

SB 760 (Lowenthal)

As Introduced February 22, 2005

Ports of Long Beach and Los Angeles: Congestion and Environmental Mitigation: User Fee.

BACKGROUND SHEET

PURPOSE

The volume of goods moving through the ports of Los Angeles and Long Beach has quadrupled in the last seven years and will triple by 2020. These goods are transported from the ports primarily by **diesel** fueled trucks, ships and trains.

The goods movement transportation system (highways and rail) is overwhelmed, the surrounding community lives in a heavily polluted area, and the ports lack port security funding.

SB 760 provides a funding mechanism to allow the ports of Los Angeles and Long Beach (the #1 port complex in the nation), to remain the leading economic engine in the state of California. Without these transportation, port security and air quality improvements, the ports will struggle and cargo will be diverted to other ports and countries.

SUMMARY

SB 760 would:

- Levies a \$30 per container user fee on each shipping container (twenty-foot equivalent) processed through the Ports of Long Beach and Los Angeles.

- One-third of the fee goes to projects that alleviate congestion on highways serving the ports by improving the rail system that transports shipments from and to those ports and by improving the on-dock rail facilities at those ports.
- One-third of the fee goes to the South Coast Air Quality Management District for projects that mitigate environmental pollution caused by the movement of cargo to and from the ports via trucks, ships and trains.
- One-third of the fee goes to the Ports of Long Beach and Los Angeles for projects to improve the security of the ports, including the screening of containers.

BACKGROUND

- The growth of the Ports of Los Angeles and Long Beach is staggering. The 2 ports move approximately 40% of the nation's cargo. The LA/LB port complex is the largest port complex in the United States and under current operating conditions will see cargo triple (from 15 million teu's, to 47 million teu's) by 2020.
- The ports are the single largest source of air pollution in the South Coast Basin.

- The transportation infrastructure is strained and can't handle an increase in cargo (yet it's coming anyway).
- Approximately 2% of all containers moved through the ports of LA/LB are inspected, which means 98% of the 15.5 million teu's moved through LA/LB in 2005 will not be inspected.
- According to an August 2004 statement by Stephen Flynn, Ph.D, US Coast Guard Commander (ret.), in Since 9/11, "Washington has provided only \$516 million dollars towards the \$5.6 billion the Coast Guard estimates U.S. Ports need to make them minimally secure."
- Operations at the Port of Long Beach and Port of Los Angeles account for approximately 17% of the NOx (oxides of nitrogen), out of the four-county South Coast Air Basin.
- According to reports, heavy-duty vehicle traffic (**powered by diesel fuel**) to and from the ports will more than double in the next 20 years, from roughly 40,000 vehicles per day to nearly 90,000 vehicles per day.
- Doctors have linked high smog levels in Los Angeles to increased rates of asthma. Air pollution has been linked to higher rates of cancer and respiratory disease. In Long Beach, 15 percent of children age 17 or younger have been diagnosed with asthma, according to a 2003 county health survey. That compares with 12 percent countywide and about 8 percent nationally.
- A study by Kaiser Permanente, released o February 2005, showed that expectant mothers with asthma or allergies had a 50% increased risk that their children would develop autism disorders.
- According to the South Coast Air Quality Management District, cancer risk estimates at the ports are about 1,400 per million people exposed, far above the 1-in-a-million risk level considered "acceptable" by the U.S. Environmental Protection Agency.
- **Southern California risks losing \$12.1 billion in federal highway funds if federal Clean Air Act standards aren't met by 2010.** So far, the basin has failed to meet national standards for ozone or for particulate emissions.
- In February 2005, the National Institute of Environmental Health Science released a report showing that air pollution can cause damage to a baby in the womb.

ADDITIONAL RESOURCES

Harboring Pollution The Dirty Truth About U.S. Ports, by CCA and NRDC, March 2004.
<http://www.coalitionforcleanair.org/cca/>

SUPPORT

- NRDC
- American Lung Assn. of California
- Alameda Corridor-East Construction Authority
- California Teamsters

OPPOSITION

- Waterfront Coalition; Payless Shoesource Inc.; CA Trade Coalition; Retail Industry Leaders Association; National Retail Federation; Cal-Tax; PMSA; CA Chamber of Commerce; Michaels; APM Terminals; RILA; Matson; SSAMarine; MTC; Hanjin; MOL.

STATUS

- Senate Transportation and Housing Committee hearing 4/5/05.

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SB 762 (Lowenthal)

As Introduced February 22, 2005

Port Congestion: environmental quality commission.

BACKGROUND SHEET

PURPOSE

To improve the efficiency of cargo moved through the ports of Los Angeles, Long Beach and Oakland by reducing the overall truck fleet and improving the quality of the trucks that operate at the ports and ultimately increase the wages to these port truck drivers without increasing shipping rates.

SUMMARY

AB 762 would:

- Creates the Los Angeles-Long Beach Area Intermodal Joint Powers Authority and the Oakland Area Intermodal Joint Powers Authority to oversee the functions of the Los Angeles-Long Beach Area Regional Intermodal Port Congestion and Environmental Quality Commission (LAIPC) and the Oakland Area Regional Intermodal Port Congestion and Environmental Quality Commission (OAIPC).
- Permits the LAIPC and OAIPC to grant each motor carrier a port permit for authority to enter the respective ports or delivery of intermodal freight for their truck fleet, and determining the number of intermodal trucks needed to efficiently move intermodal freight from marine terminals.

BACKGROUND

- The growth of the Ports of Los Angeles and Long Beach is staggering. The 2 ports move approximately 40% of the nation's cargo. The LA/LB port complex is the largest port complex in the United States and under current operating conditions will see cargo triple (from 15 million teu's, to 47 million teu's) by 2020. The ports are the single largest source of air pollution in the South Coast Basin.
- A study conducted by these ports (LA/LB) predicts that heavy-duty vehicle traffic (powered by diesel fuel) to and from the ports will more than double in the next 20 years, from roughly 35,000 vehicles per day (in 2005) to nearly 90,000 vehicles per day at the ports of LA/Long Beach.
- The truck drivers that haul cargo to and from the ports, make very low wages. They are paid by the trip and not the hour and are typically owner-operators.
- **SB 762 helps to solve some of these problems**, by setting up an entity at the ports that could increase the wages of the drivers without increasing rates (simply increasing the number of trips they make in a day), reduce the emissions of these trucks by limiting or eliminating the usage of pre-1988 heavy-duty vehicles, and improve the quality of the drivers by setting up criteria. There may be concerns with reducing the number of trucks that

enter the ports, however by having these entities (LAIPC and OAIPC), they can raise or lower the number of trucks needed or even issue temporary or emergency permits to operate if there is a shortage.

SUPPORT

- California Teamsters Public Affairs Council (**sponsor**).
- California Labor Federation
- South Coast Air Quality Management District

OPPOSITION

- Waterfront Coalition
- California Trade Coalition
- California Chamber of Commerce

STATUS

Senate Transportation and Housing Committee hearing 4/5/05.

STAFF CONTACT

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SB 764 (Lowenthal)

As Introduced February 22, 2005

No Net Increase in Emissions: Ports of Long Beach and Los Angeles

BACKGROUND SHEET

PURPOSE

The volume of goods moving through the ports of Los Angeles and Long Beach has quadrupled in the last seven years and will likely quadruple again in the next 15 years. These goods are transported from the ports primarily by **diesel** fueled trucks.

The ports of Long Beach and Los Angeles operate on state tide and submerged lands, which means that the ports are the steward for these state lands and must manage them in a manner that benefits all Californians.

Given the anticipated growth at the ports, and given the fact that diesel fuel exhaust has been determined to cause cancer, and that emissions from the ports are the single largest source of air pollution in the four-county South Coast Air Basin, it is important to limit the increase in toxic, cancer-causing emissions while the ports grow.

SUMMARY

SB 764 would:

- Require the Ports of Los Angeles and Long Beach to establish a baseline for air quality at the ports.
- Require the Ports of Los Angeles and Long Beach to meet their baseline no later than January 1, 2008.

BACKGROUND

- Operations at the Port of Long Beach and Port of Los Angeles account for approximately 17% of the NOx (oxides of nitrogen), out of the four-county South Coast Air Basin.
- A study conducted by these ports predicts that heavy-duty vehicle traffic (powered by diesel fuel) to and from the ports will more than double in the next 20 years, from roughly 35,000 vehicles per day to nearly 83,000 vehicles per day.
- On Wednesday June 9, 2004, the Harbor Commissioners for the Port of Los Angeles approved a proposal that would commit at least 10% of the Ports annual revenue (approx. \$500 million), to fight air pollution caused by operations at the port. This annual commitment comes to approx. \$50 million a year.
- Doctors have linked high smog levels in Los Angeles to increased rates of asthma. Air pollution has been linked to higher rates of cancer and respiratory disease. In Long Beach, 15 percent of children age 17 or younger have been diagnosed with asthma, according to a 2003 county health survey. That compares with 12 percent countywide and about 8 percent nationally.

- According to the South Coast Air Quality Management District, cancer risk estimates at the ports are about 1,400 per million people exposed, far above the 1-in-a-million risk level considered “acceptable” by the U.S. Environmental Protection Agency.
- **Southern California risks losing \$12.1 billion in federal highway funds if federal Clean Air Act standards aren't met by 2010.** So far, the basin has failed to meet national standards for ozone or for particulate emissions.
- Of the sources at the ports, trucks and ships are the biggest polluters. The diesel trucks serving the ports emit about 47 tons of NOx each day just within port boundaries, out of a basin-wide total of 1,056 tons, the AQMD says. Ships and commercial boats add another 49 tons a day, while an unknown portion of the 181 tons of NOx from diesel equipment also comes from the ports. Trains in the region add another 36 tons of NOx, some of which can be traced to old diesel locomotives at the ports.
- According to the South Coast Air Quality Management District: the ports are the largest single source of air pollution in the four-county jurisdiction of the District.
- In December 2002, L. A. Mayor James Hahn stated that as the Port of Los Angeles grows, it will not have an increase in net emissions.

ADDITIONAL RESOURCES

Harboring Pollution The Dirty Truth About U.S. Ports, by Coalition for Clean Air and NRDC, March 2004.
<http://www.coalitionforcleanair.org/cca/>

SUPPORT

- Natural Resources Defense Council.
- California Teamsters
- South Coast AQMD
- Coalition for Clean Air

OPPOSITION

- California Trade Coalition; California Chamber of Commerce; Pacific Merchant Shipping Association; APM Terminals; SSA Marine; Matson; Hanjin; MOL; PMSA; WSPA.

STATUS

Introduced 2/22/05.

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