

From the Los Angeles Times

California port fee would fight pollution, congestion

Legislators vote for a \$60 charge on shipping containers going through Los Angeles, Long Beach and Oakland. The measure would raise at least \$400 million annually.

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SACRAMENTO — Saying California children shouldn't breathe soot so people across the country can buy cheap televisions, legislators voted Tuesday to impose a fee on every container moving through the ports of Long Beach, Los Angeles and Oakland.

The money -- at least \$400 million a year -- would be used to ease the traffic congestion and air pollution generated by the ports, which handle more than 40% of the nation's goods. Similar bills were vetoed or failed in the last two years, but this measure's author, Sen. Alan Lowenthal (D-Long Beach), said he was optimistic that his legislation would be signed into law soon.

"We have built a statewide coalition to support the container fee," he said.

SB 974 would impose on shippers a fee of \$60 for every typical-size cargo container leaving or entering the ports. The money would be used across Southern California and in the Bay Area for such projects as installing cleaner-burning truck and train engines and building roadways under or over railroad tracks to avoid long lines of idling vehicles.

The Assembly voted 45 to 24 to pass Lowenthal's bill. The Senate, which passed the legislation earlier, is expected to give final approval to amendments soon. Gov. Arnold Schwarzenegger has offered no official position on the bill but said through spokeswoman Rachel Cameron that "we do support finding a solution to ensure California's air quality is protected while facilitating the movement of goods throughout the state."

Democrats praised the measure as a smart way to try to mitigate the foul air and clogged roads that are a byproduct of the ports' immense economic activity.

Assemblyman Hector De La Torre (D-South Gate) estimated the total value of goods shipped through the Long Beach and Los Angeles ports at \$378 billion and the total that would be generated by the fee at \$500 million a year.

"So you're going to add on 0.13% to somebody's cheap TV in Peoria, Ill. Big deal," he said.

Assemblywoman Betty Karnette (D-Long Beach) said that people are dying of pollution in her district and that shippers bringing in cheap imports from China and elsewhere should pay.

"Who is profiting? I don't think it's our workers profiting from all these imports," she said. "Other countries are profiting at our expense."

A few other California cities, including Stockton and San Diego, have ports, but most cargo containers are unloaded in Los Angeles, Long Beach and Oakland.

The fee in Lowenthal's legislation is \$30 per 20-foot-equivalent cargo containers. Most containers are 40 feet long. The fee would take effect in January.

Republicans predicted that the measure would push up the prices of many products and drive business to other ports, such as Seattle's.

"We can't be competitive, folks," said Assemblyman Rick Keene (R-Chico), "if we continue to tax the economic engine of the state."

Only one Republican member of the Assembly -- Bob Huff of Diamond Bar -- voted for the measure.

Huff said portions of eight freeways, all of them clogged with trucks hauling cargo, go through his district.

"This is huge," he said. "If we don't fund [congestion improvements] through this, what do we fund it through?"

Lowenthal said the amended bill approved Tuesday by the Assembly addresses concerns that led Schwarzenegger to veto a similar measure in 2006 and Mayor Antonio Villaraigosa to withhold his support last year. In June 2007, the Senate approved the bill, but Lowenthal held it in abeyance after the governor said he wanted the concerns of Villaraigosa, environmentalists and the retail and shipping industries to be addressed.

The senator said he worked hard with opponents, who didn't propose a better plan. He also said the bill was amended to include a list of specific projects -- such as separating vehicles from trains at the Colton crossing in San Bernardino County -- to address concerns by retailers that the money would just disappear into the state general fund. "We dealt with all of the governor's issues," said Lowenthal. "We are optimistic."

Villaraigosa had withheld his support over the way the money would be disbursed, saying he wanted some to be spent replacing two bridges on Terminal Island.

The mayor supported the bill after Lowenthal agreed to have spending overseen by a joint powers authority that would include a mayoral appointee.

The fee pending in the Legislature would come on top of those recently approved by the ports of Long Beach and L.A. to pay for infrastructure improvements within port territory and the retrofitting of diesel truck engines.

The Lowenthal bill had strong support from environmental groups, which were buoyed by the Assembly approval.

"This will be the most significant investment in air quality around our ports that we have ever had," said Martin Schlageter of the Coalition for Clean Air.

Elina Green, project manager for the Long Beach Alliance for Children With Asthma, said that about one in eight children in the city have been diagnosed with asthma and that port pollution contributes to that high rate. Lowenthal's bill, she said, "is one of the things we've been supporting for a long time. All of the mitigation measures we ask for -- even if folks are supportive, it always comes down to money."

The lengthy list of opponents to the measure includes commodity growers, such as cotton and almond farmers; clothing store chains; electronics manufacturers; and the Chamber of Commerce of Hawaii.

Chamber President Jim Tollefson estimated that 90% of the goods in Hawaii are shipped from the West Coast, most from Long Beach and L.A.

"The cost will be borne by the shipping company," said Tollefson, "and then it will be passed on to the ultimate consumer -- in this case, the people of Hawaii. In simple terms, it's about \$50 a year for every man, woman and child."

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