



April 10, 2019

Sent via Electronic Transmission

Clerk of the Board
California Air Resources Board
1001 I Street
Sacramento, CA 95814

RE: OHRV 2019 - PROPOSED AMENDMENTS TO THE RED STICKER PROGRAM
FOR OFF-HIGHWAY RECREATIONAL VEHICLES

Dear California Air Resources Board:

AMA District 36 , Harden Off-Road, Wilsons Powersports, 707 Racing Suspension, Motion Pro, Pacific Motorsports, Factory Pipe, and the California Four Wheel Drive Association (Stakeholders) are submitting formal public comments in regards to the California Air Resources Board's (CARB or Board) Proposed Amendments to the Red Sticker Program for Off-Highway Recreation Vehicles (Report).

Stakeholders appreciate efforts by CARB staff over the last 6 years to engage off-highway recreation vehicle (OHRV) stakeholders to develop a proposal to eliminate the red sticker program and apply emissions controls to all OHRV in a manner that would minimize the impact on the OHRV industry, including manufacturers, dealers, and riders, while still providing needed emissions reductions.

Stakeholders understand and appreciate CARB's concern that the majority of non-street legal air emission non-compliant "Red Sticker" off-highway motorcycles (OHMC) sold in California are being purchased and used by a significant number of customers for non-competition general recreation such as casual trail riding on public lands.

As the Report states, there is a third class of OHRVs is defined by the California Health and Safety Code (HSC) section 43001, which exempts racing or "competition" vehicles from any emissions control set by CARB. Currently, both the EPA and CARB state the use of competition vehicles is limited to closed courses and competition events without allowing for competition-related practice riding to hone skill sets, develop muscle memory, increase endurance, and address vehicle tuning needs.

Over the years, motorcycle competition stakeholders have stated – to both the EPA and CARB - that practice riding on both public and private lands is a critical component of competition motorcycle riding just as practice driving is important to long-distance trophy truck racers and similar non-motorcycle or non-motorized competitors.

Unfortunately, it appears our efforts to communicate the importance of riders having access to meaningful practice for competition events on private, local, state, and federal lands is not being captured by EPA and CARB.

Stakeholders support sun setting the red sticker program in 2025. However, the proposed CARB regulation to reduce the number of air emission non-compliant competition motorcycles being used for general recreation and increase the number of air emission compliant “Green Sticker” motorcycles, must not forget that the sale, operation, and resale of competition motorcycles will rightfully continue. In addition, many off highway motorcycle models are evolving to on-highway cleanliness levels.

DMV records show there are approximately 200,000 Red Sticker OHVs registered in California with approximately 12,000 units sold each year. Those 200,000 Red Stickers generate in excess of \$5 million annually for State Parks, CHP, DMV, and direct payments to counties impacted by OHV recreation including competition. Competition motorcycles must continue the fiscal support to these agencies and the in-lieu payments to counties for OHV related land management, law enforcement, OHV registration, conservation, restoration, and youth safety programs.

As CARB knows, the 2017 Off-Highway Motor Vehicle Recreation (OHMVR) Commission Program Report states that OHV recreation has a \$20 billion dollar economic benefit to the State with a lot of those benefits being realized in rural communities. An important contributor to that figure is sanctioned competition off-road motorcycle events including practice riding to physically train and tune for a race. Often rural areas depend on the economic benefit derived from both competitors and spectators that attend competition events on both public and private lands.

Stakeholders are concerned the Report grossly underestimates fiscal impacts to dealerships, customers, and affected agencies since the Proposed Action Alternative (PA) does not include replacing the Red Sticker Program with a Competition Sticker or Decal Program that retains the 17 digit VIN (vehicle identification number). The VIN allows customers to obtain financing, title, and registration so they can afford to purchase, operate, and resell said vehicle. A new competition sticker or decal program will also continue fiscal support for OHV-related land management and law enforcement agencies.

The short timeframe to implement the CARB proposal by DMV and State Parks demands that state legislation be passed in 2019 and take effect on January 1, 2020. Only then will the affected agencies have time to effectively plan and implement the CARB regulation. All laws and procedures must be in place before the 2022 model year competition motorcycles arrive at the marketplace in the summer of 2021.

Stakeholders believe the CARB PA will have the practical effect of delegitimizing competition motorcycle events and related practice riding on public lands and driving said activity underground back to where it was in the late 1960s.

Stakeholders believe a “Competition Community” stakeholder alternative must be considered that minimizes the use of air emissions non-compliant competition motorcycles for general recreation and increases the number of emissions compliant “Green Sticker” motorcycles used for general recreation so the agency can meet its emission reduction goals. Key objectives of said stakeholder alternative include:

- *Ensure law enforcement has the ability to access vehicle ownership and registration for competition off-road motorcycles through use of a 17 digit VIN.. Additional benefit for financing and insuring competition labeled off-road motorcycles.*
- *Ensure competition off-road motorcycle owners fund OHV-related land management, restoration, law enforcement, vehicle registration, safety, education, and youth training programs.*
- *Disincentivize the purchase, operation, and resale of air emission non-compliant competition labeled off-road motorcycles being used for non-competition general recreation on public lands.*
- *Incentivize the purchase, operation, and resale air emissions compliant “Green Sticker” off-road motorcycles being used for general recreation.*
- *Allow for the purchase, operation, and resale of competition labeled off-road motorcycles for use by racers at sanctioned “closed-course” or skill-based off-road motorcycle competition events (i.e. GP, Hare Scrambles, Enduros, Trials, etc.) and for practicing for participation at sanctioned off-road motorcycle competition events.*
- *Establish an emission offset fund for competition sticker or decal program.*
- *Safeguard the future of off-road motorcycle races/events and related race practicing.*

COMPETITION STICKER PROGRAM CONCEPTS

Proposed \$108 Biennial (every two years) DMV Fee. Actual fee will be determined from documented use of competition vehicles on public lands after CARB regulation implementation in 2022 model year. Success of the CARB proposed regulation in reducing sales of competition OHVs will be a factor in setting the fee.

Fees collected/stickers issued by DMV using 17 digit VIN with “3” or “C” at eighth digit (same as current Red Sticker). OHV Division and many counties will receive a percentage of the fee increase with remaining fee monies to include pollution or wildfire emission reduction programs such as the California Climate Investments Program to offset the air emissions of competition vehicles on public lands. The Air Emissions Offset Program will be administered by California State Parks, the Off-Highway Motor Vehicle Recreation Commission and other appropriate state agencies.

CURRENT GREEN/RED STICKER BIENNIAL FEES		PROPOSED COMPETITION STICKER BIENNIAL FEES	
DMV	\$7	DMV	\$7
CHP	\$8	CHP	\$8
SP OHV DIVISION	\$33	SP OHV DIVISION	\$44
COUNTY IN-LIEU	\$4	COUNTY IN-LIEU	\$12
AIR EMISSIONS OFFSET PROGRAM	\$0	AIR EMISSIONS OFFSET PROGRAM	\$37
TOTAL	\$52	TOTAL	\$108

The \$108 two-year fee doubles the current \$52 two-year fee and would act as an incentive for the routine customer who is looking for a general recreation-oriented trail bike to not purchase a competition labeled bike.

Possession of Valid Membership Card from Sanctioning Body

Require possession of a valid membership card from a recognized motorcycle racing sanctioning body that holds competition events. *This is a requirement for competitors to enter a sanctioned motorcycle off-road event.*

The additional cost of this membership requirement will also act as a disincentive for the customer who simply wants to do casual trail riding.

Practicing on Public Lands

*Riders who practice on public lands will be required to be in possession of said card when practicing on public lands. **Practicing with a competition sticker vehicle will be restricted on public lands using the CARB “Red Sticker” seasonal riding schedule.***

Conclusion

Stakeholders believe the new Competition Sticker or Decal Program based on the aforementioned concepts will accomplish CARB’s stated objectives and safeguard the future of off-road competition motorcycle events and related practicing on public lands.

Stakeholders look forward to working with CARB and other stakeholders on this project.

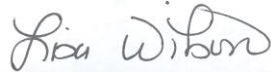
Respectfully submitted,



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Ross Liberty
Factory Pipe LLC

cc: California State Parks
California Department of Motor Vehicles
California Highway Patrol
California Sheriff's Association
Rural County Representatives of California
U.S. Forest Service, Region 5
BLM, California State Office
Motorcycle Industry Council
American Motorcyclist Association