

Date of Hearing: July 14, 2025

ASSEMBLY COMMITTEE ON TRANSPORTATION

Lori D. Wilson, Chair

SB 34 (Richardson) – As Amended July 9, 2025

SENATE VOTE: 31-1

SUBJECT: Air pollution: South Coast Air Quality Management District: mobile sources: Ports of Long Beach and Los Angeles

SUMMARY: Imposes specified conditions and limits on actions by the South Coast Air Quality Management District (SCAQMD) to regulate air pollution from mobile sources associated with operation of the Ports of Long Beach and Los Angeles and sunsets on January 1, 2031. Specifically, **this bill:**

- 1) Requires SCAQMD to consider the following when taking action to control port-related sources of air pollution on or after July 1, 2025:
 - a) Recognize the contributions of sources of air pollution outside of the control of the ports;
 - b) Require the ports to prepare assessments of energy demand and supply, cost estimates, and funding source, workforce, and environmental impacts associated with the action;
 - c) Use the assessments prepared by the ports to determine the timelines for achieving the action's targets; and,
 - d) Create a process by which the ports can request extensions to the timelines developed to achieve the action's targets.
- 2) Prohibits the action from:
 - a) Imposing a cap on cargo throughput at the ports, directly or indirectly; and,
 - b) Using public funds or grants, whether municipal, county, state, or federal funds or grants, to require, incentivize, encourage, or otherwise promote the use of automated, remotely controlled, or remotely operated equipment, or infrastructure to support automated, remotely controlled, or remotely operated equipment.
- 3) Authorizes actions that result in the procurement and operation of human-operated, zero-emission equipment and infrastructure to support human-operated, zero-emission equipment at the ports.
- 4) Defines "action" as the adoption or amendment of a rule or regulation that imposes new or additional emissions reduction requirements on sources of air pollution.
- 5) Sunsets on January 1, 2031.

EXISTING LAW:

- 1) Establishes the South Coast Air Quality Management District (SCAQMD) to be the sole and exclusive local agency within the South Coast Air Basin with the responsibility for comprehensive air pollution control, and to have the duty to represent the citizens of the

basin in influencing the decisions of other public and private agencies whose actions might have an adverse impact on air quality in the basin (Health and Safety Code (HSC) 40410)

- 2) Establishes the Air Resources Board (CARB) as the air pollution control agency in California and requires CARB, among other things, to control emissions from a wide array of mobile sources and coordinate, encourage, and review the efforts of all levels of government as they affect air quality. (HSC 39500)

FISCAL EFFECT: According to the Senate Appropriations Committee: “The California Air Resources Board (CARB) estimates cost pressures in the millions to tens of millions of dollars (various funds) to find and fund equivalent emissions reductions from other sources during the period this bill would be in effect, or until January 1, 2036, in order to ensure the same progress toward meeting state climate goals as what otherwise would have occurred absent this bill.

By imposing additional duties on the SCAQMD and the ports, this bill would create a state-mandated local program. To the extent the Commission on State Mandates determines that the provisions of this bill create a new program or impose a higher level of service on local agencies, local agencies could claim reimbursement of those costs. (General Fund).”

COMMENTS: *Why regulate mobile source emissions?* Mobile sources of air pollution are vehicles or equipment that can be moved from place to place and emit pollutants as they operate. These sources include on-road vehicles like cars, trucks, and buses, as well as non-road vehicles such as aircraft, construction equipment, and marine vessels. Mobile sources and the fossil fuels that power them are the largest contributors to the formation of ozone, GHG emissions, fine particulate matter (PM_{2.5}), and toxic diesel particulate matter (DPM). Statewide, more than 21 million out of over 39 million Californians live in areas that exceed the federal ozone standards; within these areas, there are many low-income and disadvantaged communities that are exposed to not only ozone, but also particulate and toxic, pollutant levels significantly higher than the federal standards which have immediate and detrimental health effects.

In California, mobile sources are responsible for approximately 80% of smog-forming nitrogen oxide (NO_x) emissions. They also represent about 50% of GHG emissions when including emissions from fuel production, and more than 95% of toxic DPM emissions.

The National Ambient Air Quality Standard (NAAQS). The Clean Air Act of 1970 instructs the U.S. Environmental Protection Agency (US EPA) to set primary NAAQS to protect public health, and secondary NAAQS to protect plants, forests, crops and materials from damage due to exposure to six criteria air pollutants. These pollutants include: particulate matter, ozone, nitrogen oxides, sulfur oxides, carbon monoxide, and lead.

Federal law (42 United States Code 7409 and 7410) requires that all states attain the NAAQS and develop State Implementation Plans (SIP) for nonattainment areas to attain the NAAQS, and attainment areas to maintain attainment. Failure of a state to reach attainment of the NAAQS by the target date can trigger penalties, including withholding of federal highway funds.

State law (HSC 39602), requires CARB to develop SIP emission reduction strategies for cars, trucks, and other mobile sources to meet the requirements in the Clean Air Act. Local air districts are primarily responsible for controlling emissions from stationary sources such as factories and

power plants. CARB coordinates closely with local air districts (such as SCAQMD) in the development of attainment plans which are then incorporated into the SIP.

San Pedro Bay Ports Complex. The San Pedro Bay Ports Complex comprises the Port of Los Angeles and the Port of Long Beach, the two busiest ports in the US, respectively. The complex handles 31% of the nation's containerized trade through seaports and employs over one million workers throughout the counties of Los Angeles, Orange, Riverside, San Bernardino, and Ventura. In 2024, the value of cargo moved through the complex was approximately \$630 billion, making the port complex a key part of California's economic engine.

Due to the massive scale of operations at the complex and the large number of vehicles and equipment needed to handle the cargo throughput, the port complex is the largest source of air pollutants in the region. According to the ports, in 2023, port operations accounted for 183 tons of PM_{2.5}, 146 tons of DPM, and 8,472 tons of NO_x emissions. The American Lung Association's 2024 State of the Air ranks Los Angeles-Long Beach as the single worst metropolitan area for high ozone days out of 228 nationwide (as well as 6th worst for annual particle pollution out of 204 metropolitan areas). Massive emissions reductions are needed if the region's residents are ever to breathe air deemed healthy to breathe, according to SCAQMD officials.

Clean Air Action Plan. The Port of Los Angeles and Port of Long Beach developed the San Pedro Bay Ports Clean Air Action Plan (CAAP) in recognition of the need to reduce emissions. Originally adopted in 2006, with updates in 2010 and 2017, the CAAP includes goals of achieving 100% zero emissions operations for cargo handling equipment by 2030, and drayage trucks by 2035. These two categories comprise only about 11.5%, 14.2% and 13.6% of PM_{2.5}, DPM and NO_x, respectively.

Port emissions have declined substantially since 2005 and the ports have met the emission reductions goals established in their 2010 CAAP, which the ports elected not to revise in the 2017 CAAP. These targets therefore do not reflect the additional reductions still needed from port operations to meet air quality standards. Moreover, most of the emissions reductions to date at the ports have been from CARB regulations, including regulations covering Heavy-Duty Trucks and Busses, Drayage Trucks, Ocean Going Vessel Fuels, Ultra Low Sulfur Diesel, Cargo Handling Equipment, and Ocean Going Vessel At-Berth. Despite substantial pollution reductions from some sources at ports, the SCAQMD has determined that further measures are essential in order to comply with NAAQS requirements.

Proposed Rule 2304. The ports, SCAQMD and other key parties were pursuing a memorandum of understanding (MOU), from 2018-2022, to achieve emission reductions until negotiations ultimately broke down. Although the Port of Long Beach's MOU proposal did include a number of clean air investments, the ports' overall proposals did not provide sufficient measures to reduce emissions. The ports' proposal also did not allow for enforceability should the agreed-upon actions not be implemented. According to a presentation to the SCAQMD Board in August of 2021, the ports' insistence that the MOU not be enforceable caused SCAQMD to pivot to an indirect source rule (ISR) rulemaking process.

An ISR rulemaking is a regulation aimed at reducing air pollution from sources not directly located within a facility but related to its operations, such as the vehicles it attracts. These rules target activities like truck traffic to and from warehouses, ports, and other facilities, focusing on reducing emissions from those sources.

On February 21, 2025, SCAQMD published its first draft of a proposed rule (Proposed Rule 2304) that would require the two ports to develop a plan by August 2027 to build charging and fueling infrastructure to transition equipment, trucks and vessels to electricity, hydrogen and alternative fuels. The rule aims to ensure that these two ports can achieve the clean-air goals they set for themselves in the 2017 CAAP which includes converting cargo handling equipment to zero emissions by 2030 and drayage trucks to zero emissions by 2035.

Proposed Rule 2304 is currently scheduled to go to the South Coast AQMD Board for consideration in October 2025. If approved, the current rule language would require the plan to be submitted two years after rule adoption, with implementation expected to take many years after that.

South Coast Air Basin. The South Coast Air Basin has the worst levels of smog in the country and fails to meet multiple air quality standards. While emissions have been reduced over the years, the Ports remain the largest source of smog-forming emissions in the region. According to SCAQMD, the marine terminals and seaports are responsible for 15-20% of total emissions in the air basin. Without further action, the region will fail to meet state and federal clean air standards. There are numerous consequences for failing to meet clean air standards for the region's residents and economy alike.

The communities near the Ports suffer the highest levels of air toxics risks in the region, with just over double the cancer risk of the regional average. The South Coast region is also home to approximately two-thirds of the state's environmental justice communities which are disproportionately impacted by air pollution, including emissions related to goods movement. Air pollution causes or contributes to asthma and lung damage, respiratory and cardiac diseases, cancer, birth defects, premature death, and other health issues. Not meeting NAAQS results in about 1,500 premature deaths per year, and total monetized health impacts from this air pollution are about \$19.4 billion per year in the South Coast Air Basin.

Beyond the direct impacts on people's lives, the South Coast region faces a number of other problems if NAAQS are not attained. According to the SCAQMD, consequences specified in the Clean Air Act could include increased difficulty in obtaining permits for major stationary sources, loss of most federal highway transportation funds (estimated to be roughly \$35 billion through 2045), an annual penalty fee (estimated to be about \$25 million per year in total) upon existing major emitters; and federal takeover of air quality planning, imposing potentially harsh emission reduction measures through a Federal Implementation Plan (FIP).

According to the author. "SB 34 is designed to protect jobs in local communities in addition to the local, regional, state and national economies, while continuing to improve air quality in the communities surrounding the San Pedro Bay Port Complex area. It does not prevent South Coast Air Quality Management District (SCAQMD) from proposing any action. It simply asks that certain criteria be considered when adopting an action. Given the current fluctuation of the economy, stubborn inflation, and the imposition of tariffs, now is certainly not the time to hinder

productivity at our ports. SB 34 seeks to allow the Port of LA and the Port of Long Beach to continue to focus on its joint Clean Air Action Plan to meet 2030 and 2035 goals.”

Arguments in support. The sponsors of the bill, the International Longshore and Warehouse Union states, “Despite the urgings of the Mayors of Los Angeles and Long Beach, as well as over 200 national, statewide, regional, and local businesses, organized labor, agricultural and other organizations advocating for a collaborative plan incorporating zero-emission infrastructure and human-operated equipment, the South Coast Air Quality Management District (“SCAQMD”) intends to adopt a regulation to control mobile sources of emissions from the Ports, through the exercise of an indirect source rule (“ISR”).

“Most significantly, an ISR cedes developmental and operational control of the Ports to appointed regulators nearly 50 miles away in Diamond Bar. Such an action eliminates citizens’ rights to elect and interact with leaders who maintain direct control over the Ports and that are accountable to their constituents (i.e., the Mayors and City Councilmembers of Los Angeles and Long Beach, as well as other local, state, and federal elected officials).”

Arguments in opposition. A coalition of environmental groups writes in opposition, “The South Coast Air Basin—which spans all of Orange County and large portions of Los Angeles, Riverside, and San Bernardino counties—continues to suffer from the worst air quality in the nation. Not only would this bill hamper clean air regulations for this region, but its broad and precedent-setting language would have a chilling effect on air districts statewide, potentially tying the hands of local agencies working to address severe air pollution in their own communities. This comes at the worst possible time. As the federal government attacks California’s clean vehicle standards, it’s more critical than ever that we are using every tool available to clean up our air.

“Not only would SB 34 undermine SCAQMD’s ability to adopt life-saving regulations, if enacted it would derail a transparent, inclusive regulatory process. Frontline communities have been advocating for cleaner air around the ports for decades and have fought hard to ensure their voices are heard in the rulemaking process. SB 34 takes away local control and effectively cuts portside and other pollution-burdened communities out of the conversation by tossing out years of rulemaking progress in favor of select special-interest groups. This is antithetical to the collaboration the bill’s supporters claim to want.

“The risk of nonattainment [of NAAQS] is even more dire after Congressional and Presidential attacks on California’s clean vehicle standards. Limiting the authority of SCAQMD, and potentially air districts across the state, now is reckless. If the SCAQMD is functionally barred from developing a Port indirect source rule due to the threat of broad legal challenges encouraged by SB 34, the resulting regulatory void would fall to the state to fill.”

Committee amendments: The Author and this Committee have agreed to the following amendments.

Section 40453(a)(2)(A) of the Health and Safety code will read, “*Impose a cap on cargo throughput or cruise ship passengers at the ports.*”

Double referral. This bill was double referred to the Assembly Committee on Natural Resources and passed out of the committee by a vote of 10-1.

Related and previous legislation. SB 298 (Caballero) of this legislative session would require the State Energy Resources Conservation and Development Commission (CEC) in coordination with the State Lands Commission, the Transportation Agency (CalSTA), and the California Air Resources Board (CARB) to develop a plan alternative fuel needs for oceangoing vessels at California's public seaports to meet emissions goals. The bill is currently pending in the Assembly.

SB 44 (Skinner), Chapter 297, Statutes of 2019 required CARB, in consultation with other agencies, to update the mobile source strategy every five years for the purpose of meeting air quality standards and reducing greenhouse gas emissions.

AB 617 (Garcia), Chapter 136, Statutes of 2017 required CARB to develop a uniform statewide system to report emissions of air pollutants and prepare a monitoring plan for monitoring the emissions of air pollutants.

REGISTERED SUPPORT / OPPOSITION:

Support

Avance Democratic Club
California Human Development
California Retailers Association
California Trucking Association
Center for Employment Training
Central Valley Opportunity Center (CVOC)
First Day Foundation
International Longshore & Warehouse Union Local 13
International Longshore & Warehouse Union Local 63
International Longshore & Warehouse Union Local 94
LA Cooperativa Campesina De California
Latino Heritage LA
Los Amigos De LA Comunidad, INC.
Proteus, INC.
Utility Workers Union of America, Local 483

Oppose

Active San Gabriel Valley
American Lung Association
Asian Pacific Environmental Network
California Air Pollution Control Officers Association
California Coastal Protection Network
California Environmental Voters
California Nurses for Environmental Health & Justice
Center for Biological Diversity

Ceres
Clean Air Task Force
Cleaneearth4kids.org
Climate Action Campaign
Coalition for Clean Air
Communities for a Better Environment
Earthjustice
East Yard Communities for Environmental Justice
Environmental Health Coalition
Environment California
Environmental Defense Fund
Environmental Health Coalition
Facts Families Advocating for Chemical and Toxics Safety
Greenlatinos
Greenlining Institute
Los Angeles Cleantech Incubator
Mothers Out Front Silicon Valley
Move LA
National Resources Defense Council
Ocean Conservancy
Pacific Environment
People's Collective for Environmental Justice
Regional Asthma Management and Prevention
Resource Renewal Institute
S.F. Bay Physicians for Social Responsibility
Santa Cruz Climate Action Network
Sierra Club California
South Coast Air Quality Management District
The Greenlining Institute
Union of Concerned Scientists
One Individual

Oppose Unless Amended

Pacific Maritime Association
Pacific Merchant Shipping Association

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