



CALIFORNIA FARM BUREAU FEDERATION

GOVERNMENTAL AFFAIRS DIVISION

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October 22, 2018

Mary Nichols, Chair
California Air Resources Board
1001 I Street
Sacramento, CA 95814

RE: 18-8-7: San Joaquin Valley Supplement to the 2016 State Strategy for the State Implementation Plan

Dear Ms. Nichols:

The California Farm Bureau Federation (Farm Bureau) is writing to provide input as the California Air Resources Board (CARB) considers the San Joaquin Valley Supplement to the 2016 State Strategy for the State Implementation Plan (State Strategy). Farm Bureau represents more than 39,000 members as it strives to protect and improve the ability of farmers and ranchers engaged in production agriculture to provide a reliable supply of food and fiber through responsible stewardship of California's resources. Farmers in the San Joaquin Valley are being asked to contribute significantly to meet emission reduction goals included in the State Strategy and it is for this reason that Farm Bureau is writing.

Improving the air quality of the San Joaquin Valley is an important goal that Farm Bureau supports. The costs of making these improvements must be recognized as the State continues the efforts to reduce NOX and PM 2.5 emissions in the San Joaquin Valley. The "Accelerated Turnover of Agricultural Equipment" measure's goal of replacing 12,000 Tier 0, 1, and 2 tractors by 2024 will come at great expense. The full cost of replacing those tractors is expected to be more than \$700,000,000. It will be necessary to obtain a significant portion of this amount as incentive funds to help accelerate the turnover of the targeted tractors. Farm Bureau, and other agricultural organizations, have been instrumental in obtaining both state and federal incentive funds in the past to help incentive the replacement of older agricultural equipment. Farm Bureau remains committed to continuing its efforts to obtain additional incentive funds to help meet the goal. However, it must be recognized that agricultural organizations will need broad support from both within and outside of state government to obtain the funds necessary to achieve the goal.

It is also important to recognize the difficulties in trying to replace 2,400 tractors annually between now and 2024. It is unclear if manufacturers currently have the capacity to meet this demand. Tractors are made to order, so there is significant lag time between placing an order and receiving a tractor. Between 2009 and May of 2017, a total of 5,747 tractors were replaced through existing incentive programs, meaning the average annual replacement was approximately 675 tractors. To more than triple the expected replacements will be a challenge. This should be recognized prior to creating a rule requiring the replacement of tractors.

California's farmers and ranchers are committed to doing their part to clean the air but would ask the state to recognize the existing burdens being placed upon them. Farmers are already being required to replace their older diesel trucks by January 2023. Many of these trucks are used for limited periods and the cost of replacing these lower-use trucks will be significant when compared to their use. It also remains to be seen the full impact of the implementation of the State Groundwater Management Act (SGMA), which is likely to lead to changes in use of agricultural lands in the San Joaquin Valley, and the economic consequences of those changes. These expected costs add to the concern about the "Cleaner In-Use Agricultural Equipment" measure and highlight the need for a concerted effort to obtain incentive funds to meet the goal of replacing 12,000 tractors. Farm Bureau requests significant effort and focus be placed on incentives to meet the goal of replacing 12,000 tractors to eliminate the need for any rule to require tractor replacement.

Farm Bureau would like to share potential impacts the "Heavy-Duty Vehicle Inspection and Maintenance" measure may have on those in the agricultural community. California's livestock producers, particularly beef producers, rely on out-of-state trucks to ship their livestock. Beef cattle in California often graze at lower elevations during the late fall through early spring and then are moved to higher elevations, or out-of-state, during the late spring through early fall. This movement relies upon a significant number of trucks. It is unclear how the logistics of certifying out of state trucks for compliance with this measure would work and Farm Bureau is concerned about the loss of available trucks to move cattle to new feed. CARB has recognized the importance of having access to trucks during shipping and harvest seasons and has extended the length of time for repairs during these critical periods under its Heavy-Duty Vehicle Inspection and Maintenance Program. Farm Bureau would request a similar recognition if this program is to be adopted. Finally, it is also unclear what emissions reductions are expected from this measure. It is difficult to justify the potential burdens to California's farmers and ranchers without fully understanding the potential air quality benefits. Farm Bureau would request further information be provided on this point.

Farm Bureau appreciates the opportunity to comment on the State Strategy and is hopeful that it can be implemented in a way that reduces the burdens upon California's farmers and ranchers to the greatest extent possible.

Sincerely,

A handwritten signature in black ink, appearing to read "Noelle Cremers". The signature is fluid and cursive, with the first name "Noelle" written in a larger, more prominent script than the last name "Cremers".

Noelle G. Cremers
Senior Policy Advocate