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Assemblymember O'Donnell Introduces Bill Dedicating Funds for Local Oil Well Clean-up

New bill increases funding for removal of abandoned oil and gas facilities in Long Beach tidelands.

(SACRAMENTO) –Assemblymember Patrick O'Donnell (D – Long Beach) introduced AB 2404 Wednesday to remove the limit on the amount of revenue deposited into the State's Oil Trust Fund.

This fund is solely used to clean up abandoned oil wells within the Long Beach tidelands that are no longer in use.

"Without a solvent trust fund, we will be on the hook for millions of dollars in oil abandonment costs," Assemblymember O'Donnell said. "This bill ensures funding needed to protect our Long Beach coastline."

AB 2404, which is sponsored by the California State Lands Commission, lifts the cap and reserves more revenue to ensure funds are available when oil operations cease.

The Oil Trust Fund reached its $300 million cap in June 2014 and has not grown since. The state's share of abandonment liability is estimated at approximately $836 million, leaving a short fall of $536 million.

"At a time when Washington is trying to build more offshore hazards, California is committed to cleaning up and decommissioning leaky, antiquated oil rigs to protect our valuable coastline," California State Controller and State Lands Commissioner Betty T. Yee said.

The bill now awaits referral to its first policy committee.

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Assemblymember Patrick O'Donnell represents the 70th Assembly District, which includes Long Beach, Signal Hill, San Pedro and Catalina Island.