



July 28, 2026

The Honorable Lena Gonzalez
State Senate, District 33
State Capitol, Annex Room 7510
Sacramento, CA 95814

RE: OPPOSE SB 966 (Gonzalez)

Dear Senator Gonzalez,

The undersigned organizations, representing businesses, employers, local chambers of commerce, and industries that depend on a reliable supply of affordable transportation fuels, respectfully oppose Senate Bill 966 (Gonzalez).

California's refining industry is at a crossroads. The state has already experienced refinery closures and announced production reductions that have permanently reduced California's fuel manufacturing capacity. Every refinery closure increases the risk of fuel shortages, greater dependence on imported fuels, higher prices for consumers and businesses, and the loss of thousands of high-paying jobs that support local economies. Rather than advancing legislation that creates additional legal and regulatory uncertainty, the Legislature should be focused on policies that encourage existing refineries to remain open and continue investing in California.

Transportation fuels remain essential to California's economy. Nearly every sector—including agriculture, manufacturing, construction, public safety, healthcare, freight movement, aviation, tourism, and small business—depends on reliable supplies of gasoline, diesel, and jet fuel. These fuels move goods through our ports, power emergency response vehicles, keep construction projects moving, enable employees to get to work, and allow businesses across the state to operate efficiently. When California's fuel supply becomes less reliable, the impact ripples through the economy in the form of higher operating costs, increased prices for consumers, and reduced economic competitiveness.

SB 966 moves California in the wrong direction. Rather than improving refinery safety, the bill would legislatively override a settlement agreement reached after years of negotiations among industry, employee representatives, Cal/OSHA, CalEPA, and the Cal/OSHA Standards Board regarding implementation of Process Safety Management (PSM) regulations. That settlement reflects a carefully negotiated, expert-driven resolution to complex regulatory issues and is now proceeding through California's established public rulemaking process, where all interested stakeholders have the opportunity to review, comment on, and help shape the final regulations. The negotiated language maintains robust safety protections while providing greater regulatory clarity, consistency, and enforceability that will improve implementation of California's refinery safety program.



By overriding these important changes through legislation, SB 966 sends a troubling message that agreements reached in good faith with state agencies even those that remain subject to transparent public review and formal rulemaking can later be invalidated through the legislative process. This undermines confidence in California's regulatory system and discourages future collaboration among employers, employees, and state agencies to resolve complex regulatory issues through consensus rather than prolonged litigation. It also short-circuits the state's established regulatory process by substituting legislative language for the expert judgment of the agencies charged with developing and implementing refinery safety regulations.

The bill reinstates language governing employee participation in refinery safety programs that was carefully revised to address significant concerns under the National Labor Relations Act (NLRA). Nothing in the negotiated settlement weakens refinery safety or limits worker protections. To the contrary, the settlement provides a clearer, more legally sound, and more enforceable framework for implementing California's Process Safety Management regulations while preserving the state's rigorous safety standards. If enacted, SB 966 could prevent state agencies from implementing the balanced regulatory framework currently under consideration, resulting in renewed litigation, regulatory uncertainty, and delays to the very safety improvements the rulemaking process is designed to achieve. Rather than strengthening refinery safety, the bill would disrupt an ongoing public regulatory process that is already producing a practical, legally defensible framework for protecting refinery workers and surrounding communities.

At a time when California should be working collaboratively with industry to maintain critical fuel production, SB 966 instead creates additional uncertainty for facilities already facing significant economic and regulatory challenges. Policymakers have repeatedly expressed concern about maintaining an adequate and reliable fuel supply for Californians. Advancing legislation that further complicates refinery operations is inconsistent with those objectives and risks accelerating the loss of additional refining capacity.

California needs policies that preserve energy reliability, protect jobs, strengthen local economies, and maintain the infrastructure that supports every community in the state. We urge the Legislature to reject SB 966 and instead work with all stakeholders on solutions that improve safety while ensuring California's refineries remain viable for the workers, businesses, and communities that depend on them.

For these reasons, the undersigned respectfully urge a **NO** vote on SB 966.

Sincerely,