



# CALIFORNIA METALS COALITION

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September 7, 2024

The Honorable Gavin Newsom  
Governor, State of California  
1021 O Street, Suite 9000  
Sacramento, CA 95814

**RE: VETO AB 98 (Carillo/Reyes) – Planning and Zoning: Logistics Use: Truck Routes -California Metals Coalition Respectfully Requesting Your Veto**

Dear Governor Newsom:

On behalf of the California Metals Coalition (CMC), which represents an industry with nearly 4,000 metalworking facilities who employ more than 350,000 Californians with high-paying manufacturing jobs and health benefits that this industry provides as a pathway to the middle class for these Californians, we **Respectfully Urge Your VETO on AB 98**.

This bill would put severe limitations on warehouse development and significantly reduce local government control of planning and zoning logistics. AB 98 would regulate logistics and warehouse facility development in California in an attempt to address environmental and community health concerns.

However, this bill imposes rigid and impractical mandates that drastically reduces local control and economic growth, especially in our rural communities. Key stakeholders, including local governments, environmental justice organizations, manufacturers, and the broader business community, were excluded from the table. The Floor debate in both the Senate and Assembly clearly indicated that this bill is highly controversial with many Members from both sides of the aisle opposing AB 98 due to the impacts on their districts. The Senate passed AB 98 by 22-16 and the Assembly by 46-17 with 16 abstentions. AB 98 never received a policy hearing in the Assembly and was not fully debated in the closing minutes of the session.

**Finally, our major concern is AB 98's overly broad definition of "logistic use" which extends beyond warehouses to impact manufacturing facilities and any business using heavy-duty trucks.** AB 98 does not differentiate between warehouses solely for commerce and buildings used for both production and distribution. This broad scope has unintended and harmful consequences for the manufacturing sector and will negatively impact our housing, local government and air quality regulations resulting in the potential loss of jobs particularly in the rural parts of our state.

For these reasons and many more, the California Metals Coalition respectfully requests your VETO on AB 98 (Carrillo/Reyes) when this bill arrives on your desk.

Please let me know if you have any questions or if you would like additional information on the negative impacts that this bill would have on our state's small manufacturers, or you may contact our Legislative Advocate Lori Kammerer, Kammerer and Company at LoriKammerer@gmail.com or her cell (916) 716-5674.

Respectfully,



James Simonelli  
Executive Director  
California Metals Coalition

cc: Assemblymember Juan Carrillo (Author)  
Assemblymember Eloise Gomez Reyes, (Co-Author)  
Christine Aurre, Legislative Affairs Secretary, Office of Governor Newsom August 23, 2024