STATE CAPITOL P.O. BOX 942849 SACRAMENTO, CA 94249-0072 (916) 319-2072 FAX (916) 319-2172 DISTRICT OFFICE 210 WEST BIRCH STREET, SUITE 202 BREA, CA 92821 (714) 672-4734 FAX (714) 672-4737 Assembly California Legislature COMMITTEES TRANSPORTATION, VICE CHAIR INSURANCE BUDGET JOINT LEGISLATIVE BUDGET BUDGET SUBCOMMITTEE #2 -EDUCATION FINANCE

MICHAEL D. DUVALL ASSEMBLYMEMBER, SEVENTY-SECOND DISTRICT

July 20, 2007

Ms. Mary Nichols, Chair California Air Resources Board P.O. Box 2815 1001 I Street Sacramento, CA 95812

Re: Adoption of In Use Off-Road Diesel Regulations

Dear Ms. Nichols:

I am concerned that off-road diesel construction equipment regulations currently under consideration by the California Air Resources Board (CARB) would have a serious negative impact on California's infrastructure rebuilding efforts, the health of the state's construction industry and its overall economy, if approved in their current form.

Despite my full support for the goals of the proposed CARB regulation, in its current form it is simply not viable for several key reasons, including the vast differences in projected costs between CARB's \$3 billion estimate and the industry's claim of a \$13 billion impact; a projected statewide employment loss that could be as high as 34,000 jobs; a 5 percent decrease in the buying power of the infrastructure bonds; as well as the lack of available engine technology and a sufficient supply to meet the demand when they do come to market.

The good news is that a coalition of industry, infrastructure and Labor stakeholders has developed an alternative plan that will allow CARB to reach its goals while keeping California's rebuilding efforts and the state's economy moving forward. I am writing today to express my support for this plan and to ask you and the entire Board to adopt it.

Given the multi-billon dollar cost of this regulation, contractors should at least be given the opportunity to comply in the most reasonable and flexible manner possible. This alternative is the best way to achieve the desired emission reductions and minimize the cost to achieve the goal. I ask you and your fellow Board members to carefully consider this compelling alternative that will deliver to Californians the clean air they deserve and the infrastructure projects they have so rightfully demanded last November.

Thank you for your time and consideration.

utim Sincerely,

MIKE DUVALL Assemblyman, 72nd District

ORIGINAL: Copies: Board Clerk Executive Officer Chair