyond bureaucratic inertia; they reflect concerns about local air quality, groundwater contamination, seismic risk from wastewater injection, setbacks near homes and schools, and statutory climate commitments. An assessment, as called for in this bill, that catalogs those laws as "preventing" domestic production, without weighing the harm they are designed to prevent, risks presenting a one-sided ledger in which the human rights costs of imports are quantified but the public-health, environmental-justice, and climate costs of expanded in-state drilling are not.

In California, 5.4 million people live within a mile of an oil or gas well (14% of the state's population). Of these, 1.8 million (92% people of color) live in an area heavily burdened by environmental pollution. Oil and gas extraction operations release harmful airborne chemicals, such as volatile organic compounds, hydrogen sulfide, particulate

matter (PM_{2.5}), and ozone, damaging not only the environment but also human health. Previous legislation has recognized and attempted to mitigate the health risks of the oil and gas industry to Californians,⁸ including by requiring fence-line air monitoring systems and establishing health protection zones where new oil or gas development is prohibited. Communities living near California oil fields – disproportionately lower-income and nonwhite – bear those costs directly, and a human rights frame that stops at the state border obscures that.

5) *Additional Points of Consideration.* The bill's framing also interacts with California's broader commitment to phasing down petroleum demand. The bill directs policy attention toward expanding supply, not reducing demand, which could affect the pace of the transition the state has already adopted. Moreover, demand reduction is arguably the most durable pathway for reducing reliance on any foreign producer over time. It is also worth noting the bill's focus is specific to oil, yet California imports a range of goods from countries whose human rights records have been the subject of scrutiny. With the framework in this bill only applying to petroleum, more questions may be raised about consistency, which in turn could undermine the credibility of the human rights argument itself.

6) *Related Legislation.*

AB 2672 (Hart) requires the CEC to adopt regulations identifying the specific conditions under which gasoline sellers are obligated to seek and use a waiver to sell gasoline not meeting California's motor vehicle fuel specifications. Status: *set for hearing* in this committee on April 22, 2026.

7) *Prior Legislation.*

SB 13 (Grove, 2025) required the California Air Resources Board (CARB) and the CEC to provide specified information regarding air quality and oil refinery impacts associated with imported crude oil, and stated the legislative intent for the CEC to monitor foreign countries that export oil into California and to identify which of those countries have demonstrated human rights abuses and lower environmental standards than California. Status: *Died* – Senate Committee on Appropriations.

SB 237 (Grayson) contains a number of provisions that seek to increase in-state oil production while also soliciting additional information to mitigate rising fuel costs (such as by relaxing California gasoline standards) and assess medium- to long-term strategies in line with recent work from the CEC. Status: Chapter 118, Statutes of 2025.

SB 1087 (Grove, 2024) was a previous version of SB 13. Status: *Died* in the Senate Rules Committee.

SBX1-3 (Grove, 2023) was a previous version of SB 13. Status: *Died* in the Assembly Appropriations Committee.

⁸ Recently, AB 1647 (Muratsuchi, Chapter 589, Statutes of 2017) and SB 1137 (Gonzalez, Chapter 365, Statutes of 2022)

SB 15 (Grove, 2023) was a previous version of SB 13. Status: *Died* in the Assembly Appropriations Committee.

SB 1319 (Grove, 2022) was a previous version of SB 13, 2025. Status: *Died* in the Assembly Appropriations Committee.

AB 3217 (Gloria, 2020) would have required, no later than December 31, 2023, CARB, in cooperation with CalGEM and CEC, to complete and publish an analysis of the life-cycle GHG emissions associated with crude oil produced in the state, as prescribed. Status: *Died* in the Assembly Natural Resources Committee.

SR 98 (Wilk, 2022) would have resolved the environmental, human rights, and political disadvantages of importing oil from the Amazon region over using Californian oil. Status: *Died* in the Senate Rules Committee.

SB 1137 (Gonzalez) established a health protection zone of 3,200 feet of a sensitive receptor, which includes residences, healthcare facilities, and schools. This bill prohibits CalGEM from approving new oil or gas development within this health protection zone. Status: Chapter 365, Statutes of 2022.

REGISTERED SUPPORT / OPPOSITION:

Support

None on file.

Opposition

None on file.

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