

Date of Hearing: August 20, 2025

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

SB 30 (Cortese) – As Amended July 16, 2025

Policy Committee: Transportation

Vote: 10 - 5

Urgency: No

State Mandated Local Program: No

Reimbursable: No

SUMMARY:

This bill prohibits a public entity that owns diesel-powered on-track equipment from selling, donating, or otherwise transferring ownership of that equipment for continued use after the public entity decommissions the equipment, except as specified.

The bill allows a public entity to engage in a transaction otherwise prohibited (as described above) if both of the following criteria are satisfied:

- 1) The diesel-powered on-track equipment meets any of the following conditions: (a) the equipment is deemed to be in Tier 2, Tier 3, or Tier 4, as designated by the United States Environmental Protection Agency (U.S. EPA), (b) the equipment produces emissions equivalent to any equipment within any of the aforementioned tiers, or (c) the diesel engine is removed from the equipment.
- 2) The public entity authorizes the transaction in a public hearing.

The bill defines “continued use,” “decommission,” and “diesel-powered on-track equipment” for purposes of this bill.

FISCAL EFFECT:

The California State Transportation Agency, the California Department of Transportation, the Air Resources Board (ARB), and the Department of General Services do not anticipate any state costs as a result of this bill.

Caltrans notes the majority of its locomotives are Tier 2 and Tier 4 and are not subject to the bill’s prohibition. Caltrans does, however, own two Tier 0 yard-switch locomotives that would be ineligible for sale under this bill, potentially resulting in foregone revenue of an unknown amount at some point in the future. Similarly, several commuter rail agencies operating in the state that own Tier 0 and Tier 1 locomotives may forego future revenue opportunities as a result of this bill.

COMMENTS:

- 1) **Purpose.** According to the author:

The state of California should be leading the world in environmental protection and the transition to clean energy. As we make our own

transition to zero-emission locomotives, we must look forward and ensure that the locomotives we stop using do not worsen pollution somewhere else. Diesel fuel is diesel fuel regardless of where you live, and the emissions continue to be harmful to people and the environment. As a world leader in decarbonization in our transportation sector, California needs to be serious about decarbonization worldwide.

- 2) **Background.** According to ARB, diesel-powered locomotives, the most common type of locomotive in California, emit multiple air pollutants, including diesel particulate matter, fine particulate matter, oxides of nitrogen, and greenhouse gases. U.S. EPA sets emission standards for locomotives that regulate the amount of pollutants an engine may emit. Each tier represents a progressively stricter level of emission limits, with Tier 0 being the least stringent and Tier 4 being the current, most stringent standard.

On April 27, 2023, ARB adopted the In-Use Locomotive Regulation to reduce emissions from locomotives when they operate within the state. In January 2025, in light of a hostile federal administration, ARB withdrew its application for the U.S. EPA waiver request to enforce the rule. On June 26, 2025, ARB voted to repeal the In-Use Locomotive Regulation.

Among other organizations in support of the bill, Sierra Club California writes that, in 2024, Caltrain (which provides commuter rail service along the San Francisco Peninsula) finalized the electrification of its main line, decommissioning decades-old diesel locomotives and replacing them with electric commuter trains. The organization writes:

While this is an achievement in protecting the health of Californians and our state’s air and climate from the harms of polluting fuels, these harms were passed along to communities in the global south when CalTrain transferred its decommissioned diesel locomotives for continued use in Lima, Peru. As public transit operators in California clean our air by decommissioning diesel locomotives, we must ensure that this pollution and its associated health impacts are not transferred to other communities.

Writing in an oppose-unless-amended position, the California Transit Association (CTA) requests amendments to the bill to “clarify the ability of our state’s passenger rail operators to lease Tier 0 and Tier 1 locomotives to other passenger rail operators and permit lease-to-own arrangements for equipment that would not be taken out of service.” Additionally, the association “continue[s] to maintain that if an agency wishing to “sell, donate, or transfer” a Tier 0 or Tier 1 locomotive can demonstrate that the sale, donation or transfer would result in air quality and mobility benefits, then it should be permitted.” CTA argues the prohibition on transferring Tier 0 or Tier 1 locomotives will limit the ability of the state’s rail operators to source equipment from one another. CTA writes, “Due to a scarcity of passenger rail vehicles in California and throughout the United States, lower tier locomotives are at times the only available and affordable option available.”

According to the Assembly Transportation Committee’s analysis of this bill, train engines that public entities sell or donate make up about 1% of the locomotives in the state. More than half of those locomotives are Tier 4 diesel engines, the cleanest burning diesel engines

available today. There are currently 17 Tier 0 and Tier 1 locomotives owned and operated by public entities. This includes locomotives that have been overhauled to incorporate more emissions controls to comply with U.S. EPA standards. In contrast, according to ARB, in 2022, private entities were responsible for approximately 97% of locomotive-generated pollution in the state.

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