
SENATE COMMITTEE ON PUBLIC SAFETY

Senator Jesse Arreguín, Chair
2025 - 2026 Regular

Bill No: SB 1019 **Hearing Date:** April 21, 2026
Author: Grove
Version: March 25, 2026
Urgency: No **Fiscal:** Yes
Consultant: ML

Subject: *California Cargo Theft Task Force*

HISTORY

Source: BSNF Railway Company

Prior Legislation: Proposition 36, as approved by the voters on November 5, 2024
AB 1972 (Alanis), Ch. 167, Stats. of 2024
AB 1802 (Jones-Sawyer), Ch. 166, Stats. of 2024
AB 2943 (Zbur), Ch. 168, Stats. of 2024
AB 331 (Jones-Sawyer), Ch. 113, Stats. of 2021
AB 1065 (Jones-Sawyer), Ch. 803., Stats. of 2018

Support: Milwaukee Tool; Pacific Merchant Shipping

Opposition: None known

PURPOSE

The purpose of this bill is to require the Attorney General (AG) to establish the California Cargo Theft Task Force to investigate and prosecute cargo theft, report on trends and patterns related to cargo theft, and make recommendations for legislative or policy action related to criminal penalties.

Existing law states that every person who steals, takes, carries, leads, or drives away the personal property of another is guilty of theft. (Pen. Code, § 484, subd. (a).)

Existing law defines grand theft as theft of money, labor, real property, or personal property of a value exceeding \$950. Grand theft is a wobbler, punishable by imprisonment in a county jail not exceeding one year, or as a felony by imprisonment in the county jail for 16 months, two years, or three years. (Pen. Code, §§ 487, 489.)

Existing law provides that every person who steals, takes, or carries away cargo of another, if the cargo is taken of a value exceeding \$950, is guilty of grand theft. (Pen. Code, § 487h, subd. (a).)

Existing law provides that every person who enters any vessel, railroad car, locked or sealed cargo container, with intent to commit theft or any felony is guilty of burglary, a wobbler, punishable as a misdemeanor by imprisonment in the county jail for up to a year, or as a felony by imprisonment in the county jail for 16 months, two years, or three years. (Pen. Code, §§ 459, 461.)

Existing law defines “cargo” as any goods, wares, products, or manufactured merchandise that have been loaded into a trailer, railcar, or cargo container, awaiting or in transit. (Pen. Code, § 487h, subd. (b).)

Existing law defines “cargo container” as a receptacle with strong enough for repeated use, designed to facilitate the carriage of goods, fitted for handling from one mode of transport to another, designed to be easy to fill and empty, and having a cubic displacement of 1,000 cubic feet or more. (Pen. Code, § 458.)

Existing law, the Homelessness, Drug Addiction, and Theft Reduction Act, allows that in any case involving one or more acts of theft the value of property stolen may be aggregated into a single count or charge, with the sum of the value of all property being the value considered in determining the degree of theft. (Pen. Code, § 490.3.)

Existing law makes a person guilty of organized retail theft, punishable as a misdemeanor or a felony, as specified, if the person 1) acted in concert with one or more persons to steal merchandise from one or more merchant’s premises or online marketplaces with the intent to sell or return the merchandise for value; 2) acted in concert with two or more persons to receive, purchase, or possess merchandise knowing or believing it to have been stolen; 3) acted as an agent of another to steal merchandise from one or more merchant’s premises or online marketplaces as part of an organized plan to commit theft; or 4) recruited, coordinated, organized, supervised, directed, managed, or financed another to undertake acts of theft. (Pen. Code, § 490.4.)

Existing law, the Homelessness, Drug Addiction, and Theft Reduction Act, allows a sentencing enhancement of one, two, or three years to be applied when an offender acts in concert with two or more persons to take, attempt to take, damage, or destroy property, in the commission or attempted commission of a felony. (Pen. Code, § 12022.65.)

Existing law provides that every person who destroys any part of a railroad, including any structure or fixture attached to or connected with any railroad, is guilty of a misdemeanor punishable by imprisonment in the county jail not exceeding one year, or a felony, punishable by imprisonment in county jail for a period of 16 months, two, or three years. (Pen. Code, § 587.)

Existing law makes it a felony, punishable by imprisonment in a county jail for a term of two, three, or four years, to obstruct a railroad track that proximately results in either the damaging or derauling of any train or the injury of a rail passenger or employee. (Pen. Code, § 218.1.)

Existing law makes trespassing on a railroad or any transit related property a misdemeanor. (Pen. Code, § 369i.)

Existing law allows the Governor to appoint and commission, upon application by a railroad company, police officers to serve at the expense of the company that have the same powers and jurisdiction of peace officers, as specified. (Pub. Util. Code, § 8226.)

Existing law states that the railroad company responsible for designating these peace officers must also be responsible civilly for any abuse of their authority. (Pub. Util. Code, § 8226.)

Existing law requires California Highway Patrol (CHP), in coordination with the Department of Justice (DOJ), to convene a regional property crimes task force to assist local law enforcement in

counties identified as having elevated levels of property crime, including, but not limited to, organized retail theft, cargo theft, vehicle burglary, and theft of vehicle parts and accessories. (Pen. Code, § 13899.)

Existing law requires that the task force provide local law enforcement and railroad police in the identified region with logistical support and other law enforcement resources, including, but not limited to, personnel and equipment. (Pen. Code, § 13899.)

This bill requires the AG to establish the California Cargo Theft Task Force to combat crimes involving the theft, diversion, embezzlement, unlawful taking, or fraudulent acquisition of cargo or freight. Requires the task force to focus on offenses involving cargo moving in, constituting, or affecting interstate or intrastate commerce.

This bill requires that membership of the task force include a task force commander, two law enforcement investigators, two police or security professionals employed within the rail or freight transportation industry, and any additional law enforcement personnel designated by the AG.

This bill requires the task force to do all of the following:

- Meet regularly to review investigations and intelligence and to provide updates on ongoing cases to task force members.
- Investigate, apprehend, and recommend for prosecution, as appropriate, individuals or entities that engage in cargo theft or related offenses, including organized or repeat offenders and persons who knowingly facilitate, finance, or receive stolen cargo for financial gain.
- Investigate offenses or violations that are under the jurisdiction of the AG.
- Review, investigate, and recommend for prosecution appropriate cases referred by federal, state, or local law enforcement agencies.
- Coordinate with law enforcement agencies and industry stakeholders to identify emerging cargo theft trends and methods and to recommend prevention strategies.

This bill requires that on or before January 1, 2028, and each year thereafter, the AG must submit a report to the Governor, Legislature, and Secretary of State on the activities of the task force. Requires the report to include all of the following:

- A summary of investigations, prosecutions, and enforcement actions taken by the task force.
- Information regarding trends and patterns related to cargo theft in this state.
- The amount and type of stolen cargo recovered.
- Any recommendations for legislative or policy action relating to criminal penalties, enforcement tools, or interagency coordination to reduce cargo theft and protect the economy of this state.

This bill provides the following definitions:

- “Cargo” means merchandise, goods, or wares that are transported or intended to be transported in commerce, including goods at any stage of the supply chain from origin to final destination, whether the goods are moving or temporarily stored.

- “Cargo theft” includes the unlawful taking or appropriating of cargo or freight, including theft accomplished through fraud, deception, misrepresentation, or identity manipulation, from a commercial motor vehicle, trailer, railcar, intermodal container, warehouse, freight facility, distribution center, or other location within the supply chain, whether the cargo is moving in interstate or intrastate commerce.

COMMENTS

1. The Need For This Bill

The author writes:

Cargo theft is a growing threat to California’s supply chain, with organized criminal groups targeting highways, railyards, and distribution centers. SB 1019 creates a California Cargo Theft Task Force within the Department of Justice to combat organized and repeat cargo theft across the state’s supply chain. By creating a specialized, intelligence-driven unit, SB 1019 strengthens California’s ability to protect supply chains, safeguard businesses, and disrupt organized cargo theft, including operations targeting railyards and freight lines.

2. The Problem of Cargo Theft

CargoNet, a database of reported cargo theft incidents in the United States that serves retailers and business entities, recorded 3,594 supply chain crime events across the United States and Canada in 2025, essentially unchanged from the 3,607 events reported in 2024. (CargoNet, *2025 Supply Chain Risk Trends*, (Jan. 2025) <https://www.cargonet.com/news-and-events/cargonet-in-the-media/2025-theft-trends/> [accessed April 8, 2026].) CargoNet notes, however, that the value of the cargo stolen in 2025 has increased substantially since 2024. (*Id.*)

The author of this bill notes that “criminal crews monitor trains, break into containers when they slow or stop, and steal high-value goods—contributing to over \$100 million in railroad losses nationwide last year. This forces railroads to add heavy security, slows operations, leaves debris on tracks (creating safety risks), and causes widespread supply chain delays that raise costs for everyone.”

3. Existing Law Governing Cargo Theft in California

In California, every person who steals, takes, carries, leads, or drives away the personal property of another is guilty of theft. (Pen. Code, § 484, subd. (a).) Grand theft is theft of money, labor, real or personal property of a value exceeding \$950. Grand theft is a wobbler, punishable by imprisonment in a county jail not exceeding one year, or as a felony by imprisonment in the county jail for 16 months, two years, or three years (Pen. Code, § 487, 489.)

Every person who steals, takes, or carries away cargo of another, if the cargo’s value exceeds \$950, is guilty of grand theft. (Pen. Code, § 487h, subd. (a).) Every person who enters any vessel, railroad car, locked or sealed cargo container, with intent to commit theft or any felony is guilty of burglary, a wobbler, punishable as a misdemeanor by imprisonment in the county jail for up to a year, or as a felony by imprisonment in the county jail for 16 months, two years, or three years. (Pen. Code, §§ 459, 461.)

In 2021, AB 331 (Jones-Sawyer), Chapter 166, Statutes of 2024, created the crime of organized retail theft. A person is guilty of organized retail theft, punishable as a misdemeanor or a felony, as specified, if the person 1) acted in concert with one or more persons to steal merchandise from one or more merchant's premises or online marketplaces with the intent to sell or return the merchandise for value; 2) acted in concert with two or more persons to receive, purchase, or possess merchandise knowing or believing it to have been stolen; 3) acted as an agent of another to steal merchandise from one or more merchant's premises or online marketplaces as part of an organized plan to commit theft; or 4) recruited, coordinated, organized, supervised, directed, managed, or financed another to undertake acts of theft. (Pen. Code, § 490.4.)

Proposition 36, enacted by California's voters in 2024, allows that in any case involving one or more acts of theft the value of property or merchandise stolen may be aggregated into a single count or charge, with the sum of the value of all property or merchandise being the values considered in determining the degree of theft. (Pen. Code, § 490.3.) Proposition 36 also allows a sentencing enhancement of one, two, or three years to be applied when an offender acts in concert with two or more persons to take, attempt to take, damage, or destroy property, in the commission or attempted commission of a felony. (Pen. Code, § 12022.65.) Additionally, Proposition 36 made it so that anyone who commits petty theft and who has two or more prior theft convictions, as specified, is guilty of a wobbler for a first conviction and of a felony for any conviction thereafter. (Pen. Code, § 666.1.)

4. Federal Combating Organized Retail Crime Act

Congress is currently considering legislation, the Combating Organized Retail Crime Act, that would increase penalties for organized theft of goods in interstate commerce. (H. R. 2853.) In particular, it would allow the aggregation of value of goods stolen over a 12-month period and increase penalties for money laundering, among other provisions. It would also authorize the criminal forfeiture of any stolen property.

5. Existing Regional Property Crimes Task Force

In 2018, SB 1065 (Jones-Sawyer), Chapter 803, Statutes of 2018, established the Regional Property Crimes Task Force. The bill required CHP, in coordination with DOJ, to convene the task force to assist local law enforcement in counties identified by CHP as having elevated levels of property crime, including, but not limited to, organized retail theft and vehicle burglary. The task force was required to provide local law enforcement in the identified region with logistical support and other law enforcement resources, including personnel and equipment, as determined to be appropriate by the CHP Commissioner in consultation with task force members. (Pen. Code, § 13899.) AB 1972 (Alanis), Chapter 167, Statutes of 2024, required the regional property crimes task force to assist railroad police and added cargo theft as a category of crime for the task force to address. AB 1802 (Jones-Sawyer), Chapter 166, Statutes of 2024, eliminated a sunset provision in the task force statute and made the task force permanent.

6. The Effect of This Bill

This bill would establish a separate task force, the California Cargo Theft Task Force, to specifically address cargo theft. This bill requires the AG to establish the task force to combat crimes involving the theft, diversion, embezzlement, unlawful taking, or fraudulent acquisition

of cargo or freight. The task force would focus on offenses involving cargo moving in, constituting, or affecting interstate or intrastate commerce.

The membership of the task force must include a task force commander, two law enforcement investigators, two police or security professionals employed within the rail or freight transportation industry, and any additional law enforcement personnel designated by the AG.

This bill requires the task force to do all of the following:

- Meet regularly to review investigations and intelligence and to provide updates on ongoing cases to task force members.
- Investigate, apprehend, and recommend for prosecution, as appropriate, individuals or entities that engage in cargo theft or related offenses, including organized or repeat offenders and persons who knowingly facilitate, finance, or receive stolen cargo for financial gain.
- Investigate offenses or violations that are under the jurisdiction of the AG.
- Review, investigate, and recommend for prosecution appropriate cases referred by federal, state, or local law enforcement agencies.
- Coordinate with law enforcement agencies and industry stakeholders to identify emerging cargo theft trends and methods and to recommend prevention strategies.

This bill requires that by January 1, 2028, and each year thereafter, the AG must submit a report to the Governor, Legislature, and Secretary of State on the activities of the task force. The report must include all of the following:

- A summary of investigations, prosecutions, and enforcement actions taken by the task force.
- Information regarding trends and patterns related to cargo theft in this state.
- The amount and type of stolen cargo recovered.
- Any recommendations for legislative or policy action relating to criminal penalties, enforcement tools, or interagency coordination to reduce cargo theft and protect the economy of this state.

7. Policy Issues to Consider

a. Redundancy

A law enforcement task force in California dedicated to regional property theft, including, specifically, cargo theft, already exists. This bill could end up duplicating the function of that task force. The Committee may consider whether this task force is needed, when its duties and mission overlap with that of the existing task force. Further, the Committee may wish to evaluate the activities, effectiveness, and impact of the existing regional property crime task force, before establishing a second task force on this same or similar issue.

b. Data Collection

The task force is required to report on “trends and patterns” related to cargo theft in this state, but it is not required to collect data on this issue. This raises concerns that the task force may rely on

anecdotal data to inform its analysis. The Committee may consider whether to require the task force to collect reliable quantitative data on these issues to inform its analysis.

c. Recommendations

This task force is specifically charged with making recommendations for legislative or policy action related to criminal penalties. Given the massive recent changes in criminal penalties for theft offenses in California due to Proposition 36, the Committee may consider whether additional changes are needed at this time, before the state has had an opportunity to fully understand the impacts of Proposition 36 on theft crimes in the state.

8. Argument in Support

BNSF Railway writes:

From a railroad and freight transportation standpoint, cargo theft poses a growing and increasingly organized threat to the safe and efficient movement of goods across California. Freight rail networks are a critical backbone of the state's supply chain, connecting ports, distribution centers, and inland markets.

Unfortunately, critical rail infrastructure—including intermodal facilities, track, staging areas, and railcars themselves—has become a frequent target for sophisticated sabotage and theft operations that disrupt service, delay deliveries, and increase costs for businesses and consumers. Cutting brake lines, setting fires, damaging nonpriority trains to stop rail traffic such that high priority trains further back in line can be hit, climbing rail cars and opening them or cutting them open while the train is in motion, dumping huge quantities of packing material, trash, and unwanted goods onto the right of way in and around communities or in remote areas where cleanup is geographically unfeasible, threatening rail employees with deadly weapons, and more, are happening on California's railroads multiple times a day, every day. Routes heading to and from California's ports are particularly targeted, causing large shippers to choose alternative, non-California, ports to avoid the risk—even if the routes to market are longer and more expensive.

These incidents are not isolated. They are carried out by organized, coordinated groups that exploit gaps across jurisdictions and use evolving tactics, including fraud and identity manipulation, to access and divert cargo. Addressing this challenge requires a unified, statewide response that matches the scale and complexity of the problem.

This legislation provides that response. By establishing a dedicated task force within the AG's office, the bill will enhance coordination among state and local law enforcement, improve intelligence sharing, and support targeted investigations into organized cargo theft networks. Importantly, the inclusion of rail and freight industry professionals ensures that enforcement strategies are informed by operational realities and can be deployed effectively within active transportation environments.

The bill's broad definition of cargo—covering goods in transit and in temporary storage—appropriately reflects how modern supply chains operate, particularly in intermodal rail contexts. In addition, the task force's focus on trends, prevention strategies, and repeat offenders will help deter future incidents and strengthen overall system resilience.

Cargo theft not only impacts railroads and shippers, but also undermines California's economy, increases costs throughout the supply chain, and raises safety concerns for workers and surrounding communities. This bill represents a meaningful step toward addressing those risks through better coordination and enforcement.

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