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April 16, 2014

California Air Resources Board
PO Box 2815
Sacramento, CA 95812

Re: Proposed Amendments to Truck and Bus Rule, April 2014

Thank you for the opportunity to comment on proposed changes to the Truck and Bus Rule. I would like to urge the board to extend compliance deadlines and initiate more flexible phase-in programs for companies *which have already taken steps to modernize their fleets*. That is a very important provision. We've spent more than a million dollars and worked very hard to comply with CARB, and don't want to operate at a competitive disadvantage to companies which have done nothing to modernize their fleets and are profiting from the illegal operation of old, higher polluting equipment. However, I appreciate that firms who have made an effort may need a little more time to get everything in order.

Trucking is a small margin industry facing many regulatory and economic hurdles, and many firms were struggling in the midst of a historic national recession before CARB put the onus for cleaner air for every single Californian on the shoulders of an industry with a large percentage of independent owners and small family owned companies.

We are one such small company in a rural, economically challenged area of Northern California. When the CARB rules were initiated, we were in the middle of rotating our entire fleet. We had started to replace older vehicles in 2001, and continued to purchase one or two trucks a year. Even though all of the trucks and engines we bought were legal in California and authorized by CARB at the time of purchase, the Truck and Bus Rule meant that our new equipment was going to be obsolete much, much earlier than we expected.

Having just invested hundreds of thousands of dollars in new equipment over a 7 year period, we had to scramble to reorganize a fleet that was suddenly facing mandated early retirement. We have been working diligently to comply but it has been a VERY big struggle for a small family company.

In order to achieve compliance, we downsized our fleet, cutting two employee positions; retired 3 vehicles to qualify for grant replacement assistance; sold four vehicles; and purchased 8 new trucks,

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at a cost of more than \$1.2 million dollars. We are still struggling to find grant opportunities for a few trucks which need filters or replacement.

Which brings me to the challenge of dealing with state grant programs.

While I understand why CARB decentralized their grant application process, this system has created many difficulties for businesses. The CARB website has been much improved but it is still a bureaucratic adventure to track down grant opportunities at multiple air district sites, while navigating the varied rules and requirements of particular programs in specific districts.

We are a small company with a 3 person office. We had no experience in grants or grant applications. The paperwork burden encountered when applying for grants was tremendous and time consuming. The conflicting rules and requirements were complex and sometimes, baffling.

Perhaps if CARB had been able to simplify the process by working with the legislature to pass a significant tax credit or rebate for new equipment purchased for CARB compliance, similar to the federal Cash for Clunkers incentive program, some of the paperwork and confusion related to grant applications could have been avoided. It certainly would have saved businesses a lot of time and money and hundreds of employee hours. As much as I appreciate the help promised by grants, much of our experience trying to find grant funding has been an exercise in futility.

We have had conflicting advice, errors and miscommunication made by grant program staff, which I have experienced both in the Goods Movement and Moyer programs. Incomplete guidance from the board about extensions and compliance deadlines has impacted us negatively more than once in terms of missing out on significant grant opportunities.

At this point it appears the only grants available are for companies already in compliance. But companies already in 100% compliance don't need grants. It's an example of the circular, illogical practices we've run into as the Truck and Bus Rule was administrated.

In sum, our experience with grant funding has been very frustrating over all.

California took more than a decade to phase out and finally ban leaded gasoline. In comparison, the Truck and Bus Rule gave companies just over 3 years to begin complying. It was passed in December, 2008, and the first date for compliance was January, 2012. That is a very short time to comply with rules that fundamentally altered the equipment requirements of an entire industry.

Please take all of this into consideration of your decision. Our company has had a very short time to comply with these rules, but we have done so to the best of our ability. We are Californians who

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love our beautiful state and support cleaner air. We would like to see the state recognize that many companies are working diligently to comply with difficult regulations. Small trucking companies bring valuable jobs to many depressed regions. Reacting to sweeping regulatory changes takes time, and hopefully the state will recognize we may need more assistance before we reach state-mandated goals.

Respectfully submitted,

Kari Hartmann
KVS INC