



COALITION FOR



**SAN PEDRO PENINSULA
HOMEOWNERS COALITION**



May 22, 2025

Scott Wiener, Chair
Senate Budget Committee
1020 N. Street, Room 502
Sacramento, CA 95814

Ben Allen, Chair
Senate Budget Subcommittee 2
1020 N. Street, Room 502
Sacramento, CA 95814

Jesse Gabriel, Chair
Assembly Budget Committee
1021 O Street, Suite 8230
Sacramento, CA 95814

Steve Bennett, Chair
Assembly Budget Subcommittee 4
1021 O Street, Suite 8230
Sacramento, CA 95814

Re: SUPPORT CARB's Regulatory Fee Authority and OPPOSE Reduction of Funding for Commercial Harbor Craft

Dear Chairs Wiener, Gabriel, Allen, and Bennett:

The undersigned organizations are writing in **support of the trailer bill language in the May revision to the governor's proposed budget that provides the California Air Resources Board (CARB) with the regulatory fee authority related to the Transport Refrigeration Unit (TRU) and Commercial Harbor Craft (CHC) regulations**. Conversely, we strongly oppose the proposed \$20 million cut for Charter Boats Compliance at CARB from the Greenhouse Gas Reduction Fund, as it would undermine innovation, critical enforcement and public health protections.

Harbor craft are a significant source of air pollution at seaports, making it critical to achieve the maximum health and emissions reductions benefits of the CHC Rule. At full implementation, the regulation is estimated to save \$5.25 billion in public health care costs, avoid 531 premature deaths, and reduce diesel PM by 89 percent, NOx by 54 percent, and GHG emissions by 415,000 metric tons.^{1 2} In order to realize these full benefits, CARB and regulated vessel operators needed adequate financial resources to support compliance.

The California Legislature has, for good reason, given CARB the responsibility to protect communities burdened by pollution. Yet, CARB is not always given the necessary regulatory fee authority to fund this work—causing delays in implementation and slowing progress on critical environmental protections.

As a result, California taxpayers and drivers are forced to shoulder the costs of pollution. At a time when affordability is a top concern, keeping the status quo is the least affordable option—it shifts the financial burden onto the public instead of holding polluters accountable.

We urgently need to replace this outdated system with a “hold polluters accountable” pay model. That is why we strongly support the proposal to give CARB the regulatory fee authority it needs to implement legislative mandates without relying on taxpayer dollars.

Rather than asking taxpayers or waiting for CARB to catch another emissions cheater, owners and operators of regulated TRU and CHC should pay their fair share—ensuring a sustainable funding source for this critical work.

This is not a new concept to California—it's fundamental to how we implement and enforce many of our state's most impactful policies. From toxics to transportation, the legislature has consistently granted agencies the authority to collect fees. Other countries around the world have also implemented this principle successfully, recognizing that polluters—not the public—should bear the costs of pollution.

¹ <https://ww2.arb.ca.gov/resources/fact-sheets/proposed-amendments-commercial-harbor-craft-regulation>

² <https://ww2.arb.ca.gov/sites/default/files/barcu/regact/2021/chc2021/appg.pdf>

Approving this proposal would send a clear message: the Legislature prioritizes affordability for Californians, not for wealthy polluters.

The technology exists for zero-emissions harbor craft, and vessel operators in California have already begun transitioning. Just like cars and trucks, boats and ships must also move away from fossil fuel propulsion.

However, to accelerate compliance and maximize the health and climate benefits of California's CHC Regulation, strong policy support paired with access to funding will ensure a smoother, more equitable transition to cleaner and zero-emission vessels. For this reason, **we urge legislators to:**

- **Grant CARB with regulatory fee authority proposed in the May Revision, and**
- **Reject cuts to compliance funding that supports vessel operator compliance.**

Thank you for your leadership and attention to these critical matters.

Sincerely,

Davina Hurt and Teresa Bui
Climate Policy Directors
Pacific Environment

Ellie Cohen
Chief Executive Officer
The Climate Center

Shoshana Wechsler
Co-Coordinator
Sunflower Alliance

Eli Lipmen
Executive Director
Move LA

Melissa Romero
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