

October 18, 2013

Mary Nichols, Chairman California Air Resources Board 1001 | Street Sacramento, CA 95812

## Dear Chairman Nichols:

The Yolo Solano Air Quality Management District (District) wishes to thank the California Air Resources Board (ARB) for the staff presentation on the state Truck and Bus regulation at our October 7 meeting in Davis. The meeting provided a public forum for District Board members and ARB staff to hear the concerns from the trucking community.

Early this year, our District Board formed a subcommittee to evaluate the local impacts of the regulation. The subcommittee remains concerned about the impacts of the rule on small fleets (1-3 vehicles) that operate within the District. Specifically the subcommittee is concerned with the following:

- 1) ARB outreach has not met the needs of small fleet operators. Currently ARB staff is working with a contractor to improve outreach to small fleets. Outreach should have been conducted on a continuous basis to allow for small fleets to take advantage of grant programs available to them. Providing outreach to fleets no longer eligible for grant funding as the compliance deadline looms does not address the funding problems these small businesses face.
- 2) The majority of the grant funding for the rule was awarded to large fleets. Small fleets should have been given priority to funding when the small fleets were eligible to receive grants to install particulate filters. With no current grant funding for filters available and the bulk of the non-compliant trucks coming from small fleets, there seems to be no way out for the at-risk businesses.
- 3) Within the District we have a high population of owner-operators who do not speak fluent English. We believe that despite ARB providing translated materials, effective outreach to the owner-operators who speak Spanish only was not provided. That lack of focused Spanish outreach disadvantaged minority-owned small businesses as grant funding was grabbed by large fleets. In our area, we believe these non-English speaking small fleet owners will be disproportionally harmed by the regulation unless effective assistance is achieved before penalties kick in.

For these reasons we ask you to direct staff to bring a revised regulation to the Board to delay the January 1, 2014, compliance deadline for small fleets. Extending the deadline and instituting additional changes listed below will level the playing field for the businesses most at risk of closure due to the rule.

In the event you do not direct staff to revise the regulation, we strongly urge you to adopt the following improvements during the implementation and enforcement of the regulation:

- 1) Adopt a process by which small fleets can request a waiver of the requirement to install a filter based on economic hardship.
- 2) Reopen the agricultural extension provisions approval period and increase the maximum number of trucks that can be approved.
- 3) Currently, the agricultural truck provisions are limited to trucks that only transport harvested agricultural products between the farm and the first point of processing. Consider expanding the agricultural provisions to apply to trucks that work partially in this activity or are involved in transporting agricultural products in other parts of the supply chain.
- 4) Reopen the low-mileage exemption and increase the allowable mileage. The allowable mileage should be evaluated based on current economic conditions and the cost effectiveness of controls.
- 5) Filter technology does not work well when installed on many agricultural or construction trucks. Simply put, these trucks do not get hot enough to burn off the particulates due to the fact that the majority of the trips they make are shorter trips. These short haul trucks are not suited for particulate filters, and can experience increased down-time as a result of having retrofit devices installed. We recommend providing truck operators in the agricultural and construction industry with an exemption from installing particulate filters if they demonstrate that the majority of their operations consist of short-haul trips.
- 6) Improve loan programs to provide truly low-cost or no-cost loans to small fleets. Average loan rates in ARB's PLACE Program exceed 11 percent. Many small fleet owners want to make a good-faith effort to comply with the requirements of the truck rule, but have credit histories that will not allow them to qualify for a conventional loan in order to purchase a particulate filter. The ARB could significantly improve the options for small fleets by working to make affordable loans more widely available to truck owners.
- 7) Much of the agricultural industry in California is seasonal in nature. For most crops, there is a small window of time during which the crops may be harvested and transported to a processing facility. At these times, growers can find it difficult to hire enough trucks to move their products in a timely way. Many older trucks are kept on hand to be used only during these times when the demand for truck transportation is the highest, and many single truck owners are employed as drivers only during these periods as well. As a result of the State Truck and Bus Regulation, it is likely that many of these vehicles will be retired from service and small fleet owners that work on a seasonal basis will choose to cease operating altogether, rather than retrofitting or replacing their trucks. This will severely constrain the ability of growers to harvest their crops and move them to market efficiently and profitably. ARB should provide relief for truck owners that drive limited miles and operate their vehicles on a seasonal basis to transport agricultural products.

Mary Nichols, Chairman California Air Resources Board October 18, 2013

If you have any questions regarding this correspondence please contact Executive Director Mat Ehrhardt at (530) 757-3673 or Skip Davies, the Chair of the Truck and Bus Subcommittee and Mayor of Woodland, at (530) 908-1781.

Sincerely, on faylor
Supervisor Don Saylor, Chair

Yolo Solano Air Quality Management District

Honorable Jerry Brown, Governor cc:

Richard Corey, Executive Officer CARB

Senate President Pro Tem Darrel Steinberg

Senator Lois Wolk

Senator Jim Nielson

Assemblymember Jim Frazier

Assemblymember Mariko Yamada

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