

REPORT OF THE CHIEF LEGISLATIVE ANALYST

DATE: September 09, 2025

TO: Honorable Members of the Rules, Elections, and Intergovernmental Relations Committee

FROM: Sharon M. Tso
Chief Legislative Analyst

Council File No: 25-0002-S85
Assignment No: 25-09-0769

SUBJECT: South Coast Air Quality Management District actions impacting the Ports of Los Angeles and Long Beach

CLA RECOMMENDATION: Adopt Resolution (McOsker – Soto-Martinez) to include in the City's 2025-2026 State Legislative Program SUPPORT for SB 34 (Richardson), which would prevent the South Coast Air Quality Management District from imposing a cap on cargo throughput or cruise ship passengers at the Ports of Los Angeles and Long Beach as part of an action to impose a new emissions reduction rule or regulation.

SUMMARY

Senate Bill (SB) 34 (Richardson), introduced on December 2, 2024, would require that the South Coast Air Quality Management District (SCAQMD) meet a set of conditions associated with any action to amend or adopt a rule or regulation that imposes new or additional emissions reduction requirements on the Ports of Los Angeles and Long Beach. Specifically, SB 34 would require that SCAQMD recognize the contributions of sources of air pollution outside of the control of the ports; require the ports to prepare assessments of energy demand and supply, cost estimates, and funding source, workforce, and environmental impacts associated with the proposed action; use the aforementioned assessments to determine timelines for achieving the action's targets; and create a process by which the ports can request extensions to these timelines.

Further, SB 34 prohibits any action from imposing a cap on cargo throughput or cruise ship passengers at the ports; or using public funds or grants to require or incentivize the use of automated equipment or infrastructure to support automated equipment at the ports.

The Resolution recommends that the City support SB 34 (Richardson).

BACKGROUND

SCAQMD is responsible for monitoring air quality and planning, implementing, and enforcing programs designed to attain and maintain state and federal ambient air quality standards in the district, which includes the Counties of Los Angeles, Orange, Riverside, and San Bernadino.

SCAQMD is also responsible for establishing permitting requirements and issuing permits for stationary sources of emissions and ensuring that new, modified, or relocated stationary sources do not create net emissions increases. In some cases, the SCAQMD may create an indirect source

rule, which target places that do not themselves create emissions, but attract mobile sources of emissions, such as trucks, aircraft, ships, or trains.

On August 1, 2025, SCAQMD paused consideration of a Proposed Rule 2304, which is an Indirect Source Rule for Commercial Marine Ports until September 18, 2025. The last revision of Proposed Rule 2304 would require the Ports of Los Angeles and Long Beach each to develop a comprehensive plan for charging and fueling infrastructure for equipment, vehicles, and vessels attracted by or used in commercial marine port operations, and whose source of propulsion energy and/or other use of energy is not, or is not primarily, derived from combustion of conventional fuels.

The Resolution (McOsker – Soto-Martinez) notes that the Ports of Los Angeles and Long Beach have jointly adopted the Clean Air Action Plan, with the goal of transitioning all cargo-handling equipment to zero emissions by 2030 and all drayage trucks serving marine terminals to zero emissions by 2035. Additionally, the Resolution notes that the Ports have already made significant progress in improving air quality, reducing diesel particulate matter by 92 percent, nitrogen oxides by 71 percent, sulfur oxides by 98 percent, and greenhouse gas emissions by 20 percent compared to 2005 levels.


The Resolution notes the importance of the Ports in the local, regional, and national economy, supporting millions of direct, indirect, and induced jobs. The Ports of Los Angeles and Long Beach collectively handle approximately 40 percent of the nation's imports and exports. While the last revision of Proposed Rule 2304 states that "nothing in this rule shall be construed to impose a limit on cargo throughput," the Resolution states that future phases of the indirect source rule may include such caps, which would divert cargo to other ports that lack the emissions standards of the Ports of Los Angeles and Long Beach. The Resolution notes that these impacts could threaten California's workers and the economy.

DEPARTMENTS NOTIFIED

Port of Los Angeles

BILL STATUS

12/02/24	Introduced
06/03/25	Passed in Senate (Ayes 31. Noes 1.) Ordered to the Assembly.
07/08/24	Passed as amended in Committee on Natural Resources (Ayes 10. Noes 1.)
07/15/25	Passed as amended in Committee on Transportation (Ayes 14. Noes 0.)
08/29/25	Passed in Committee on Appropriations (Ayes 15. Noes 0.)
09/02/25	Read second time. Ordered to third reading.


Tristan Noack
Analyst

RULES, ELECTIONS, INTERGOVERNMENTAL RELATIONS

RESOLUTION

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations, or policies proposed to or pending before a local, state, or federal governmental body or agency must first be adopted in the form of a Resolution by the City Council; and

WHEREAS, for more than a century, California's ports have served as the backbone of the state and national economy, facilitating trade and supporting millions of direct, indirect, and induced jobs that provide working families with middle-class wages, health care, and retirement security; and

WHEREAS, the Port of Los Angeles (POLA), together with the Port of Long Beach (POLB) as part of the San Pedro Bay Complex (Ports), forms the largest maritime gateway in the United States and the western hemisphere, handling approximately 40 percent of the nation's imports and exports; and

WHEREAS, the Ports have adopted, under the Clean Air Action Plan, ambitious goals to transition all cargo-handling equipment to zero emissions by 2030 and all drayage trucks serving marine terminals to zero emissions by 2035; and

WHEREAS, the Ports have already made significant progress in improving air quality, reducing diesel particulate matter by 92 percent, nitrogen oxides by 71 percent, sulfur oxides by 98 percent, and greenhouse gas emissions by 20 percent compared to 2005 levels; and

WHEREAS, Senate Bill 34 (Richardson) builds on this progress by encouraging a collaborative model that emphasizes voluntary agreements among ports, cities, and the South Coast Air Quality Management District (SCAQMD), while maintaining strong health and environmental safeguards; and

WHEREAS, SB 34 protects against abrupt, overreaching regulations that could destabilize port operations and regional economies, while still empowering local regulatory authority and ensuring environmental oversight; and

WHEREAS, notwithstanding the Ports' progress, the SCAQMD has pursued an Indirect Source Rule (ISR) for Commercial Marine Ports, despite the fact that the Ports are the cleanest maritime complex in the world and without regard for operational realities or economic consequences; and

WHEREAS, on August 1, 2025, the SCAQMD Governing Board directed staff to temporarily pause the pursuit of Proposed Rule 2304, the Indirect Source Rule (ISR) for Commercial Marine Ports, but only until September 18, 2025, after which the rulemaking process may resume; and

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WHEREAS, previous drafts of the ISR regulation sought to reduce emissions from activities associated with facilities, over which the Ports have no direct control, such as truck traffic to and from ports, interstate rail traffic, as well as foreign-owned and registered ocean-going vessels by imposing emission or cargo caps; and

WHEREAS, SCAQMD staff have indicated that future phases of the ISR may include such caps, which would divert cargo to ports in other states, like Texas, Florida, and Georgia, and countries like Mexico and Canada, that lack comparable emissions standards to our own, undermining both California's economy and its climate leadership; and

WHEREAS, California must continue to pursue cleaner air and healthier communities, but it must do so in a manner that preserves the competitiveness of its ports and protects tens of thousands of middle-class sustaining union jobs in the midst of an affordability crisis in California; and

WHEREAS, SB 34 offers this balance by advancing environmental goals through incentivizing enforceable agreements while temporarily preventing destabilizing mandates that could threaten California's workers and economy; and

WHEREAS, absent SB 34, communities, workers, and businesses will face ongoing uncertainty and the looming threat of rigid, top-down regulations that could impose cargo caps and jeopardize statewide prosperity;

NOW, THEREFORE, BE IT RESOLVED, that by the adoption of this Resolution, the City of Los Angeles hereby includes in its 2025–2026 State Legislative Program SUPPORT for SB 34 (Richardson), and further urges the adoption of negotiated, voluntary, enforceable agreements between the Port of Los Angeles, together with the Port of Long Beach, and the South Coast Air Quality Management District to support the deployment of zero-emission, human-operated equipment and the infrastructure necessary to achieve it.

PRESENTED BY:

TIM McOSKER

Councilmember, 15th District

SECONDED BY:

ORIGINAL