# CALIFORNIA LEGISLATURE 2023–24 SECOND EXTRAORDINARY SESSION

# ASSEMBLY DAILY JOURNAL

# Saturday, August 31, 2024

FIRST SESSION DAY

### FIRST CALENDAR DAY

# **AT SACRAMENTO, CALIFORNIA**



NOTE: Official record of rollcall votes. All amendments considered by the Assembly on this day are on file with the Chief Clerk of the Assembly and available on request. All Senate amendments to Assembly measures considered by the Assembly on this day are on file with the Secretary of the Senate and available on request. A list of all measures amended and on which amendments were offered in the Assembly is shown on the final page of this day's Assembly Journal.

# **PROCEEDINGS OF THE ASSEMBLY**

#### IN ASSEMBLY

Assembly Chamber, Sacramento Saturday, August 31, 2024

The Assembly met at 7:42 p.m. Hon. Jim Wood, Speaker pro Tempore of the Assembly, presiding. Chief Clerk Sue Parker at the Desk. Reading Clerk David A. Bowman reading.

#### ROLLCALL

The roll was called, and the following answered to their names—77:

Addis	Essayli	Lowenthal	Sanchez
Aguiar-Curry	Flora	Maienschein	Santiago
Alanis	Fong, M.	Mathis	Schiavo
Alvarez	Friedman	McCarty	Soria
Arambula	Gabriel	McKinnor	Та
Bains	Gallagher	Muratsuchi	Ting
Bauer-Kahan	Garcia	Nguyen	Valencia
Bennett	Gipson	Pacheco	Villapudua
Berman	Grayson	Papan	Waldron
Boerner	Haney	Patterson, Jim	Wallis
Bonta	Hart	Patterson, Joe	Ward
Bryan	Holden	Pellerin	Weber
Carrillo, J.	Hoover	Petrie-Norris	Wicks
Carrillo, W.	Irwin	Quirk-Silva	Wilson
Cervantes	Jackson	Ramos	Wood
Chen	Jones-Sawyer	Rendon	Zbur
Connolly	Kalra	Reyes	Mr. Speaker
Dahle	Lackey	Rivas, L.	•
Davies	Lee	Rodriguez	
Dixon	Low	Rubio	

Quorum present.

#### **REGULAR BUSINESS DISPENSED WITH**

By unanimous consent, the regular order of business of the Assembly was dispensed with for this legislative day.

#### PRAYER

Upon invitation of Speaker pro Tempore Wood, the following prayer was offered by Chaplain Imam Mohammad Yasir Khan:

In the name of God, the most gracious, the most merciful:

Almighty God, As we conclude this assembly session, we reflect with deep gratitude on the journey we have shared and the guidance You have bestowed upon us. We deeply appreciate the dedication, wisdom, and hard work of every member and their staff, whose contributions have been pivotal in our discussions and decisions. We also express our heartfelt appreciation for the love and support of our families and friends, whose encouragement and sacrifices have enabled us to serve effectively in this assembly. We offer our profound thanks to the first responders and veterans for their tremendous sacrifices. Their unwavering courage and dedication allow the rest of us to enjoy the peace and freedom we cherish every day. Empower us to continue to be agents of change, replacing hatred with love. Inspire us to approach every challenge with compassion and understanding, fostering unity and empathy over division and discord.

Grant us the strength to be the voice for those who have none, advocating tirelessly for the marginalized and voiceless. Instill in us the courage to stand up for those who cannot stand up for themselves, confronting injustice with unwavering commitment. Guide us in our pursuit of justice, helping us to address inequalities and support those who face discrimination and adversity. May our actions reflect Your divine justice and contribute to a world where fairness and equality prevail. Allow us to cherish the memories we've created on this floor in the service of the people of this great state of California. May our efforts be marked by sincerity and purpose, and may they bring about meaningful change. God bless California, and God bless America. Thank You, Almighty God, for Your continuous support and the strength You provide. We place our trust in Your wisdom and grace.—*Ameen*.

#### PLEDGE OF ALLEGIANCE TO THE FLAG

Upon request of Speaker pro Tempore Wood, Assembly Member Maienschein then led the Assembly in the pledge of allegiance to the Flag.

#### LEAVES OF ABSENCE FOR THE DAY

By unanimous consent, the following Assembly Members were granted leaves of absence for the day:

Because of illness: Assembly Members Calderon and Ortega.

#### **PROCLAMATION OF THE GOVERNOR**

Speaker pro Tempore Wood directed the Clerk to read the following proclamation of the Governor convening the Legislature in extraordinary session:

#### A PROCLAMATION

#### BY THE GOVERNOR OF THE STATE OF CALIFORNIA

WHEREAS in September and October of 2022 and 2023, gasoline refiners and retailers in California drastically raised the prices that Californians pay at the pump, despite state taxes and fees remaining unchanged at the time, leading to record oil company profits; and

WHEREAS in response to the fall 2022 price spike, I convened an extraordinary session of the Legislature to target price gouging by oil companies; and

WHEREAS in March 2023, the Legislature passed and I signed into law Senate Bill 2 ("SBx1-2," Chapter 1, Statutes of 2023–2024 First Extraordinary Session), a first-in-the-nation law that authorized a maximum refining margin to keep fuel refiner profits in check, brought transparency to California's oil industry, and created the Division of Petroleum Market Oversight, an independent watchdog agency to oversee and investigate the industry; and

WHEREAS in September 2023, the Division of Petroleum Market Oversight reported an unusual transaction on the gasoline spot market and observed that refinery maintenance issues contributed to an increase in gas prices, noting that "refiners did not maintain adequate levels of inventory of refined gasoline and blendstocks or import additional supplies to sufficiently backfill production shortfalls or to protect against the impact of unplanned maintenance or potential spot market distortion"; and

WHEREAS in January 2024, the Division of Petroleum Market Oversight recommended that California impose minimum inventory and resupply requirements for refiners to prevent those types of supply disruptions, which produce price spikes for consumers and profit spikes for the industry; and

WHEREAS in August 2024, using data newly gathered under the transparency requirements of SBx1-2, the California Energy Commission and Division of Petroleum Market Oversight reported that the 2023 price spike resulting from refineries going offline for maintenance, without a plan for backfilling supply, cost Californians at least \$650 million and up to \$2 billion in elevated prices that lasted approximately three months; and

WHEREAS the California Energy Commission and Division of Petroleum Market Oversight also reported that a requirement for refiners to responsibly plan ahead for resupply before going offline for planned maintenance, and to keep minimum inventories to maintain supply during unplanned maintenance, could save Californians hundreds of millions of dollars in fuel costs by helping prevent price spikes in the future, leading to more stable, predictable, and affordable prices at the pump; and WHEREAS the California Energy Commission and Division of Petroleum Market Oversight calculated that for 63 days in 2023, refiners allowed total statewide inventory (including both storage and product throughout the distribution chain) to drop under 15 days of gasoline supply—the level below which price spikes become increasingly likely—driving last year's price spike; and

WHEREAS the new oil and gas accountability tools provided by SBx1-2 have helped mitigate price spikes in 2024, with prices significantly lower than at this time in 2022 and 2023, and as a result, Californians have spent an estimated \$728 million less on gasoline this summer than at the same time last year; and

WHEREAS notwithstanding that improvement, California remains vulnerable to potential supply shocks and price spikes from even a single major refinery going offline for maintenance, and there is still significant risk that prices could spike in the coming months, especially if supplies are allowed to run low during refinery maintenance; and

WHEREAS in the 2023–2024 Legislative Session, the Legislature has introduced but not yet enacted Senate Bill 950, which would adopt the expert agencies' recommendations by authorizing the California Energy Commission to impose enforceable resupply and minimum inventory requirements on refiners; and

WHEREAS inaction would leave the State vulnerable for an additional year, even though the data the expert agencies uncovered and analyzed using SBx1-2 tools is clear, and the policy solutions to stop this annual cycle of price spikes are evident; and

WHEREAS these extraordinary circumstances require the Legislature of the State of California to be convened in a special session.

NOW, THEREFORE, I, GAVIN NEWSOM, Governor of the State of California, in accordance with Section 3(b) of Article IV of the California Constitution, hereby convene the Legislature of the State of California to assemble in extraordinary session in Sacramento, California, on the 31st day of August 2024, at a time to be determined, for the following purposes:

To consider and act upon legislation necessary to:

- a. Authorize the California Energy Commission to adopt regulations that would require California refiners of transportation fuels to demonstrate resupply plans and arrangements that are adequate to address losses in production from refinery maintenance before planned maintenance may be scheduled and permitted, while also accounting for protecting the health and safety of refinery employees and the public.
- b. Authorize the California Energy Commission to impose minimum inventory requirements on refiners to keep transportation fuel supply stable.
- c. Make other necessary changes to reaffirm and strengthen the authority of the California Energy Commission and the Division of Petroleum Market Oversight to implement the provisions of SBx1-2, including by modifying the advisory committee that informs those agencies' action.
- d. Make conforming changes to existing law consistent with paragraphs (a), (b), and (c).

I FURTHER DIRECT that as soon as hereafter possible, this Proclamation be filed in the Office of the Secretary of State and that widespread publicity and notice be given of this Proclamation.

> IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 31st day of August 2024.

> > GAVIN NEWSOM Governor of California

ATTEST:

SHIRLEY N. WEBER, Ph.D. Secretary of State

#### **ELECTION OF SPEAKER**

Assembly Member Aguiar-Curry moved that the election of Speaker Robert Rivas by voice vote of the Members of the Assembly on June 30, 2023, to the Office of Speaker of the Assembly for the 2023–24 Regular Session, and the Oath of Office administered (Assembly Journal for June 30, 2023, for the Regular Session, page 2515), be substituted in the 2023–24 Second Extraordinary Session.

Assembly Member Santiago seconded the motion. Motion carried.

#### OATH OF OFFICE

The following oath of office was administered to Speaker-elect Robert Rivas, on Friday, June 30, 2023, by the Honorable Patricia Guerrero, Chief Justice of California, and without objection was substituted in the Second Extraordinary Session:

#### OATH

# for the Office of Speaker of the Assembly 2023–24 Regular Session

I, Robert Rivas, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States and the Constitution of the State of California against all enemies, foreign and domestic; that I will bear true faith and allegiance to the Constitution of the United States and the Constitution of the State of California; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties upon which I am about to enter.

ROBERT RIVAS

Subscribed and sworn to before me, this 30th day of June A.D. 2023

THE HONORABLE PATRICIA GUERRERO Chief Justice of the California Supreme Court



#### Receipt

RECEIVED from Sue Parker, Chief Clerk of the Assembly, duly executed Oath of Office for the Honorable Robert Rivas, Speaker of the Assembly, for the 2023-24 Regular Session of the Legislature on Friday, June 30, 2023, by the Honorable Patricia Guerrero, Chief Justice of the California Supereme Court.

Dated: June 30, 2023

SHIRLEY N. WEBER, PH.D., Secretary of State

#### ADOPTION OF STANDING RULES

Assembly Member Aguiar-Curry moved that the Permanent Standing Rules of the Assembly for the 2023–24 Regular Session be adopted as the Standing Rules of the Assembly for the 2023-24 Second Extraordinary Session.

#### **ELECTION OF OFFICERS OF THE ASSEMBLY**

Assembly Member Aguiar-Curry moved that the non-member officers of the Assembly for the 2023–24 Regular Session be deemed the non-member officers in the 2023–24 Second Extraordinary Session, and their Oaths of Office in the Regular Session be substituted: Sue Parker, Chief Clerk; Alisa Buckley, Chief Sergeant-at-Arms; Imam Mohammad Yasir Khan, Chaplain.

Assembly Member Santiago seconded the motion.

Motion carried.

#### OATHS OF OFFICE ADMINISTERED

The following Oath of Office was administered to Chief Clerk-elect Sue Parker, Chief Sergeant-at-Arms-elect Alisa Buckley, and Chaplain-elect Imam Mohammad Yasir Khan, on December 5, 2022, by the Honorable Patricia Guerrero, Chief Justice of California, and without objection was substituted in the Second Extraordinary Session:

#### OATH

#### for the Office of Chief Clerk of the Assembly 2023–24 Regular Session

I, Sue Parker, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States and the Constitution of the State of California against all enemies, foreign and domestic; that I will bear true faith and allegiance to the Constitution of the United States and the Constitution of the State of California; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties upon which I am about to enter.

#### SUE PARKER

Subscribed and sworn to before me, this 5th day of December A.D. 2022 THE HONORABLE PATRICIA GUERRERO

Chief Justice-elect of the California Supreme Court

#### OATH

#### for the Office of Chief Sergeant at Arms of the Assembly 2023–24 Regular Session

I, Alisa Buckley, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States and the Constitution of the State of California against all enemies, foreign and domestic; that I will bear true faith and allegiance to the Constitution of the United States and the Constitution of the State of California; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties upon which I am about to enter.

#### ALISA BUCKLEY

Subscribed and sworn to before me, this 5th day of December, A.D. 2022

THE HONORABLE PATRICIA GUERRERO Chief Justice-elect of the California Supreme Court

#### OATH

#### for the Office of Chaplain of the Assembly 2023–24 Regular Session

I, Imam Mohammad Yasir Khan, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States and the Constitution of the State of California against all enemies, foreign and domestic; that I will bear true faith and allegiance to the Constitution of the United States and the Constitution of the State of California; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties upon which I am about to enter.

#### IMAM MOHAMMAD YASIR KHAN

Subscribed and sworn to before me, this 5th day of December, A.D. 2022

THE HONORABLE PATRICIA GUERRERO Chief Justice-elect of the California Supreme Court

#### Receipt

RECEIVED from Sue Parker, Chief Clerk of the Assembly, duly executed Oaths of Office for Sue Parker, Chief Clerk of the Assembly; Alisa Buckley, Chief Sergant-at-Arms of the Assembly; Imam Mohammad Yasir Khan, Chaplain of the Assembly, for the 2023–24 Regular Session of the Legislature on Monday, December 5, 2022, by the Honorable Patricia Guerrero, Chief Justice-elect of the California Supreme Court.

Dated: December 5, 2022

SHIRLEY N. WEBER, PH.D. Secretary of State

#### MOTION RELATIVE TO ORGANIZATION OF THE ASSEMBLY

Assembly Member Aguiar-Curry moved that the provisions of House Resolution No. 4 in the 2023–24 Regular Session, relative to the payment of Members, officers, and attachés of the Assembly; and distribution of Weekly Histories, be substituted in the 2023–24 Second Extraordinary Session.

Assembly Member Santiago seconded the motion.

Motion carried.

(NOTE: For the text of House Resolution No. 4, see Assembly Daily Journal for December 5, 2022, for the 2023–24 Regular Session, page 66.)

#### RECESS

By unanimous consent, at 7:44 p.m., Speaker pro Tempore Wood declared the Assembly recessed to reconvene Regular Session.

#### ADJOURNMENT

At 7:44 p.m., the Assembly adjourned to reconvene upon call of the Speaker.

ROBERT RIVAS, Speaker

DANIEL ALVAREZ, Assistant Minute Clerk

Ο