

March 11, 2022

California Air Resources Board
ATTN: Richard Corey, Executive Officer
1001 I Street
Sacramento, CA 95814

RE: Truck and Bus Regulation

Dear Mr. Corey,

The end of this year is the final phase of the On-Road Truck and Bus and Drayage Truck regulations requiring owners of trucks with MY 2007, 2008 and 2009 engines to upgrade to a MY 2010 or newer engine. During normal economic cycles this final phase could have been achieved without disruptions in the supply-chain; that is no longer true.

Both California's and the nation's economy are still adjusting to the effects from a global pandemic that has stressed supply chains worldwide and more importantly, led to insufficient production of new trucks primarily due to a worldwide shortage of components needed for final truck completion.

The well documented shortage of new truck availability has forced larger fleets to hold onto their older trucks for longer than is typical which in-turn has reduced the amount of used trucks in the secondary market causing prices of available trucks to skyrocket¹. In fact, ACT Research has reported that average used truck prices are currently up 83 percent compared to January 2021. Complicating this issue further is the fact that major OEMs have cut new truck build allocations to their dealer partners who have subsequently closed order books and will not accept any additional orders for new heavy duty vehicle builds at this time.

Truck owners unable to locate or purchase affordable used trucks will be forced from the marketplace, adding to the supply-chain difficulties that are a significant factor in the inflationary pressures facing our economy.

To assist these fleet owners, we request the California Air Resources Board (CARB) consider the following:

- A provision that would allow covered fleets to demonstrate intent to purchase of a used vehicle with similar compliance considerations that exist under the manufacturers delay provision in section 2025 (p)(8) of Article 4.5 in Title 13 of the California Code of Regulations.
- Provide for alternative documentation for delays in manufacturing where a dealer/manufacturer cannot provide a purchase order due to lack of build slots.

Providing this consideration in the final phase of the Truck and Bus Regulation will hopefully allow truck markets to return to pre-pandemic levels of availability and more importantly, affordability.

We appreciate your consideration and look forward to on-going dialogue regarding these supply chain challenges.

Sincerely, (see attached list of associations)

¹ ACT: Used Class 8 prices rise, trailer orders remain low. <https://www.fleetowner.com/equipment/trucks-trailers/article/21234819/used-class-8-truck-prices-increase-commercial-trailer-orders-remain-low>

Agricultural Transportation Coalition
Alliance for Safe, Efficient and Competitive Truck Transportation
American Home Furnishings Alliance
American Trucking Associations
California Cattlemen's Association
California Moving & Storage Association
California Retailers Association
California Tow Truck Association
California Trucking Association
Construction Industry Air Quality Coalition
Emergency Road Service Coalition of America
Harbor Trucking Association
National Association of Chemical Distributors
National Association of Small Trucking Companies
National Retail Federation
National Tank Truck Carriers
Nevada Trucking Association
North American Punjabi Trucking Association
Owner-Operator Independent Drivers Association
Southern California Contractors Association
The Expedite Association of North America
The Transportation and Logistics Council
Transportation Loss Prevention & Security Association
Truckload Carriers Association
United Contractors
Western States Trucking Association