



**MOTORCYCLE
INDUSTRY
COUNCIL®**



April 19, 2021

California Air Resources Board
Attn: Kathleen Mead, Lead
1001 I Street
Sacramento, CA 95814

Re: Comments of MIC, SVIA, and ROHVA to CARB's Proposed Mobile Source Certification and Compliance Fees

Dear Ms Mead:

The Motorcycle Industry Council (MIC), the Specialty Vehicle Institute of America (SVIA), and Recreational Off-Highway Vehicle Association (ROHVA) respectfully submit these comments regarding CARB's proposed mobile source certification and compliance fees for on-highway motorcycles (HMC), off-highway recreational vehicles (OHRV), and emission related aftermarket parts.

Executive Summary

Our associations and members have raised concerns about CARB's proposed certification and compliance fees over the course of multiple workshops, group and individual meetings, and letters during this regulatory development process begun in April 2019. We appreciate the reduction in proposed fees for aftermarket product manufacturers and for carry-over, partial carry-over, and low-volume engine families. However, these measures do not go far enough to alleviate the damaging and considerably high per-vehicle costs the proposed fees will create for many HMC and OHRV engine families.

CARB Should Extend Cost Reduction Measures

Measures to reduce cost, such as the proposed low volume engine family fee for HMC certification, are helpful to manufacturers. However, this rate must be extended to more than just three engine families per model year to significantly reduce the impact of the much higher proposed certification fees for new, carry-over, and partial carry-over engine families that do not qualify for the rate. Additionally, similarly discounted rates must be made available for small-volume engine families that exceed sales of 100 units per model year. For example, HMC engine families having CA sales of 101 – 150 units could be assessed a \$1308 certification fee and engine families having CA sales of 151 – 200 units could be assessed a \$1744 certification fee. Tiered low-volume engine family rates must also be available for OHRV certification. Extending measures such as these will go a long way in supporting continued product availability in California.

CARB Should Reduce High Per-Vehicle Cost

US EPA recently announced a 3.6 percent reduction in calendar year 2022 certification fees for HMC. While the reduction is small, in the eyes of manufacturers, it magnifies the considerably high fees that CARB is proposing to assess for certification of the same engine families. This magnification is increased when comparing the per-vehicle impact of CARB's proposed fees, which can exceed \$100, associated with a California market that is significantly smaller than that of the entire US. High per-vehicle costs work against product viability and force manufacturers to reconsider product offerings for California consumers. High per-vehicle costs and reduced product offerings serve to damage and not support California business.

Conclusion

In conclusion, manufacturers are not opposed to paying reasonable certification fees which support maintenance of broad product offerings and continuation of California businesses. Manufacturers have repeatedly stressed that CARB's proposed certification fees will result in high per-unit costs that will threaten California market HMC and OHRV product availability and continued business activity. CARB's proposal for low-volume HMC engine families is one way to reduce the number of engine families subject to high per-vehicle certification fees. Certification fee options such as this must be expanded.

Sincerely,



Eric Barnes
Vice President, Technical Programs

Cc: Jackie Lourenco, Branch Chief