



May 17, 2019

Assembly Member Marc Levine
State Capitol, Room 5135
Sacramento, CA 95814

RE: AB 1440 (Levine) Update Oil and Gas Statutes– SUPPORT

Dear Assembly Member Levine:

On behalf of the undersigned organizations, we are pleased to register our support for your bill, AB 1440. This bill provides much needed reform to the outdated statutory mission statements that govern management of oil and gas production by California’s Division of Oil, Gas, and Geothermal Resources (DOGGR) and the State Lands Commission (SLC).

AB 1440 would update both the DOGGR and SLC statutes to reflect a modern understanding of the environmental and public health risks associated with oil and gas drilling operations. Currently, those statutes call on DOGGR and the SLC to supervise oil production with a goal of maximizing it, and allowing use of whatever production methods the oil and gas industry may see fit. While the DOGGR statute was updated in the 1970s to also require that the Division supervise production in a manner that protects health and the environment, it is important to make clear that these considerations need to be central. AB 1440 would achieve this end by removing language from both statutes reflecting the now-antiquated state policy of increasing the “ultimate” extraction of hydrocarbons, and expressly clarifying that DOGGR needs to put and the interests of the public first, consistent with the purpose of other state regulatory agencies. *See, e.g.,* Water Code § 100 (water resources agency purpose and policy); Health and Safety Code § 39003 (Air Resources Board purpose and policy).

Since the bill is focused on the statutory mission statements and legislative findings, rather than any specific procedures for authorizing drilling, it will not impose additional costs on the state or its agencies. Beyond requiring protection of public health, safety and natural resources as the primary mission – which should be the policy of any modern regulatory agency – the bill does not mandate any particular process or outcome in DOGGR’s or the SLC’s

decision making on individual projects, or establish a blanket policy either in favor of or against California oil production. By removing antiquated language from both statutes, it renders the statute appropriately neutral on that policy issue, leaving the state free to set priorities based on data and information as it emerges. In addition, permitting and regulatory procedures outlined in the law remain and are not impacted by AB 1440.

AB 1440 takes basic common-sense steps to bring our laws into the 21st century, without increasing costs to DOGGR or SLC. Thank you for your leadership on this bill.

Sincerely,

Victoria Rome
Director of CA Government Affairs
Natural Resources Defense Council

Bob Keefe
Executive Director
E2 (Environmental Entrepreneurs)

Janet Nudelman
Director of Program and Policy
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