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LONG BEACH ALLIANCE
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LONG BEACH 350

Assembly Member Isaac Bryan, Chair
Assembly Natural Resources Committee
1020 N Street, Room 164
Sacramento, CA 95814

April 13, 2026

RE: AB 2461 (Hart) Oil and Gas: Bonding Requirements - *SUPPORT*

To the Honorable Members of the Assembly Natural Resources Committee ~ Chair Bryan, Vice Chair Ellis, and Assemblymembers Alanis, Connolly, Garcia, Haney, Hoover, Kalra, Macedo, Muratsuchi, Pellerin, Schultz, Wicks, and Zbur:

The undersigned organizations – including cosponsors Center for Biological Diversity, Environment California and Natural Resources Defense Council – write in strong support of [AB 2461](#), and thank Assemblymember Hart for his continued leadership on issues related to oil and gas in California.

In 2023, this legislature passed [AB 1167](#) (W. Carrillo, Chapter 359, Statutes of 2023) to help ensure that California taxpayers are not further burdened with the costs to clean up oil and gas wells. The cost to clean up California’s wells and production facilities has been estimated at \$21.5 billion. Despite the fact that oil and gas operators are legally obligated to pay to plug and remediate their wells, hundreds of millions of dollars in public funds have already been dedicated to clean up wells deserted by operators who fail to honor their obligations. AB 1167 was designed to reduce this risk by requiring operators that acquire idle and marginally producing oil wells to post a bond or other financial assurances for the full cost of plugging and clean-up.

As California’s forty-year long decline in oil production continues, the risk of companies offloading cleanup costs onto the public continues to grow. Yet operators have only acquired

bonds amounting to less than 1% of the estimated \$21.5 billion cost to plug existing wells and production facilities statewide, leaving California taxpayers exposed to significant fiscal risk.

Ensuring enforceable and robust bonding requirements will also protect public health, safety and the climate. Wells deserted by financially insolvent operators can emit significant methane and other air pollution and pose grave risks to our water supplies and public safety.

While AB 1167 has been an important step forward, the statute has not been enforced as intended with respect to major transfers. Regulators have interpreted the law to exclude transfers that change ownership through stock purchases. However, the author of AB 1167 and 15 colleagues sent a letter to the California Geologic Energy Management Division (CalGEM) explaining to the agency that AB 1167's language and intent apply to all such transactions.¹

AB 2461 clarifies existing law by confirming that transactions changing control over well and production facilities, including those involving stock acquisitions, are subject to full bonding requirements pursuant to AB 1167.

AB 2461 also eliminates the existing carve-out for wells with an average daily production level exceeding 15 barrels of oil or 60,000 cubic feet of natural gas during the 12 months preceding the date of acquisition, as well as for natural gas storage wells, ensuring that there are financial resources available to plug the well at the end of its operational life. Eliminating the carveout will also improve regulatory efficiency. Under current law, CalGEM must first verify each well's production volume to determine whether it falls under the bonding requirement. AB 2461 will allow CalGEM to assess bonding levels based simply on the total number of wells transferred.

Californians consistently identify affordability as a top concern. At the same time, polling repeatedly demonstrates majorities expect polluters—not taxpayers—to be held accountable to clean up their mess. California's ongoing structural budget deficit, projected to continue into the outyears, amplifies the state's challenges in continuing to lean on public funding to address private industries' statutorily required remediation.

AB 2461 promotes accountability, fairness, and fiscal responsibility by ensuring that the polluters responsible pay to clean up their mess. Californians deserve nothing less.

For these reasons, we respectfully urge your AYE vote on AB 2461.

Respectfully,

Center for Biological Diversity, *Christina Scaringe*
Environment California, *Laura Deehan*
Natural Resources Defense Council, *Victoria Rome*
350 Bay Area Action, *Valerie Ventre-Hutton*

¹ See Assemblymember Wendy Carrillo et al., letter to Doug Ito, Supervisor, CalGEM re: Enforcement of the Requirements of AB 1167 (June 11, 2024) (attached).

350 Sacramento, *Katie McCammon*
350 Santa Barbara, *Carol Millar*
350 South Bay Los Angeles, *Sherry Lear*
350 Southland Legislative Alliance, *Sherry Lear*
Alliance of Californians For Community Empowerment (ACCE), *Eric Lerner*
APEN Action, *Faraz Rizvi*
Azul, *Tomas Valadez*
Bay Area-System Change not Climate Change, *David Gassman*
California Coastal Protection Network, *Susan Jordan*
California Environmental Justice Alliance (CEJA) Action, *Raquel Mason*
California Federation of Teachers, *Mitch Steiger*
California Interfaith Power & Light, *Susan Stephenson*
California Nurses Association, *Mari Lopez*
Center for Environmental Health, *Sarah Erlich*
Center on Race, Poverty and the Environment, *Alma Martinez*
Central California Asthma Collaborative, *Jenna Roper*
CERBAT, *Lisabeth Ryder*
Clean and Healthy California, *Lauren Davis*
Clean Water Action, *Andria Ventura*
CleanEarth4Kids.org, *Suzanne Hume*
Climate First: Replacing Oil & Gas (CFROG), *Haley Ehlers*
Climate Hawks Vote, *RL Miller*
Climate Health Now Action Fund, *Ashley McClure*
Communities for a Better Environment, *Bahram Fazeli*
Community Environmental Council, *Michael Chiacos*
Consumer Watchdog, *Liza Tucker*
Courage California, *Irene Kao*
Dayenu: A Jewish Call to Climate Action, *Rachel Mandelbaum*
Earth Island Advocates, *Sara Zimmerman*
Earthjustice, *Elizabeth Fisher*
Environmental Action Committee of West Marin, *Isabel Dawson*
Environmental Defense Center, *Linda Krop*
Environmental Protection Information Center (EPIC), *Matt Simmons*
Extreme Weather Survivors, *Christopher Kocher*
Food & Water Watch, *Nicole Ghio*
Fossil Free California, *Deborah Silvey*
FracTracker Alliance, *Kyle Ferrar*
Friends Committee on Legislation of California, *Jim Lindburg*
Greenpeace USA, *Amy Moas, Ph.D.*
Indivisible Alta-Pasadena, *Joanne Long*

Indivisible Santa Cruz County, *Faye Johnson*
LA Bishop's Commission on Climate Change, *Daniel Tamm*
Long Beach 350, *Dean Toji*
Long Beach Alliance for Clean Energy, *Dave Shukla*
Los Angeles Faith & Ecology Network, *Daniel Tamm*
Oil and Gas Action Network, *Ilonka Zlatar*
PG Progressives Democratic Club, *John Mothershead*
Physicians for Social Responsibility - Los Angeles, *Maro Kakoussian*
Redeemer Community Partnership, *Richard Parks*
Resource Renewal Institute, *Chance Cutrano*
San Diego 350, *Katharine Harrison*
San Francisco Bay Physicians for Social Responsibility, *Robert Gould, MD*
San Francisco Baykeeper, *Ben Eichenberg*
Sierra Club California, *Gabriela Facio*
SoCal 350 Climate Action, *Jack Eidt*
Sunflower Alliance, *Shoshana Wechsler*
Sunrise Bay Area, *Sarah Gao*
The Climate Center, *Ellie Cohen*
Union of Concerned Scientists, *Michele Canales*
West Berkeley Alliance for Clean Air and Safe Jobs, *Janice Schroeder*