



September 10th, 2020

Re: Agenda Item 20-10-1 Public Meeting on Community Emission Reduction Program for Wilmington, Carson, West Long Beach Community

Dear California Air Resources Board

On behalf of the undersigned organizations, we are writing to share our concerns about the recent announcement by the Port of Long Beach regarding the delay of implementation of the Clean Truck Fund Rate until 2021. The implementation of the rate would be the first of several rates outlined by the ports to reach the goal set by the Mayors of Los Angeles and Long Beach of attaining zero-emission trucks by 2035. For years, we have seen the economic and environmental problems facing our communities and port truck drivers due to misclassification and the massive environmental impacts on nearby communities. Delaying this process would only exacerbate our environmental crisis, and the Ports have a responsibility to reduce the impact that this industry has on our climate, workers, and communities.

The apparent decision to delay the implementation of the rate came as a surprise to many members of the community. Over the last three years, scores of organizations, community members, and misclassified truck drivers shared their stories and voiced their concerns during the development of the Clean Truck Fund Rate, yet Port of Long Beach's announcement to delay the rate was made with no public notice, no votes by either port commission, and no opportunity for the public to comment on this decision.

Immediate, strong and effective implementation of the Clean Truck Fund Rate is essential in order to bring cleaner air to some of the most polluted communities near the ports. For this reason, it is concerning to learn about this apparent decision and the lack of transparency in the process.

We would also like to reiterate our concerns with the rate as adopted by the San Pedro Bay Ports. The goal established by both Los Angeles and Long Beach Mayor's Garcetti and Garcia is to reach a zero-emission truck fleet by 2035. The 2017 Clean Air Action Plan defines the goal of the Clean Truck Fund Rate as to incentivize the transition to cleaner trucks, while simultaneously creating a fund large enough to help subsidize that transition. The \$10 per TEU rate does not meet either goal. The rate is not enough to encourage BCO's or fleet operators to transition to cleaner trucks. There would be no economic incentive to invest in green technology. By the ports' own estimates, the fund would only generate \$90 million per year. With more than 18,000 trucks in the Port Drayage Truck Registry, this would only fund a fraction of clean trucks per year.

Furthermore, the proposed Clean Truck Fund Rate does nothing to protect drayage truck drivers from unscrupulous trucking companies from passing along the fee to drivers. Illegal driver misclassification is the dominant business model for trucking companies operating the ports.

This industry has a well-documented history of unlawfully pushing operating costs onto the backs of drivers. Even Port of Los Angeles Commissioner Ed Renwick acknowledged as much in his defense of the \$10 Clean Truck Fund Rate when he stated that one of the factors in approving such a low rate was because although the BCO's will be assessed the rate, the industry is expert at passing along costs to drivers.

Due to the lack of clarity and transparency in the process, we ask you to help ensure accountability and demand the highest labor and environmental standards. It is imperative to urge the ports to implement the clean truck rate without delay in order to move forward with the port's zero-emission goals. Any decision made by the ports regarding the implementation of any part of the Clean Air Action Plan should be open to community input before a decision is made.

In addition, we also want to reiterate that the trucking industry should not continue to force drivers to bear the costs of clean trucks - new or old. As we know, misclassification is a scheme that allows trucking companies to increase their profits by passing along costs, including the cost of the clean truck program, to drivers. It is unlawful for trucking companies to require misclassified drivers to pay any business costs - including truck costs and any Clean Truck Program fees. In order to ensure that the Clean Truck Fund Rate - or any truck costs - do not continue to burden drivers, their families, and our communities, we must bring accountability and enforce the port's concession agreements. This will ensure that trucking companies at the Ports are not violating laws related to misclassification and wage theft. Finally, strong standards must be attached to any incentive fund agreements for new clean trucks, including those that will be created to disburse the Clean Truck Fund Rate fees collected.

We call upon the Air Resources Board to adopt regulations to address the problems outlined above related to the Clean Truck Fund Rate and driver misclassification. The ARB's own research shows that misclassification of truck drivers results in lower rates of compliance with emission standards. Only by creating and implementing strong standards for emissions and labor law compliance will we be able to reach the goals set by our Mayors to reach a zero emissions port truck fleet.

Thank you,

Signed:

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