
UNFINISHED BUSINESS

Bill No: SB 30
Author: Cortese (D), et al.
Amended: 7/16/25 in Assembly
Vote: 21

SENATE TRANSPORTATION COMMITTEE: 11-3, 4/8/25

AYES: Cortese, Archuleta, Arreguín, Blakespear, Cervantes, Gonzalez, Grayson, Limón, Menjivar, Richardson, Umberg

NOES: Strickland, Dahle, Valladares

NO VOTE RECORDED: Seyarto

SENATE ENVIRONMENTAL QUALITY COMMITTEE: 6-0, 4/30/25

AYES: Blakespear, Gonzalez, Hurtado, Menjivar, Padilla, Pérez

NO VOTE RECORDED: Valladares, Dahle

SENATE APPROPRIATIONS COMMITTEE: Senate Rule 28.8

SENATE FLOOR: 28-10, 5/28/25

AYES: Allen, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Cortese, Durazo, Gonzalez, Grayson, Hurtado, Laird, Limón, McGuire, McNERNEY, Menjivar, Padilla, Pérez, Richardson, Rubio, Smallwood-Cuevas, Stern, Umberg, Weber Pierson, Wiener

NOES: Alvarado-Gil, Choi, Dahle, Grove, Jones, Niello, Ochoa Bogh, Seyarto, Strickland, Valladares

NO VOTE RECORDED: Reyes, Wahab

ASSEMBLY FLOOR: 43-19, 9/9/25 – Roll call not available.

SUBJECT: Diesel-powered on-track equipment: decommissioning: resale and transfer restrictions

SOURCE: Author

DIGEST: 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 if certain conditions are met.

Assembly Amendments of 7/16/25 recast provisions defining what diesel powered on-track equipment can be sold, donated, or otherwise transferred; and clarifies that the public entity must authorize the transaction in a public hearing instead of meeting.

ANALYSIS:

Existing law:

- 1) Provides various provisions applicable to all public transit and transit districts, including specific requirements applicable to public entities that operate commuter rail or rail transit systems.
- 2) Authorizes the California Department of Transportation (Caltrans) to construct, acquire, or lease, and improve and operate, rail passenger terminals and related facilities that provide intermodal passenger services along specified corridors.
- 3) Authorizes Caltrans to contract with Amtrak for commuter or intercity rail passenger services.
- 4) Authorizes the Capitol Corridor Joint Powers Authority (JPA), San Joaquin JPA, and the Los Angeles- San Diego-San Luis Obispo (LOSSAN) Rail Corridor Agency to oversee state-supported intercity passenger rail service.
- 5) Authorizes Caltrans to purchase, sell, and lease rail passenger cars and locomotives and other self-propelled rail vehicles.
- 6) Establishes the Carl Moyer Memorial Air Quality Standards Attainment Program (Carl Moyer Program), administered by the California Air Resources Board (ARB), to provide grants to offset the incremental cost of eligible projects that reduce emissions of air pollutants from sources in the state.
- 7) Establishes the Transit and Intercity Rail Capital Program (TIRCP), administered by the California State Transportation Agency (CalSTA), to fund transformative capital improvements that will modernize California's intercity,

commuter, and urban rail systems and bus and ferry transit systems to achieve certain policy objectives.

This bill:

- 1) Defines “diesel-powered on-track equipment” to mean any locomotive or any other car, rolling stock, equipment, or other device that is operated on stationary rails and has a diesel engine.
- 2) Defines “continued use” to mean the continued operation of the diesel engine from the diesel-powered on-track equipment as an internal combustion engine to provide power for on-track equipment or any other purpose.
- 3) Defines “decommission” to mean to permanently cease the service of on-track equipment when the public entity owning that on-track equipment replaces it with lower emission on-track equipment.
- 4) Requires a public entity that owns diesel-powered on-track equipment to not sell, donate, or otherwise transfer ownership of that diesel-powered on-track equipment for continued use after the public entity decommissions the diesel-powered on-track equipment.
- 5) Authorizes a public entity to engage in a transaction otherwise prohibited by the bill if both of the following criteria are met:
 - a) The diesel-powered on-track equipment meets any of the following:
 - i) 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);
 - ii) The equipment produces emissions equivalent to any equipment within any of the tiers described; or,
 - iii) The diesel engine is removed from the equipment.
 - b) The public entity authorizes the transaction in a public hearing.

Comments

- 1) *Purpose of this bill.* According to the author, “SB 30 prohibits the resale, donation, or transfer of decommissioned Tier 0 and Tier I diesel locomotives for continued use. It also adds environmental guardrails to the transfer of Tier II and higher locomotives. 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) *Locomotives in California.* Locomotives are self-propelled off-road equipment used to push or pull rail-mounted cars carrying freight or passengers. According to the ARB, approximately 12,700 diesel locomotives were operating in California in 2020. The vast majority, more than 93%, are line-haul locomotives operated by the Class I operators, such as Union Pacific Railroad or BNSF Railway. These are large locomotives that haul freight over long distances throughout the country.

Passenger trains comprise approximately 1% of this total. Travel routes for these locomotives range from short, local commuter distances to long, inter-regional routes. Passenger locomotive operators in California include commuter systems such as Metrolink in Southern California, Caltrain in the Bay Area, Altamont Commuter Express (ACE) in the Central Valley, North Coast Transit District in San Diego County, and the newest system, the Sonoma-Marín Area Regional Transit (SMART). Additionally, the three state-supported intercity passenger rail systems, the Capital Corridor, the San Joaquín, and the LOSSAN Pacific Surfliner, carry passengers across regions and are operated by Amtrak.

The U.S. EPA sets emission standards for locomotives under different “tiers,” corresponding to when the locomotive engine was originally manufactured. Each tier represents a progressively stricter level of emission limits, with Tier 1 being the least stringent and Tier 4 being the current, most stringent standard. These tiers regulate the amount of pollutants, such as nitrogen oxides (NO_x) and particulate matter (PM) that an engine can emit.

As noted, passenger locomotives account for roughly 1% of the locomotives operating in California. Of that, as of 2022, over 50% are Tier 4. For example, Caltrans purchases and owns the rolling stock for the three intercity rail providers. Of its 37 locomotives in operation, 24 are Tier 4 Charger locomotives and 13 are Tier 2 F59 locomotives.

- 3) *ARB leads effort to reduce locomotive emissions.* According to the ARB, in 2022, locomotives in California emitted over 640 tons of PM and almost 30,000 tons of NOx. Locomotives travel across the state close to where people work and live, causing harmful impacts on air quality and public health. Relying almost exclusively on diesel fuel, locomotives were responsible for 10% of NOx emissions from mobile sources in California in 2020. That share of NOx emissions is expected to increase to 15% in 2035 because most other transportation sectors have committed to moving toward cleaner engines and zero-emission technology.

On April 27, 2023, the ARB adopted a regulation aimed at forcing the retirement of older diesel locomotives and increasing the use of zero-emission (ZE) technology. The In-Use Locomotive Regulation is expected to reduce 7,400 tons of PM, 386,300 tons NOx, and 21.6 million tons of greenhouse gas (GHG) emissions cumulatively between 2023 and 2050.

Specifically, starting in 2030, locomotives must be less than 23 years old to operate in California. This requirement will gradually ban old diesel locomotives from the state, starting with Tier 0, Tier 1, and some early Tier 2 models that were manufactured before 2007. However, if the locomotive is remanufactured or repowered to meet Tier 4 emission limits or better before 2030, the state will consider the time of remanufacturing as the original build date. Exemptions are granted for low-usage locomotives and locomotives operating only in zero-emission configurations in California. In addition, zero-emission requirements will phase in starting in 2030. All passenger locomotives built after 2030 must operate with zero emissions in California.

However, California needs approval from the U.S. EPA before the regulation can be implemented. In January 2025, the ARB withdrew its application for the U.S. EPA waiver request. It is unclear what will happen with the regulation and whether ARB may pursue other paths to achieve the regulation's goals.

- 4) *What happens to rolling stock after you upgrade?* As California passenger rail operators move to cleaner locomotives, including ZE technology, there are

options for what to do with older diesel locomotives. Locomotives can be converted to ZE technology, be sold or donated to other rail providers in the country, or be broken down and sold for parts and the diesel engines destroyed.

For example, recently, while nearing completion of its electrification project, Caltrain was approached by the U.S. State Department and U.S. Department of Commerce regarding an opportunity to sell, donate, or transfer 20 locomotives and up to 93 gallery cars to the City of Lima, Peru, to help develop a commuter rail service. According to press reports, the municipal government of Lima agreed to pay \$6 million for the fleet. The train cars were built between 1985 and 1987.

The Caltrain transfers to support the Lima project brought attention to the issue of what happens to our rolling stock after it is replaced. The fate of much of the rolling stock in California is determined by the fund source used to purchase it. The ARB's Carl Moyer program requires for any replacement, repower, or conversation projects, the locomotives engine must be destroyed. The guidelines detail that the engine must include a hole in the engine block to render the engine permanently inoperable. The ARB allows the locomotive to be brought back into service if it is repowered to a Tier 4 or cleaner engine.

For example, Metrolink has been undergoing a fleet modernization, replacing their Tier 2 locomotives with Tier 4 and working on a pilot with the San Bernardino County Transportation Agency (SBCTA) to deploy Zero Emission Multiple Unit (ZEMU) powered by hydrogen on the Redlands line in San Bernardino County. Of their total fleet of 55 locomotives, they only have 15 remaining Tier 2s. As required by the Carl Moyer program, Metrolink made the diesel engine inoperable, witnessed by the South Coast Air Quality Management District, and was then able to sell the equipment at auction. As part of the sale, the bidder has to certify "absolute compliance" to this requirement. However, TIRCP, which also provides funding for fleet replacement, measures GHG emissions reductions for the use of grants but does not speak to the sale or donation of old locomotive and other rail equipment.

- 5) *SB 30 would prohibit the sale or reuse of the dirtiest locomotives but allow others if certain conditions are met.* Originally, SB 30 would have prohibited public entities from selling, donating, or transferring any on-track equipment that is diesel powered for any use after the equipment is replaced with lower emission equipment. Amendments to the bill attempt to deal with concerns raised by the state's passenger rail providers. The bill now allows for diesel-

powered on-track equipment to be sold, donated, or transferred if certain conditions are met. Specifically, the equipment must be in Tier 2, Tier 3, or Tier 4 or the equipment produces emissions equivalent to the tiers. Additionally, Tier 0 or Tier 1 equipment can be sold or transferred if the engine is removed. Finally, the public entity must authorize any transaction in a public hearing.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

According to the Assembly Appropriations Committee:

- The CalSTA, Caltrans, 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.

SUPPORT: (Verified 9/9/25)

350 Bay Area Action

Acterra: Action for A Healthy Planet

Cleanearth4kids.org

Climate Action California

Climate Reality Project San Francisco Bay Area Chapter

Green Policy Initiative

Move LA

Napa Climate Now!

Sierra Club

Silicon Valley Youth Climate Action

Supervisor Lynda Hopkins, County of Sonoma Fifth District

OPPOSITION: (Verified 9/9/25)

California Transit Association

ARGUMENTS IN SUPPORT: Writing in support of the bill, the Sierra Club of California notes, "California is leading the nation with bold commitments to reduce greenhouse gas emissions and criteria pollutants. In 2024, Caltrain finalized

the electrification of its main line, decommissioning decades-old diesel locomotives and replacing them with electric commuter trains. Removing these polluting locomotives will lower greenhouse gas emissions and other pollutants, lowering rates of cancer, asthma, and heart disease and their associated healthcare costs for Californians.”

ARGUMENTS IN OPPOSITION: Writing as oppose unless amended, the California Transit Association states, “As amended, SB 30 now permits Tier II, Tier III, Tier IV, or any emissions-equivalent diesel locomotive to be sold or transferred if a public hearing. However, the bill maintains the prohibition on transferring any Tier 0 or Tier I diesel equipment unless the engine is removed. The continued prohibition for Tier 0 or I locomotives would impact existing rail services in the state by limiting the ability of the state’s rail operators to source equipment from one another. 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.

“SB 30 may also encourage agencies to retain and use older equipment longer than necessary, rather than facilitating timely transitions to cleaner, more efficient technology because of the potential revenue loss attributed to the inability to sell older, still-functioning equipment to help offset the cost of new locomotives. Additionally, the engine removal requirement for Tier 0 and Tier I locomotives means these locomotives could not be donated to museums or preservation groups that would no longer operate the locomotives but would instead display or maintain them for educational purposes.”

Prepared by: Melissa White / TRANS. / (916) 651-4121
9/9/25 18:09:40

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