

CALEPA UPDATE ON SENATE BILL 740

CalEPA is providing notice to the regulated community subject to regulation under the California Accidental Release Prevention (CalARP) program regarding [Senate Bill \(SB\) 740](#).

SB 740 was approved by the Governor on September 30, 2023, and is effective on January 1, 2024. This bill adds Section 25536.8 to the California Health and Safety Code (HSC), Chapter 6.95 Hazardous Materials Release Response Plans and Inventory provisions, Article 2 Hazardous Materials Management.

Click [HERE](#) to view the full text of the bill.

The following is intended to provide summary information regarding amendments to HSC Chapter 6.95. *This summary is not a rule or regulation and does not replace or supersede applicable statutes or regulations.*

In summary, the bill requires that a stationary source engaged in specified activities require that its contractors and any subcontractors use a skilled and trained workforce to perform all onsite work within an apprenticeable occupation in the building and construction trades. This is required at stationary sources with one or more covered processes that require the preparation and submission of a Risk Management Plan (RMP), when contracting for the performance of construction, alteration, demolition, installation, repair, or maintenance work at the stationary source. This applies to stationary sources engaged in the following activities, when undertaken for commercial purposes: manufacturing hydrogen, biofuels, or certain specified chemicals, or in capturing, sequestering, or using carbon dioxide in specified conditions.

AMENDMENTS TO HSC CHAPTER 6.95

Section 25536.8 is added to the HSC to read:

“25536.8 (a) Subject to subdivision (e), the definitions in subdivision (b) of Section 25536.7 shall apply for purposes of this section, except that the criterion described in subparagraph (C) of paragraph (10) of subdivision (b) of Section 25536.7 shall not be applicable.

(b) An owner or operator of a stationary source that is engaged in activities described in subdivision (c), and with one or more covered processes that require the preparation and submission of an RMP pursuant to this article, when contracting for the performance of construction, alteration, demolition, installation, repair, or maintenance work at the stationary source, shall require that its contractors and any subcontractors use a skilled and trained workforce to perform all onsite work within an apprenticeable occupation in the building and construction trades.



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California Environmental
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Gavin Newsom
Governor

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Secretary for Environmental Protection

(c) This section shall apply to the following activities, when undertaken for commercial purposes:

(1) Hydrogen manufacturing.

(2) Biofuels manufacturing.

(3) Carbon dioxide (CO₂) capture and sequestration in either saline or depleted oil and gas reservoirs, or oil and gas reservoirs used for CO₂-enhanced oil recovery.

(4) Manufacturing of any of the following chemicals, whether as an intermediary or an end product: ammonia, chlorine, hydrogen fluoride, sulfur dioxide, or hydrogen chloride.

(d) For purposes of paragraph (2) of subdivision (b) of Section 3075 of the Labor Code, a stationary source covered by this section shall be considered in determining whether an existing apprenticeship program does not have the capacity, or has neglected or refused, to dispatch sufficient apprentices to qualified employers who are willing to abide by the applicable apprenticeship standards.

(e) The provisions of paragraphs (5), (6), (7), and (8) of subdivision (a) of Section 25536.7 shall apply for purposes of this section.

(f) This section shall apply to contracts awarded, extended, or renewed on or after January 1, 2024.”

CONTACT INFORMATION

If you have any general questions regarding the SB 740 changes to HSC Article 2, please contact CalEPA at CalARP@calepa.ca.gov.

If you have any questions or need further clarification on how SB 740 will be implemented in your jurisdiction, please contact your Unified Program Agency using the [Unified Program Regulator Directory](#).