

SENATE THIRD READING
SB 34 (Richardson)
As Amended July 16, 2025
Majority vote

SUMMARY

Imposes specified conditions and limits on actions by the South Coast Air Quality Management District (SCAQMD) to impose new or additional emissions reduction requirements on sources of air pollution associated with operation of the Ports of Long Beach and Los Angeles until 2031.

Major Provisions

- 1) For SCAQMD actions taken on or after July 1, 2025 to reduce port-related sources of air pollution:
 - a) Requires the action to:
 - i) Recognize the contributions of sources of air pollution outside of the control of the ports.
 - ii) Require the ports to prepare assessments of energy demand and supply, cost estimates, and funding source, workforce, and environmental impacts.
 - iii) Use the assessments prepared by the ports to determine the timelines for achieving the action's targets.
 - iv) Create a process by which the ports can request extensions to the timelines developed to achieve the action's targets.
 - b) Prohibits the action from:
 - i) Imposing a cap on cargo throughput or cruise ship passengers at the ports.
 - ii) 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.
- 2) 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.
- 3) Defines "action" as the adoption or amendment of a rule or regulations that imposes new or additional emissions reduction requirements on sources of air pollution associated with an operation at the ports.
- 4) Sunsets January 1, 2031.
- 5) Makes related findings.

COMMENTS

The San Pedro Bay Ports are the busiest in the nation. As such, the Ports are also major economic drivers through direct job creation and by supporting manufacturing and industry related to goods movement activity, generating employment for nearly three million Americans nationwide. They handle millions of tons of cargo a year worth hundreds of billions of dollars – 40% of the nation's imports and exports of goods, from produce to electronics to pharmaceuticals.

These neighboring ports are also the region's largest single sources of air pollution. Every day, their equipment, trucks, rail yards and ships emit 23 tons of smog-forming nitrogen oxides, half a ton of fine particles and nearly a ton of sulfur into the air, according to 2023 data from SCAQMD. That amounts to 8,472 tons of nitrogen and 183 tons of fine particles a year.

Recognizing the need for a comprehensive, far-reaching strategy to reduce port-related air pollution and related health risks, the Port of Los Angeles and Port of Long Beach developed the San Pedro Bay Ports Clean Air Action Plan (CAAP). 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. Though laudable, these two categories comprise only about 14% of total port emissions, combined.

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 ARB 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 power.

The SCAQMD Governing Board had directed staff to work with the Ports on a Memorandum of Understanding (MOU) until February 4, 2022, and then shift efforts to develop a rule if no agreement was reached. 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.

The SCAQMD published on February 21, 2025, its first draft of a proposed rule (Rule 2304) that would require the two ports to develop a plan by August 2027 to build charging and fueling stations to switch thousands of pieces of diesel equipment, trucks and vessels to electricity and hydrogen.

The rule would aim to ensure that the Los Angeles and Long Beach ports can achieve the clean-air goals they set for themselves back in 2017: converting 100% of their diesel cargo-handling equipment – such as tractors and giant, 60-foot cranes that move containers – to zero emissions by 2030. They also aim for all drayage trucks, which haul the ports' containers of cargo to warehouses, to run on electricity or hydrogen by 2035. The draft Rule 2304 published June 13, 2025 states "Nothing in this rule shall be construed to impose a limit on cargo throughput."

On August 1, the SCAQMD Board voted to pause proposed Rule 2304 and to undertake discussion on a draft cooperative agreement submitted by the Ports. According to SCAQMD, if

agreement is not reached on the cooperative agreement by September 19, SCAQMD will move forward with Rule 2304 by posting the 75-day package (including a draft socioeconomic analysis). Discussion on the draft cooperative agreement could continue in parallel with the rulemaking. The goal would be to take the issue to the Board for a vote in December.

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 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

According to the International Longshore and Warehouse Union, SB 34 "provides essential certainty for Southern California's ports, protects middle-class union jobs, and ensures that environmental progress continues without undermining economic competitiveness or local governance."

Arguments in Opposition

According to a coalition of environmental groups, SB 34 "would undermine SCAQMD authority to address harmful air pollution from the Ports of Los Angeles and Long Beach—the largest fixed sources of air pollution in the region and major contributors to smog in one of the most air-polluted areas in the nation."

FISCAL COMMENTS

According to the Assembly Appropriations Committee:

- 1) The Air Resources Board (ARB) asserts it cannot estimate the costs associated with this bill, but warns they may be significant given what ARB sees as the legal ambiguity of what constitutes "imposing a cap" on cargo throughput at the ports. ARB contends that in the event this bill effectively stalls SCAQMD's indirect source rule (ISR) and the South Coast remains out of attainment for National Ambient Air Quality Standards for ozone and the strategies to reduce nitrogen oxides emissions in the region are further limited, the U.S. Environmental Protection Agency may, upon its review and disapproval of the updated State Implementation Strategy, impose highway sanctions, resulting in the loss of tens of billions of dollars of federal funding for highway projects. Additionally, ARB argues this bill may result in cost pressures on ARB in the millions to tens of millions of dollars to find equivalent emissions reductions from other sources in order to meet the state's climate targets.
- 2) By imposing additional duties on SCAQMD and the ports, this bill imposes a state-mandated local program. If the Commission on State Mandates determines this bill's requirements to be a reimbursable state mandate, the state may need to reimburse these costs – which may exceed \$150,000 – to local governments (General Fund).

VOTES

SENATE FLOOR: 31-1-8

YES: Alvarado-Gil, Archuleta, Arreguín, Ashby, Blakespear, Caballero, Cervantes, Choi, Cortese, Dahle, Durazo, Gonzalez, Grayson, Grove, Hurtado, Jones, Laird, McGuire, McNerney, Menjivar, Niello, Padilla, Pérez, Richardson, Rubio, Seyarto, Smallwood-Cuevas, Strickland, Umberg, Valladares, Weber Pierson

NO: Stern

ABS, ABST OR NV: Allen, Becker, Cabaldon, Limón, Ochoa Bogh, Reyes, Wahab, Wiener

ASM NATURAL RESOURCES: 10-1-3

YES: Bryan, Alanis, Ellis, Flora, Haney, Hoover, Muratsuchi, Schultz, Wicks, Zbur

NO: Garcia

ABS, ABST OR NV: Connolly, Kalra, Pellerin

ASM TRANSPORTATION: 14-0-2

YES: Wilson, Davies, Aguiar-Curry, Ahrens, Carrillo, Harabedian, Hart, Hoover, Jackson, Lackey, Lowenthal, Papan, Ransom, Ward

ABS, ABST OR NV: Macedo, Rogers

ASM APPROPRIATIONS: 15-0-0

YES: Wicks, Sanchez, Arambula, Calderon, Caloza, Dixon, Elhawary, Fong, Mark González, Ahrens, Pacheco, Pellerin, Solache, Ta, Tangipa

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