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Environmental Alert

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California warehouses: Environmental regulations keep on trucking

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California's AB 98 mandates new design and build standards and consideration of truck routes for warehouses, with penalties for noncompliance and specific design requirements effective 2026 for some regions, and 2028 statewide.



What's the impact?

- AB 98 and the South Coast Air Quality Management District's ISR require warehouses to meet new standards to mitigate adverse air impacts from truck traffic, with penalties for noncompliance.
- Additionally, AB 98 mandates specific energy efficiency, noise mitigation, and truck routing plans for new or expanded warehouses, effective January 1, 2026.
- Cities and counties must update their circulation elements to include truck routes by 2028, with earlier deadlines and additional requirements for the Inland Empire region.

Since 2021, we've been reporting on how the South Coast Air Quality Management District (SCAQMD) enacted Rule 2305, known as the [Warehouse Indirect Source Rule](#) (ISR), as part of the

Warehouse Actions and Investments to Reduce Emissions (WAIRE) Program, in its efforts to curb contributions to air emissions from mobile sources (i.e., trucks) traveling to and from stationary sources (i.e., warehouses) throughout Southern California's Los Angeles, Riverside, and San Bernardino counties. That law is now in full effect, with Phase 3 warehouses of 100,000 to < 150,000 square feet required to have submitted their Annual WAIRE Report (AWR) for 2024 truck activity by January 31, 2025. Penalties can be up to \$10,000 per day for noncompliance, and SCAQMD confirmed it has [issued 475 violations](#) to operators for noncompliance to date.

This focus on warehouses and their adverse air emissions impacts on the neighborhoods that surround them is now California-wide. Effective on January 1, 2026, [Assembly Bill 98 \(AB 98\)](#) introduces new design and build standards for warehouses and the truck routes to and from them. AB 98 also requires most cities and counties to update their circulation element to include truck routes for the "warehouse concentration region" by January 1, 2026, and for the rest of the State by January 1, 2028.

Impacted facilities

AB 98 applies to warehouses that are new or expanded by at least twenty percent of the existing square footage, not including office space. Additionally, AB 98 creates specific exemptions for projects subject to a local entitlement process that commenced prior to September 30, 2024, or was approved by a local agency prior to AB 98's effective date.

Notably, the law does not apply to facilities where food or household goods are sold directly to consumers and are accessible to the public or to those primarily served by rail to move cargo goods or products.

Warehouse requirements

Design and build standards vary depending on a facility's size, location, and zoning. However, under AB 98, all covered facilities will be required to:

- / Comply with building energy efficiency standards specified in the California Code of Regulations;
- / Restrict development to roadways suited to handle the associated traffic and predominantly serve commercial uses (waivers possible when compliance with this requirement is impractical due to unique geographic, economic, or infrastructure-related reasons);
- / Implement light and noise mitigation measures;
- / Position entry gates into the loading truck court a minimum of 50 feet of total available stacking depth inside the property line;
- / Post anti-idling signs indicating a three-minute heavy-duty truck engine idling restriction

along entrances to the site and at the truck loading bays;

- / Post signs at heavy-duty truck exit driveways directing truck drivers to the truck route as indicated in the truck routing plan and the state highway system;
- / Have separate entrances for heavy-duty trucks;
- / Locate truck loading bays, entry, exit, and internal circulation away from sensitive receptors. Sensitive receptors are defined as residences, schools, daycares, publicly owned parks, playgrounds, and recreational areas primarily used by children, hospitals, and live-in facilities, such as nursing homes.

In addition, operators must establish a truck routing plan to and from the state highway system and submit it for approval by a city and/or county, and developers must replace any demolished housing unit occupied within the last ten years with two affordable housing units unless alternative requirements are met under the California Health & Safety Code.

Under AB 98, cities and counties are prohibited from approving the development of any warehouse that does not meet these conditions.

City and county requirements

AB 98 also requires most cities and counties to update their circulation element to include truck routes by January 1, 2028. Failure-to-do-so penalties will be enforceable by the attorney general, including imposition of a fine of up to \$50,000 every six months.

The circulation element must:

- / Identify and establish specific travel routes to safely accommodate additional truck traffic and avoid residential areas and sensitive receptors;
- / Maximize the use of interstate or state divided highways for truck routes;
- / Post conspicuous signage to identify truck routes, truck parking, and appropriate idling facility locations;
- / Make routes publicly available;
- / Provide opportunities and make a diligent effort to achieve public participation.

Additional requirements for cities and counties within the inland empire

AB 98 sets forth additional requirements for specific areas within California. Defined as the "warehouse concentration region," Riverside and San Bernardino counties and the cities of Chino, Colton, Fontana, Jurupa Valley, Moreno Valley, Ontario, Perris, Rancho Cucamonga, Redlands, Rialto, Riverside, and San Bernardino are required to update their circulation element

to include truck routes on or before January 1, 2026 (i.e., two years earlier than the required deadline for other municipalities).

AB 98 also requires the South Coast Air Quality Management District (AQMD), whose jurisdiction includes the warehouse concentration region, to deploy mobile air monitoring systems within Riverside and San Bernardino counties from January 1, 2026, to January 1, 2032, to measure air pollution. The data collected will be used to evaluate the impact of air pollution from warehouse operations on sensitive receptors. AQMD must submit interim findings to the Legislature by January 1, 2028, and its final findings by January 1, 2033.

Lastly, AQMD is required to establish a process for receiving community input on how any penalties collected for violation of its Warehouse ISR, officially known as the Warehouse Actions and Investments to Reduce Emissions (WAIRE) Program, are spent. Since 2023, AQMD has issued 475 violations to operators for noncompliance with this rule, which was adopted in 2021. AQMD states that those in violation can face civil penalties for each day they are out of compliance, with higher penalties available for negligent and intentional violations.

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