

Governor Signs Legislation to Address California's Idle Oil Well Crisis

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"This is a landmark victory for taxpayers and communities most affected by the harmful health impacts of neighborhood oil drilling," said Assemblymember Hart. "I am proud of this decisive action we are taking today to hold the oil industry responsible for plugging over 40,000 idle oil wells across California. I want to thank Governor Newsom for recognizing the urgency of solving the idle oil well crisis in the state."



Assembly Bill 1866 by Assemblymember Gregg Hart (D-Santa Barbara) was signed by Governor Gavin Newsom at a signing ceremony in Inglewood. The bill addresses the urgent climate and public health crisis posed by idle oil wells by mandating that companies meet ambitious targets to plug the estimated 40,000 idle oil wells in California.

"The health of our communities always comes first. These new laws allow local leaders to limit dangerous oil and gas activities near homes, schools, and other areas as they see fit for their communities, and give the state more tools to make sure that idle and low-producing wells get plugged sooner," said Governor Gavin Newsom. "This builds off of our all-of-the-above efforts to protect communities from pollution and hold Big Oil accountable."

AB 1866 would have the most impact on larger operators, requiring them to plug 15% of their idle wells in the first year, rising to 20% annually by 2030. The bill also mandates operators to prioritize plugging wells within 3,200 feet of where communities live, work and play.

"We are thrilled that AB 1866 was signed by Governor Newsom. This bill will hold the oil industry accountable for safely plugging and abandoning their oil and gas wells," said Linda Krop, Chief Counsel of the Environmental Defense Center. "Leaks from these wells cause air and water pollution, threatening public health, the environment, and our climate."

“AB 1866 is a crucial step forward in ensuring that the burden of cleaning up idle oil wells does not fall on the backs of taxpayers,” says Fatima Iqbal-Zubair, Legislative Affairs Manager, California Environmental Voters. “Thank you to Governor Newsom for ensuring polluters pay to clean up and guarantee healthier communities, all while creating union jobs in the process. With AB 1866, communities that have historically suffered disproportionate harms from oil and gas pollution will benefit from better health and safety and reduced pollution. This bill is a win all around: for our environment, for justice, and for our economy.”

“This new law is a triple-win for California that will create more jobs, safeguard public health and protect the climate,” said Jason Pfeifle, California strategist at the Center for Biological Diversity Action Fund. “For far too long polluters have gotten a free pass to drill and ditch, leaving dangerous idle oil and gas wells unplugged across our state. Thanks to the leadership of Assemblymember Hart and Gov. Newsom, oil companies are now bound by law to quickly clean up their mess and spare taxpayers the cost.”

“The system meant to clean up idle oil wells is fundamentally broken and, as a result, California communities are paying a steep price,” says Victoria Rome, Director of California Government Affairs at NRDC (Natural Resources Defense Council). “AB 1866 provides a comprehensive and proactive plan to address the urgent environmental and public health crises that these idling wells pose. With this legislation, Governor Newsom has taken a critical step toward a healthier California.”

“AB 1866 represents a huge victory for California communities. This new law will hold polluters accountable for the toxic messes they have made and ensure they pay their fair share for cleanup,” said Sylvia Arredondo, Campaign for a Safe and Healthy California Steering Committee Member and Civic Engagement Director for Communities for a Better Environment. “We will continue to fight tirelessly to hold Big Oil accountable for their dangerous practices. This legislation is a critical step toward prioritizing the health and safety of our communities and paving the way for a cleaner, safer future for all Californians.”

“We applaud the Governor for signing AB 1866 and advancing the cleanup of oil wells, including those near frontline communities,” said Natalia Ospina, Legal Director at the Center on Race, Poverty, & the Environment. “Allowing the oil industry to pay nominal fees to delay its cleanup obligations has contributed to the orphan well crisis and enabled companies to further pollute and endanger frontline communities without any social benefit.”

Nearly half of the 40,000 idle wells in California have not produced oil in decades. Many idle oil wells are at high risk of becoming orphan, which means taxpayers will be left responsible to cover the plugging costs. It is estimated that taxpayers could be liable for billions should these idle wells become orphan. In fact, California taxpayers have already paid \$100 million in the last few years to plug orphan wells, and the existing taxpayer liability of orphan wells already exceeds \$1 billion.

The benefits of AB 1866 extend beyond taxpayer protection. Plugging idle oil wells presents a significant opportunity to strengthen California's economy and create jobs. A recent study revealed that plugging these idle oil wells could create thousands of skilled and trained jobs statewide.

Idle oil wells in California act as a major source of methane gas emissions, ground water contamination and air pollution. By one estimate, about two-thirds of idle oil wells are leaking methane— a climate super-pollutant over 80 times stronger than carbon dioxide. Without a plan in place, these wells will continue to contribute to the climate crisis.

Gregg Hart represents the California Assembly's 37th Assembly District, which includes Santa Barbara, Goleta, Carpinteria, Montecito, Summerland, Buellton, Solvang, Lompoc, Guadalupe, Santa Maria, Orcutt, and Nipomo. He currently serves as the Chair of the Joint Legislative Audit Committee and Assembly Select Committee on the Nonprofit Sector.