

Eric Sauer-California Trucking Association

I would like to thank the Board Members for allowing me the opportunity to speak to you today.

CARB staff's bounding exercise included slow and fast economic recovery forecasts, but did not account for the possibility of flat or negative growth. The LAO explicitly presented an "L-shaped" recovery as a possible outcome of the recession. Cherry-picking only the most optimistic economic forecasts to project emissions clearly biased staff's report.

- There was no effort made to understand how freight rates are being impacted by the economy and how that, in turn, impacts a carrier's ability to comply with the regulations. It's no secret in our industry that major shippers, squeezed for cash by the recession, are looking to cut expenses out of the supply chain. The Transport Intermediaries Association reported a 7% growth in third party logistics billing. This means more dollars moving away from carriers to non-asset based brokers who do not own trucks and can cut rates because they do not bear the cost of complying with regulations such as these.

- Why was no study done to counterbalance the mortality risk from job losses against the mortality risk from PM2.5? This assumes the truck rule exists in a vacuum without a cost-benefit trade-off. While the Tran soap opera was bad, the fact there has been no effort since to grapple with the effect the truck rule will have on the health of Californians beyond the limited scope of Tran's report is worse. It's negligence, plain and simple. Any revision study must include this consideration.

- I'd like the Board to consider that, with VMT down at least 20%, freight tonnage at 12 year lows, and the biggest economic downturn since the Great Depression, staff just came back with a report that basically says "Situation Normal, no changes necessary". Given the massive hit that CARB's credibility has taken recently, this staff report was the first chance CARB has had to restore its reputation for fairness and transparency. I ask the Board, do you think this report succeeded in changing anybody's minds?