

AMENDED IN SENATE APRIL 21, 2025
AMENDED IN SENATE APRIL 10, 2025
AMENDED IN SENATE MARCH 24, 2025

SENATE BILL

No. 34

Introduced by Senator Richardson

December 2, 2024

An act to add and repeal Section 40453 of the Health and Safety Code, relating to air pollution.

LEGISLATIVE COUNSEL'S DIGEST

SB 34, as amended, Richardson. Air pollution: South Coast Air Quality Management District: mobile sources: public seaports.

Existing law generally designates the State Air Resources Board as the state agency with the primary responsibility for the control of vehicular air pollution, and air pollution control districts and air quality management districts with the primary responsibility for the control of air pollution from all sources other than vehicular sources. Existing law authorizes air districts to adopt and implement regulations to reduce or mitigate emissions from indirect sources of air pollution.

Existing law provides for the creation of the South Coast Air Quality Management District in those portions of the Counties of Los Angeles, Orange, Riverside, and San Bernardino included within the area of the South Coast Air Basin, as specified. Existing law requires the district to adopt rules and regulations to carry out the south coast district air quality management plan that are not in conflict with state and federal laws and rules and regulations and requires those rules and regulations to provide for indirect source controls under certain circumstances.

Pursuant to its authority, the district has proposed Rule 2304, which would require the Ports of Long Beach and Los Angeles to each develop a comprehensive plan for charging and fueling infrastructure for equipment, vehicles, and vessels used in port operations and whose source of propulsion energy or other use of energy, or both, is not, or is not primarily, derived from combustion of conventional fuels.

~~This bill would require~~ *would, in the event* the board of the district ~~to ensure that Rule 2304, among other things, requires~~ *takes an action, as defined, require the action to, among other things, require* those ports to prepare assessments for the rule of energy demand and supply, cost estimates, and funding source, workforce, and environmental impacts and ~~creates~~ *create* a process by which those ports can request extensions to the timelines developed to achieve the ~~rule's~~ *action's* targets. The bill would also prohibit the ~~rule~~ *action* from, among other things, imposing a firm cap on cargo throughput or limiting operations at the ports in ways that hinder global competitiveness. The bill would make these provisions applicable to any other rule or regulation adopted by the board of the district to address pollution from any mobile source that is already subject to regulation by the state board and that is associated with an operation at any public seaport or marine terminal facility at a public seaport. *ports*. The bill would repeal its provisions on January 1, 2036.

By imposing additional duties on the district and the ports, the bill would impose a state-mandated local program.

This bill would make legislative findings and declarations as to the necessity of a special statute for the South Coast Air Quality Management District.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that with regard to certain mandates no reimbursement is required by this act for a specified reason.

With regard to any other mandates, this bill would provide that, if the Commission on State Mandates determines that the bill contains costs so mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares all of the
2 following:

3 (a) It is in the best interest of the State of California to develop
4 strategies that maintain and grow industries, such as goods
5 movement, concurrent with pursuing environmental benefits.

6 (b) Goods movement is the movement of physical products and
7 raw materials to businesses, consumers, and industries by
8 oceangoing vessels, harbor craft, such as tug boats, trucks,
9 locomotives, and cargo-handling equipment.

10 (c) In California, there are 11 port authorities. The San Pedro
11 Bay port complex, which historically has encompassed both the
12 Port of Los Angeles and the Port of Long Beach, is the largest port
13 complex in the State of California, the United States, North
14 America, and the Western Hemisphere and is the ninth largest port
15 complex in the world, supporting over 3 million jobs nationwide
16 and economic activity that generated \$2.78 billion in state and
17 local taxes, plus an additional \$4.73 billion in federal taxes, in
18 2022.

19 (d) For more than two decades, the San Pedro Bay port complex
20 has conducted extensive testing of the emissions of air pollutants.
21 The Ports of Los Angeles and Long Beach are two of the cleanest,
22 if not the cleanest, seaport operations in the world, exceeding all
23 of their ambitious voluntary emissions targets by wide margins in
24 2023, according to the “Inventory of Air Emissions 2023,” that
25 showed the total San Pedro Bay emissions of diesel particulate
26 matter down 91 percent, nitrogen oxides down 72 percent, sulfur
27 oxides down 98 percent, and greenhouse gases down by 20 percent
28 when compared to 2005 levels.

29 (e) In pursuing the objective of reducing emissions of air
30 pollutants, the Ports of Los Angeles and Long Beach have adopted
31 significant strategies, such as the Zero Emission Truck Voucher
32 Incentive Program, the Vessel Speed Reduction Program, the Ship
33 Incentive Programs, and Green Shipping Corridors, which have
34 resulted in major environmental benefits while maintaining trade
35 production, even during the complex COVID-19 pandemic.

36 (f) Furthermore, the Ports of Los Angeles and Long Beach have
37 adopted a joint Clean Air Action Plan whose updated goals include
38 transitioning cargo-handling equipment to zero emissions by 2030

1 and all drayage trucks calling at marine terminals to zero emissions
2 by 2035.

3 (g) The Ports of Los Angeles and Long Beach operate within
4 the South Coast Air Basin, which is impaired by a lack of
5 attainment with the National Ambient Air Quality Standards set
6 by the United States Environmental Protection Agency. Within
7 that air basin, the State Air Resources Board (state board) has
8 jurisdiction over the control and reduction of mobile sources of
9 emissions, and the regional South Coast Air Quality Management
10 District (south coast district) has jurisdiction over the control and
11 reduction of stationary sources of emissions.

12 (h) All of the current sources of intermodal emissions in
13 operation at the Ports of Los Angeles and Long Beach are currently
14 operating under, and subject to, the regulatory authority of the
15 state board, which has adopted regulations, most of which are the
16 strictest regulations anywhere in the world, limiting the emissions
17 of every component of the intermodal supply chain, including
18 drayage trucks, transportation refrigeration units, forklifts and
19 warehouse equipment, cargo-handling equipment at marine
20 terminals, cargo-handling equipment at rail terminals, oceangoing
21 vessels at berth, oceangoing vessel fuels while in California waters,
22 and commercial harbor craft and pilot vessels. Furthermore,
23 oceangoing vessels in transit are operating under, and subject to,
24 the regulatory authority of federal and international agencies,
25 including the International Maritime Organization, which has a
26 goal of net zero greenhouse gas emissions from international
27 shipping by or around 2050.

28 (i) The south coast district has expressed its intention to adopt
29 a regulation to control mobile sources of emissions from the Ports
30 of Los Angeles and Long Beach through the exercise of an indirect
31 source rule.

32 (j) Initial south coast district concepts for a seaport indirect
33 source rule included the imposition of inflexible emissions caps,
34 which would ultimately limit cargo flow at the Ports of Los
35 Angeles and Long Beach due to a lack of technological and
36 economic feasibility and a lack of infrastructure available to
37 accommodate emissions reductions when and if the technology
38 and economic feasibility issues were resolved. This action, in turn,
39 would have catastrophic impacts on jobs, the economy, local
40 communities, environmental quality, and the global supply chain.

1 (k) The Ports and the Cities of Los Angeles and Long Beach
2 assert that instead of the adoption of a unilateral indirect source
3 rule, a process for a collaborative agreement would be a better
4 alternative, as it would include the impacted stakeholders who are
5 best positioned to achieve both economic and environmental goals
6 concurrently while minimizing delays and barriers.

7 (l) Maritime industry stakeholders concur with the Ports and
8 Cities of Los Angeles and Long Beach that a process to implement
9 a collaborative work product versus forcing top-down directives
10 is more likely to create a more results-driven approach to
11 environmental and economic improvements.

12 (m) Representatives of maritime labor unions, national,
13 statewide, regional, and local businesses, organized labor,
14 community groups, and other organizations agree with the mayors
15 of the Cities of Los Angeles and Long Beach and are opposed to
16 any indirect source rule that would require, incentivize, encourage,
17 or otherwise promote the use of automated, remotely controlled,
18 or remotely operated equipment, or infrastructure to support
19 automated, remotely controlled, or remotely operated equipment.
20 Representatives of these same organizations would support a
21 collaborative agreement alternative that results in the procurement
22 and operation of human-operated, zero-emissions equipment and
23 infrastructure to support human-operated, zero-emissions
24 equipment at the Ports of Los Angeles and Long Beach.

25 SEC. 2. Section 40453 is added to the Health and Safety Code,
26 to read:

27 40453. (a) ~~Notwithstanding any other law, In the event the~~
28 ~~south coast district board shall update Rule 2304 Commercial~~
29 ~~Marine Ports to, or, if not yet adopted, ensure the final version of~~
30 ~~Proposed Rule 2304 will, fulfill takes an action before January 1,~~
31 ~~2026, the action shall be updated to fulfill, or, if the south coast~~
32 ~~district board takes an action on or after January 1, 2026, the~~
33 ~~south coast district board shall ensure the action fulfills, both of~~
34 the following conditions:

35 (1) The ~~rule~~ *action* shall do all of the following:

36 (A) Recognize the contributions of sources of air pollution
37 outside of the control of the ports.

38 (B) Require the ports to prepare assessments ~~for the rule~~ of
39 energy demand and supply, cost estimates, and funding source,
40 workforce, and environmental impacts.

1 (C) Use the assessments developed by the ports prepared
2 pursuant to subparagraph (B) to determine the timelines for
3 achieving the ~~rule's~~ *action's* targets.

4 (D) Create a process by which the ports can request extensions
5 to the timelines developed to achieve the ~~rule's~~ *action's* targets.

6 (2) The ~~rule~~ *action* shall not do any of the following:

7 (A) Impose a ~~firm~~ cap on cargo throughput or limit operations
8 at the ~~ports in ways that hinder global competitiveness.~~ *ports.*

9 (B) Require any actions that reduce pollution from sources that
10 are exclusively under the purview of the state or federal
11 government.

12 (C) Set any shorter timeline for achieving zero-emission
13 technology or zero-emission drayage trucks than what was stated
14 in the 2017 Update to the San Pedro Ports Clean Air Action Plan
15 and the 2017 Joint Declaration of the Mayors of the Cities of Los
16 Angeles and Long Beach.

17 ~~(b) This section shall apply to any other rule or regulation
18 adopted by the south coast district board to address pollution from
19 any mobile source that is already subject to regulation by the state
20 board and that is associated with an operation at any public seaport
21 or marine terminal facility at a public seaport.~~

22 ~~(e)~~

23 (b) For purposes of this section, ~~“ports”~~ *the following definitions*
24 *apply:*

25 (1) *“Action” means either of the following:*

26 (A) *The adoption or amendment to Rule 2304 Commercial*
27 *Marine Ports, or any successor or replacement rule or regulation.*

28 (B) *The adoption or amendment of any other rule or regulation*
29 *adopted by, or the entering into of any agreement, including, but*
30 *not limited to, a compact, pact, contract, pledge, settlement,*
31 *covenant, accord, letter of agreement, letter or declaration of*
32 *intent, letter of understanding, or memorandum of understanding*
33 *by, the south coast district board to address pollution from any*
34 *mobile source that is already subject to regulation by the state*
35 *board and that is associated with an operation at any public*
36 *seaport or marine terminal facility at a public seaport.*

37 (2) *“Ports” means the Port of Long Beach and the Port of Los*
38 *Angeles.*

39 ~~(d)~~

1 (c) This section shall remain in effect only until January 1, 2036,
2 and as of that date is repealed.

3 *SEC. 3. The Legislature finds and declares that a special statute*
4 *is necessary and that a general statute cannot be made applicable*
5 *within the meaning of Section 16 of Article IV of the California*
6 *Constitution because of the unique circumstances described in*
7 *Section 1.*

8 ~~SEC. 3.~~

9 *SEC. 4. No reimbursement is required by this act pursuant to*
10 *Section 6 of Article XIII B of the California Constitution because*
11 *a local agency or school district has the authority to levy service*
12 *charges, fees, or assessments sufficient to pay for the program or*
13 *level of service mandated by this act, within the meaning of Section*
14 *17556 of the Government Code.*

15 However, if the Commission on State Mandates determines that
16 this act contains other costs mandated by the state, reimbursement
17 to local agencies and school districts for those costs shall be made
18 pursuant to Part 7 (commencing with Section 17500) of Division
19 4 of Title 2 of the Government Code.