



## A Deep Dive into AB 98's Restrictions on the Logistics Industry: What the Bill Does and Does Not Do

By: Whitney Hodges and Lauren Chang

Despite strenuous opposition from both the state's real estate and business communities,<sup>1</sup> near the end of the 2024 Legislative cycle, California Governor Gavin Newsom signed into law Assembly Bill 98 ("[AB 98](#)") – a bill that, among other things, creates buffer zones and imposes other statewide design and build standards around new warehouse development.<sup>2</sup> The bill, which overrides local land use programs, segregates these standards based on warehouse sizes and location within the state. Purportedly, AB 98 is intended to mitigate the negative health impacts associated with warehouse and logistics facility uses have on nearby communities, namely in the Inland Empire region. Prior to the Governor's signature, the bill passed by fairly narrow margins in both the State Senate and Assembly.

In brief summary, the key provisions of AB 98 include:

- Building design and energy efficiency;
- Setbacks and buffer zones;
- Parking and truck loading bays;
- Truck routing plans;
- Energy gates and signage;
- Zero-emissions technology; and
- Affordable housing replacement.

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<sup>1</sup> [NAIOP SoCal](#) warned that the bill will have "sweeping negative impacts on the supply chain, jobs and greenhouse gas emissions." Daniel Parra, president of California League of Cities, [stated](#): "AB 98 represents a massive, unfunded mandate that would not only stifle local economies, but also seriously damage our local communities. It's a bill that was rushed through the legislature in the final week of the session with little regard for the impact it would have on cities." Conversely, a coalition including the [California Chamber of Commerce](#) called the bill "a compromise that avoids the negative economic and environmental impacts that would arise from much more stringent and unworkable legislation while still addressing community concerns."

<sup>2</sup> AB 98 was initially introduced earlier in the cycle as a shell bill, and the final product is considered a "[gut and amend](#)" bill. Surprised by the extent and scope of the modifications, critics of the bill have pointed out a number of inconsistencies amongst the various definitions and compliance triggers throughout the bill.

AB 98 will take effect on January 1, 2025. However, compliance with many of the standards included in the bill is not until January 1, 2026.

AB 98 will not apply to:

- Existing developments, facilities, or expansions so long as an application was filed *prior to September 30, 2024*.<sup>3</sup>
- New expansion or development that is subject to a local entitlement process *prior to September 30, 2024* and a new sensitive receptor is constructed, established, or permitted after January 1, 2025.<sup>4</sup>
- Development that requires a rezoning and the entitlement process for that rezoning began prior to the entitlement process for a sensitive receptor.<sup>5</sup>

## I. Overview

1. AB 98 changes existing law related to warehouse uses in three (3) important ways:
2. Prescribes “various statewide warehouse design and build standards for *any proposed new or expanded logistics use development*”<sup>6</sup> including “standards for building design and location, parking, truck loading bays, landscaping buffers, entry gates, and signage.” AB 98 targets warehouse/distribution facilities that utilize heavy-duty diesel trucks<sup>7</sup> for goods movement. Additional development standards and limitations are placed on logistic projects that are located within 900 feet of a sensitive receptor<sup>8</sup> as well as larger-scale projects of 250,000 square feet or more. Any applicable development standards included in AB 98 apply in addition to any applicable local zoning requirements.

<sup>3</sup> Govt. Code §§ 65098.1, 65098.1.5.

<sup>4</sup> Govt. Code § 65098.1.5.

<sup>5</sup> Govt. Code § 65098.1.5(b)(1).

<sup>6</sup> Govt. Code § 65098(d) defines “Logistics Use” as:

A building in which, cargo, goods, or products are moved or stored for later distribution to businesses or retail customers, or both, that does not predominately serve retail customers for onsite purchases, and heavy-duty trucks are primarily involved in the movement of the cargo, goods, or products.

Logistics use” does not include any of the following:

1. Facilities where food or household goods are sold directly to consumers and are accessible to the public.
2. A building primarily served by rail to move cargo goods or product.
- 3.

A. A Strategic Intermodal Facility.

B. For purposes of this subdivision, “Strategic Intermodal Facility” means a project that satisfies all of the following requirements:

- i. Logistics facilities, including warehousing and transloading facilities, served by rail.
- ii. Intermodal freight transport services.
- iii. All facility structures and related rail operations are located within a single site footprint.

<sup>7</sup> Govt. Code § 65098(c) defines “Heavy-Duty Truck” as a class 7 or class 8 truck. A “Class 7 truck” means a truck with a gross vehicle weight rating of 26,001 to 33,000 pounds. A “Class 8 truck” means a truck with a gross vehicle weight rating of greater than 33,000 pounds.

<sup>8</sup> Govt. Code § 65098(e)(1) defines “Sensitive Receptor” as including one or more of the following:

A residence, including, but not limited to, a private home, apartment, condominium unit, group home, dormitory unit, or retirement home. (2) A school, including, but not limited to, a preschool, prekindergarten, or school maintaining kindergarten or any of grades 1 to 12, inclusive. (3) A daycare facility, including, but not limited to, in-home daycare. (4) Publicly owned parks, playgrounds, and recreational areas or facilities primarily used by children, unless the development of the park and recreation areas are included as a condition of approval for the development of a logistics use. (5) Nursing homes, long-term care facilities, hospices, convalescent facilities, or similar live-in housing. (6) Hospitals, as defined in Section 128700 of the Health and Safety Code.

3. Requires counties and cities to update their Circulation Element within the General Plan to identify and establish specific travel routes for the transport of goods, materials, or freight for storage, transfer, or redistribution to safely accommodate additional truck traffic and avoid residential areas and concentrations of sensitive receptors.
4. Requires jurisdictions to update their Circulation Element to include truck routes and other related standards, and imposes emission study requirements on the South Coast Air Quality Management District (“AQMD”) in San Bernardino and Riverside counties (core counties that make up the “Inland Empire”).

In addition to applying new logistics uses, AB 98 would also apply to the “expansion of existing logistics use” projects, which the bill defines as “the expansion of an existing logistics use by 20 percent or more of existing square footage.”<sup>9</sup> The bill exempts “office space” from the existing square footage threshold. However, the language is ambiguous, and it will – ultimately – be up to the individual jurisdictions, and potentially courts, to interpret.

Nothing in AB 98 prevents cities, counties, or other state agencies from imposing more stringent requirements on existing logistics uses.

## II. Development Standards

AB 98 proposes a variety of new development standards for logistics uses. The requirements are extremely fact-intensive and apply on a case-by-case basis.

### A. Siting Criteria Applicable to All New Logistics Uses

Any new logistics use must be sited on roadways classified as arterial roads, collectors roads, major thoroughfares, and local roads that predominantly serve commercial uses.<sup>10</sup> Projects may be granted a waiver from these siting requirements when *all* of the following are met:

1. There is no feasible alternative site that exists within the designated roadways;
2. A traffic analysis has been completed and submitted to the local approving authority;
3. The site is an existing industrial zone; and
4. The proposed site will incorporate mitigations to minimize traffic and environmental impacts on residential areas to the greatest extent feasible.<sup>11</sup>

### B. Sensitive Receptor Buffers Applicable to All New and Some Expanded Logistics Uses Near Sensitive Receptors

Any new logistics use within 900 feet of a sensitive receptor must include a buffer of 50 feet in width when located on an industrial-zoned site or on a site where an application for rezoning to industrial has been submitted prior to

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<sup>9</sup> Govt. Code § 65098(b).

<sup>10</sup> Govt. Code § 65098.2.7 (b)(2) defines local roads as predominantly serving commercial uses if more than 50% of the properties fronting the road within 1000 feet are designed for commercial or industrial use according to the local zoning ordinance.

<sup>11</sup> Govt. Code § 65098.2.7(c).

September 30, 2024, and the rezone is ultimately approved.<sup>12</sup> The buffer shall be 100 feet on a non-industrially-zoned site.<sup>13</sup>

The buffer areas must fully screen all adjacent sensitive receptors and include a solid decorative wall, landscaped berm and wall, or landscaped berm 10 or more feet in height, and drought tolerant natural ground landscaping with proper irrigation. Finally, the buffer must include specified types of trees (excluding palm trees) planted in 2 rows along the length of the property line with specified spacing. The trees must be evergreen, drought tolerant, a species of low biogenic emission (where feasible), a minimum of 36-inch box size, and spaced no greater than 40 feet apart.<sup>14</sup> These standards also apply to expanded logistics uses.<sup>15</sup>

### ***C. Design and Construction Standards Applicable to All New or Expanded Logistics Uses***

AB 98 divides setback, design, construction, and electrification standards into 4 categories of projects based on the size of the use, underlying zoning, and geographic location of a specific project. The implementation of these standards commences on January 1, 2026.

**1. Large Logistics Uses Near Sensitive Receptors.** New or expanded logistics use development of 250,000 square feet or more where the loading bay is within 900 feet of a sensitive receptor.

Large Logistics Uses Near Sensitive Receptors must meet the “Tier 1 Standards.”<sup>16</sup> Tier 1 Standards also apply to

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<sup>12</sup> Govt. Code § 65098.2(a)(1).

<sup>13</sup> Govt. Code § 65098.2(a)(2).

<sup>14</sup> Govt. Code § 65098.2(c).

<sup>15</sup> Govt. Code § 65098.2(h).

<sup>16</sup> In addition to the “Base Standards” (as identified below), Govt. Code § 65098(g) defines Tier 1 Standards” as including:

- a. Meet or exceed all Title 24 California Green Building Standards.
- b. Photovoltaic system installation and associated battery storage. The standards assume for purposes of Title 24 that all project warehouse space is “conditioned” space.
- c. Cool roof.
- d. Medium and heavy-duty vehicle charging readiness.
- e. Light-duty electric vehicle charging readiness and installed charging stations.
- f. Skylights covering at least 1% of the roof area, or the equivalent LED lighting.
- g. Micro-grid ready switchgear system to support distributed energy resources.
- h. Advanced smart metering ready.
- i. 50% of all passenger vehicle parking stalls preinstalled with conduit and infrastructure to support future electric vehicle (EV) charging stations.
- j. 10% of all passenger vehicle stalls installed with EV charging stations.
- k. Provide conduit and electrical hookups at all loading bays serving cold storage. Idling or auxiliary truck power to run climate control equipment is prohibited if the truck is capable of utilizing a loading bay electrical hookup.
- l. High-efficiency HVAC systems.
- m. All classes of on-site forklifts shall be zero-emission by January 1, 2028, where operationally feasible, commercially off-the-shelf available, and adequate power is provided on site. Cost is not considered in determining feasibility. Where not feasible, the cleanest technology commercially available shall be used.
- n. Developer shall ensure that all on-site equipment utilizing small off-road engines shall be zero-emissions, where operationally and commercially feasible. Otherwise, the cleanest technology that is commercially and operationally feasible shall be used. If such equipment is contracted out, the developer shall preferentially contract for services utilizing zero-emission equipment.

sites that have applied for a rezone to industrial prior to September 30, 2024, and are ultimately approved.<sup>17</sup> AB 98 also requires the following additional development standards in addition to Tier 1 Standards:

- a. All truck loading bays shall be oriented on the opposite side of the logistics development from sensitive receptors, where feasible.
- b. All truck loading bays shall be a minimum of 300 feet from the property line of the nearest sensitive receptor using a direct straight-line method of measurement.
- c. Projects must include a separate entrance for heavy-duty trucks via a truck route, arterial road, major thoroughfare, or local road with predominately commercial uses.
- d. Truck entry, exit, and internal circulation shall be sited away from sensitive receptors. Heavy-duty drive aisles are prohibited from utilizing sides of the logistics building that are directly adjacent to the property line of a sensitive receptor.
- e. Installation of buffers and screening to reduce light and noise.

**2. Logistics Uses in Non-Industrial Location Near Sensitive Receptors.** New or expanded logistics use on land that is not zoned industrial, whether developed or undeveloped, or land that needs to be rezoned, where loading bay is within 900 feet of a sensitive receptor.

Logistics Uses in Non-Industrial Location Near Sensitive Receptors require implementation of either Tier 1 Standards or “Base Standards”<sup>18</sup> depending on the size of the project. Large logistics uses greater than 250,000 square feet require Tier 1 Standards while logistics uses under 250,000 square feet require the Base Standards.<sup>19</sup>,<sup>20</sup> AB 98 also requires the following additional:

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<sup>17</sup> Govt. Code § 65098.1(a).

<sup>18</sup> Govt. Code § 65098(a) defines “Base Standards” as:

- a. Meet or exceed all Title 24 California Green Building Standards.
- b. Photovoltaic system installation and associated battery storage.
- c. Cool roof.
- d. Medium and heavy-duty vehicle charging readiness.
- e. Light-duty electric vehicle charging readiness and installed charging stations.
- f. Skylights covering at least 1% of the roof area, or the equivalent LED lighting.
- g. Provide conduit and electrical hookups at all loading bays serving cold storage.
- h. Idling or auxiliary truck power to run climate control equipment is prohibited if the truck can utilize a loading bay electrical hookup.
- i. High-efficiency HVAC systems.
- j. All classes of on-site forklifts shall be zero-emission by January 1, 2030, where operationally feasible, commercially off-the-shelf available, and adequate power is provided on site. Cost is not considered in determining feasibility. Where not feasible, the cleanest technology commercially available shall be used.
- k. Developer shall ensure that all on-site equipment utilizing small off-road engines shall be zero-emission, where operationally and commercially feasible. Otherwise, the cleanest technology that is commercially and operationally feasible shall be used. If such equipment is contracted out, the developer shall preferentially contract for services utilizing zero-emission equipment.

<sup>19</sup> Govt. Code § 65098.1(b).

<sup>20</sup> Projects that fall in this category include: any proposed new or expanded logistics use development that is on land that is not zoned industrial, whether developed or undeveloped, or land that needs to be rezoned, where the loading bay is within 900 feet of a sensitive receptor.



- a. All truck loading bays shall be oriented on the opposite side of the logistics development from sensitive receptors, where feasible.
- b. All truck loading bays shall be a minimum of 500 feet from the property line of the nearest sensitive receptor using a direct straight-line method of measurement.
- c. Provide a separate entrance for heavy-duty trucks via a truck route, arterial road, major thoroughfare, or local road with predominately commercial uses.
- d. Truck entry, exit, and internal circulation shall be sited away from sensitive receptors. Heavy-duty drive aisles are prohibited from utilizing sides of the logistics building that are directly adjacent to the property line of a sensitive receptor.
- e. Install buffers and screening to reduce light and noise.

**3. Logistics Uses in Non-Industrial Location in Warehouse Region.** New or expanded logistics use on land that is not zoned industrial, whether developed or undeveloped, or land that needs to be rezoned, and is located in a warehouse concentration region.

AB 98 includes more stringent requirements for logistics uses located in “warehouse concentration regions” like the Inland Empire.<sup>21</sup>

Logistics Uses in Non-Industrial Location in Warehouse Region require implementation of either Tier 1 Standards or Base Standards depending on the size of the project starting. Large logistics uses greater than 250,000 square feet require Tier 1 Standards while logistics uses under 250,000 square feet require the Base Standards.<sup>22</sup> Any proposed new or expanded logistics development on land not zoned industrial or land that needs to be rezoned industrial, and located within the warehouse concentration region must comply with the below standards:<sup>23</sup>

- a. All truck loading bays shall be oriented on the opposite side of the logistics development from sensitive receptors, where feasible.
- b. All truck loading bays shall be a minimum of 500 feet from the property line of the nearest sensitive receptor using a direct straight-line method of measurement.
- c. Provide a separate entrance for heavy-duty trucks via a truck route, arterial road, major thoroughfare, or local road with predominately commercial uses.
- d. Truck entry, exit, and internal circulation shall be sited away from sensitive receptors. Heavy-duty drive aisles are prohibited from utilizing sides of the logistics building that are directly adjacent to the property line of a sensitive receptor.
- e. Install buffers and screening to reduce light and noise.

**4. Not Large Logistics Uses Near Sensitive Receptors.** New or expanded logistics use less than 250,000 square feet where loading bay is within 900 feet of a sensitive receptor.

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<sup>21</sup> “Warehouse concentration region” is defined to include counties of Riverside and San Bernardino as well as the cities of Chino, Colton, Fontana, Jurupa Valley, Moreno Valley, Ontario, Perris, Ranch Cucamonga, Redlands, Rialto, Riverside, and San Bernardino. (Govt. Code § 65098(h).)

<sup>22</sup> Govt. Code § 65098.1(c).

<sup>23</sup> Govt. Code § 65098.1(c).

Tier 1 Standards and Base Standards are not required for Not Large Logistics Uses Near Sensitive Receptors. Instead, these projects<sup>24</sup> must comply with the following standards.<sup>25</sup>

- a. All truck loading bays shall be oriented on the opposite side of the logistics development from sensitive receptors, where feasible.
- b. Truck entry, exit, and internal circulation shall be sited away from sensitive receptors. Heavy-duty drive aisles are prohibited from utilizing sides of the logistics building that are directly adjacent to the property line of a sensitive receptor.
- c. Install buffers and screening to reduce light and noise.
- d. Meet or exceed all Title 24 California Green Building Standards.
- e. Photovoltaic system installation and associated battery storage.
- f. Cool roof.
- g. Medium and heavy-duty vehicle charging readiness.
- h. Light-duty electric vehicle charging readiness and installed charging stations.
- i. Provide conduit and electrical hookups at all loading bays serving cold storage.
- j. Idling or auxiliary truck power to run climate control equipment is prohibited if the truck is capable of utilizing a loading bay electrical hookup.
- k. High-efficiency HVAC systems.
- l. Provide a separate entrance for heavy-duty trucks via a truck route, arterial road, major thoroughfare, or local road with predominately commercial uses.

#### ***D. Additional Design Standards Applicable All New or Expanded Logistics Uses***

All logistics developments must provide entry gates into the loading truck court after a minimum of 40 feet of total available vehicle stacking depth inside the property line. The stacking depth shall be increased by 70 feet for every 20 loading bays beyond 50 loading bays to the extent feasible.<sup>26</sup> Additionally, anti-idling signs indicating a 3-minute heavy-duty truck idling restriction shall be posted at the entrances to the project site and at the loading bays. Signs directing truck drivers to the truck route indicated in the truck routing plan shall be posted at the heavy-duty truck driveway that exists.<sup>27</sup>

#### ***E. Housing Replacement Applicable to All and (Potentially) Some Expanded Logistics Uses***

A city, county, or both must apply a condition of approval related to the replacement of housing to logistics uses under the following circumstances:

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<sup>24</sup> Not Large Logistics Uses Near Sensitive Receptors projects include new or expanded logistics development less than 250,000 square feet, where a loading bay is within 900 feet of a sensitive receptor that is utilizing a site zoned for industrial use or any site where an application was submitted to the jurisdiction by September 30, 2024, to rezone as industrial and the rezone is ultimately approved

<sup>25</sup> Govt. Code § 65098.1 (d).

<sup>26</sup> Govt. Code § 65098.2.5.

<sup>27</sup> *Id.* § 65098.3.

1. Provide a 2-to-1 replacement for any demolished housing unit that was occupied in the last 10 years. If the housing unit was determined by a building official to be substandard prior to purchase by the developer, then replacement units will not be required.
2. The replacement housing, regardless of whether the demolished unit was market rates housing at the time of demolition, shall be replaced with two affordable housing units at the low or moderate affordability level. The affordable replacement units shall be deed restricted<sup>28</sup> and constructed within the local jurisdiction.
3. Funds from fees imposed as a result of the replacement of the demolished units shall be placed in a housing-specific set-aside account and utilized by the local jurisdiction for housing within 3 years of collection.<sup>29</sup>

If any residential dwellings are affected through purchase of the project site, the developer must provide any displaced tenant with an amount equivalent to 12 months' rent at the current rental rate.<sup>30</sup>

## **F. Truck Routing Plan Applicable to All New or Expanded Logistics Uses**

Prior to the issuance of a certificate of occupancy, the logistics use operator must establish and submit for approval to the planning director or equivalent position for the city or county a truck routing plan to and from the state highway system based on the latest truck route map of the city or county.<sup>31</sup> The truck routing plan must describe the operational characteristics of the use of the facility operator, including, hours of operation, types of items to be stored within the building, and proposed truck routing to and from the facility to designated truck routes. The truck routes should avoid passing sensitive receptors, where feasible. Additionally, the truck routing plan must include measures, such as signage and pavement markings, queuing analysis, and enforcement, for preventing truck queuing, circling, stopping, and parking on public streets.

## **G. Exemptions from Application of AB 98**

AB 98 does not apply to any logistics projects that commenced the local application process for project entitlements prior to September 30, 2024.<sup>32</sup> This protection continues through the time of initial application submission to the completion of the entitlement process, including the development. However, if no development activity occurs within 5 years of entitlement approvals, the protection is waived.<sup>33</sup> The bill also does not apply to applicants who receive approval for a project prior to January 1, 2025.<sup>34</sup>

AB 98 also provides certain project-specific exemptions from the aforementioned development standards. Specifically, no provision of AB 98 shall apply to a logistics use when: (i) the project is a mixed-use development that may create sensitive receptors on the site of the new logistics use; and (ii) there are no existing sensitive receptors within 900

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<sup>28</sup> AB 98 does not appear to define the length of the required deed restriction.

<sup>29</sup> Govt. Code § 65098.6(a).

<sup>30</sup> Govt. Code § 65098.6(b).

<sup>31</sup> Govt. Code § 65098.4.

<sup>32</sup> Govt. Code § 65098.1.5(c).

<sup>33</sup> Govt. Code § 65098.1.5(d).

<sup>34</sup> It is not clear how this provides any significant additional protections than what is afforded to projects already undergoing the entitlement process.



feet of a loading bay.<sup>35</sup> More narrowly, AB 98 exempts logistics facilities that exist prior to September 30, 2024, from complying with the setback requirements to locate truck loading bays a minimum of 500 feet from the property line of the nearest sensitive receptor, if a new sensitive receptor were to be constructed, established, or permitted after January 1, 2025.<sup>36</sup>

### III. Circulation Element Update

Under AB 98, except for jurisdictions in a warehouse concentration region, cities and counties must update their Circulation Elements by January 1, 2028. If the logistics use site is located within the warehouse concentration region, jurisdiction must have their Circulation Elements updated by January 1, 2026. The Circulation Element must be updated to, among other things,<sup>37</sup> require all new logistics uses be accessible via arterial roads, major thoroughfares, or roads that predominately serve commercially oriented uses by January 1, 2028.<sup>38</sup> Additionally, cities and counties will be required to post signage indicating the location of established truck routes and make this information available to the public through a geographic information system.

### IV. Air Quality Management District

From January 1, 2026, until January 1, 2032, AB 98 would require the SCAQMD to deploy mobile air monitoring systems within the counties of Riverside and San Bernardino. These monitoring systems would collect air pollution measurements in areas of those jurisdictions that are close to operational logistics developments. Collected data will be used to evaluate the impact of air pollution on sensitive receptors, including at varying distances from sensitive receptors. SCAQMD must submit its interim findings to the California Legislature on or before January 1, 2028, and its final report on or before January 1, 2033. This report must be used to assess the effectiveness of setbacks on public health.<sup>39</sup>

### V. Takeaways

AB 98 carries the potential to limit new or expanded warehouses on existing and rezoned industrial sites, particularly those uses within 900 feet of sensitive receptors, unless specific standards are met. Cities would also need to update their Circulation Elements to account for related truck routes, signage, parking, and idling. Jurisdictions that fail to do so risk facing a \$50,000 fine every 6 months from the Attorney General.

In enacting AB 98, the hope was that the enhanced regulations and higher development and operating costs would not dissuade future development of logistics facilities in California. However, to say AB 98 is controversial is an

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<sup>35</sup> Govt. Code § 65098.9.

<sup>36</sup> Govt. Code § 65098.1.5(a).

<sup>37</sup> A full list of requirements is provided at Govt. Code § 65302.02.

<sup>38</sup> Govt. Code § 65302.02(b)(3).

<sup>39</sup> Health and Safety Code § 40458.5.

understatement. The bill has even drawn criticism from environmental justice groups (the very constituency the bill claims to help).<sup>40</sup>

Critics believe AB 98 is an unfunded mandate that undermines the land use authority of cities and counties, even where policies are already in place to protect sensitive areas. Many view the bill as establishing statewide standards based on “worst-in-class” circumstances. Additionally, the bill’s limitations will push warehouse projects out of California and also discourage job-creating investments from considering the state. This shift exacerbates unemployment and poverty in regions that most need economic opportunities, ultimately diminishing Californians’ ability to prosper. In short, it is the opposition’s position that AB 98 “could lead to significant job losses, hinder economic growth, and worsen environmental outcomes due to increased transportation needs. The bill’s rigid requirements and lack of flexibility, such as no sunset clause and burdensome affordable housing provisions, could stifle industrial development and harm local economies.”<sup>41</sup>

Supporters of the bill believe that AB 98 is the culmination of years of debate over the environmental and health impacts associated with warehouses and logistics facilities. To this end, Assemblymembers Eloise Gomez (D-San Bernardino) and Juan Carrillo (D-Palmdale) (authors of AB 98) cite to outcries from communities where local governments have prioritized economic development over the quality of life and health of their communities as the impetus behind AB 98. To this end, Assemblymember Reyes stated:

AB 98 is the product of months of discussion and collaborations from environmental advocates, leaders in industry, labor, and dedicated public health advocates to raise the standards of warehouse development (and) a necessary compromise for communities and business entities alike.

We have tried to do as best we can, remembering that it’s the health of the residents of California that has to be the state’s top priority. Everything else is secondary.<sup>42</sup>

Perhaps because of the “gut and amend” approach taken in the 11<sup>th</sup> hour,<sup>43</sup> AB 98 is, at times, vague and inconsistent, leaving it to local jurisdictions to interpret and implement some of the bill’s more ambiguous provisions. It is also so broad that it would impact every city, requiring jurisdictions without logistics projects to update their Circulation Elements to account for truck routes within the next 1 to 2 years. Furthermore, AB 98 only authorizes trucks to travel on highways that predominately serve commercial uses – something not all communities have or can accommodate.

In order to address these concerns, there is a call for legislators to take up a recission or clean-up bill that identifies effective means of discouraging bad actors and supporting communities engaged in good land planning.

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<sup>40</sup> See Coalition opposition letter [here](#).

<sup>41</sup> See press release from California Business Properties Association [here](#).

<sup>42</sup> Dan Walters, *Warehouse regulation bill attracts strange bedfellows in support and opposition*, CalMatters, September 6, 2024 accessible [here](#).

<sup>43</sup> It is not unusual though for lawmakers to gut and amend bills late in the Legislative Cycle. However, AB 98 was so hastily drafted that there is already talk of clean-up legislation next year. The last-minute push for a complicated policy change with no input from local governments has frustrated city officials throughout the state per the [California League of Cities](#), that took the unusual step of publicly opposing the bill before it went to print.

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