



June 23, 2026

The Honorable Al Muratsuchi
California State Assembly
1021 O Street, Suite 5310
Sacramento, CA 95814

RE: OPPOSE AB 605 (Muratsuchi)

Dear Assemblymember Muratsuchi:

The undersigned organizations, representing businesses, employers, local chambers of commerce, and industries that depend on a reliable supply of affordable transportation fuels, respectfully oppose Assembly Bill 605 (Muratsuchi).

California's refining industry is under unprecedented pressure. Over the past several years, the state has experienced refinery closures and announced production reductions that have permanently reduced California's ability to produce the gasoline, diesel, and jet fuel that powers our economy. Every refinery that closes or scales back operations makes California more dependent on imported fuels, increases the risk of supply disruptions, and places additional upward pressure on fuel prices for families and businesses alike. Rather than adopting policies that make it even more difficult to operate refineries in California, the Legislature should be focused on preserving the state's remaining refining capacity and ensuring a stable, affordable, and reliable fuel supply.

Transportation fuels remain indispensable to California's economy. Businesses of every size rely on gasoline and diesel to move goods, transport employees, power construction equipment, support agriculture, deliver emergency services, and keep supply chains functioning. Airports, ports, manufacturers, retailers, hospitals, first responders, and countless small businesses depend on a reliable fuel supply every day. Policies that increase uncertainty for the state's remaining refineries can ultimately increase costs throughout the economy, threaten California's competitiveness, and place good-paying manufacturing jobs at risk.

AB 605 moves California in the wrong direction. Rather than improving refinery safety, the bill creates an expansive new regulatory bureaucracy by directing multiple state agencies to develop overlapping regulations governing refinery staffing, workforce planning, and operational decisions that are already subject to extensive state and federal oversight. California's refineries already operate under some of the nation's most comprehensive safety requirements, including Process Safety Management (PSM) and California's Accidental Release Prevention (CalARP) regulations. Instead of strengthening existing programs, AB 605 layers on an entirely new regulatory framework that adds cost, uncertainty, and administrative burden without demonstrating how it would improve safety.

AB 605 requires refineries to develop agency-approved staffing plans in anticipation of potential closures or long-term idling, subjects those plans to public review, expands agency oversight and



enforcement, and requires public disclosure of sensitive operational planning. At a time when California should be focused on keeping refineries operating and preserving a reliable in-state fuel supply, AB 605 instead creates additional barriers that could accelerate refinery closures.

Compounding these concerns, AB 605 establishes a new politically appointed task force with responsibilities that extend well beyond refinery safety. The task force is directed to develop recommendations on issues including extended severance periods, paid job training, expanded job placement assistance, priority transfers to other refineries, financial and logistical assistance for workers, and strategies for transitioning oil and gas employees into other industries. It is also charged with evaluating methods for ensuring safe refinery operations during periods of "understaffing."

These subjects are fundamentally workforce, labor, and economic policy issues and many have traditionally been addressed through collective bargaining, employer workforce planning, or existing workforce development programs. Establishing a politically appointed body to make recommendations on these issues injects additional uncertainty into an industry already facing extraordinary economic and regulatory challenges. More importantly, directing a state task force to develop strategies for transitioning workers out of the petroleum industry sends a troubling message that California is planning for additional refinery closures rather than working to prevent them.

At a time when state leaders have repeatedly expressed concern about preserving California's in-state fuel production and protecting consumers from supply disruptions and price spikes, AB 605 sends exactly the wrong signal. Instead of focusing on policies that improve the competitiveness of California's remaining refineries and encourage continued investment, the bill creates another layer of bureaucracy, invites second-guessing of operational decisions, and increases the cost and complexity of operating critical energy infrastructure.

Perhaps most concerning, AB 605 reinforces the perception that California is becoming an increasingly unpredictable and costly place to invest in and operate essential infrastructure. Every new mandate, advisory body, compliance obligation, and regulatory layer factors into long-term business decisions. As refining companies evaluate where to invest capital, California should be demonstrating that it values reliable in-state fuel production—not creating additional obstacles that make continued operations less viable.

California should be pursuing policies that preserve good-paying manufacturing jobs, strengthen local economies, and maintain the infrastructure that powers nearly every sector of the state's economy. Fuel affordability and supply reliability are not simply energy issues they are economic issues that affect every household, every business, and every community in California. If the Legislature is serious about protecting consumers from higher fuel prices, preserving family-supporting jobs, and ensuring a reliable transportation fuel supply, it should focus on policies that help California's remaining refineries remain competitive—not impose additional mandates that increase costs and accelerate the loss of critical refining capacity.

For these reasons, the undersigned respectfully urge a **NO** vote on AB 605.



Sincerely,