Tying Compliance with CARB’s Truck and Bus Regulation to DMV Registration

Informational Update
December 14, 2018
Presentation Overview

- New Law requires compliance for registration
- Truck and Bus Regulation (T&B) Overview
- Compliance Challenges
- New Law Implementation
- Enforcement Activities
- Next Steps
New Law Requires T&B Compliance for DMV Registration

Requires compliance demonstration prior to registration

Phases in verification starting January 1, 2020

Allows for temporary permits to operate while issues are resolved
Who Will Be Affected?

- 2023 is the final deadline for engine replacement
- Many fleets need to take action from 2020-2023 to stay in compliance

![bar chart showing number of trucks from 2020 to 2023]

- Number of Trucks
- 2020 2021 2022 2023
- 0 10000 20000 30000 40000 50000 60000 70000 80000 90000 100000
Truck and Bus Regulation

Approved in 2008 to protect health by reducing exposure to harmful particulate matter (PM) and oxides of nitrogen (NOx) emissions from trucks and buses

- Critical component of CARB’s Diesel Risk Reduction Plan
- Centerpiece of 2023 SIP strategy

<table>
<thead>
<tr>
<th>Applies to the 1M trucks and buses operating in California</th>
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<td>Medium- and heavy-duty trucks and buses</td>
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# Compliance Assistance

<table>
<thead>
<tr>
<th>General</th>
<th>One-on-One</th>
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<tr>
<td>• TruckStop website</td>
<td>• Diesel Hotline calls: 60,000-80,000 per year</td>
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<td>• Deadline reminders</td>
<td>• Emails: 20,000 per year</td>
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<td>• Funding outreach</td>
<td>• Training classes &amp; events: 50 per year</td>
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<td>• Truck Loan Program</td>
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Compliance has been a Challenge

Most fleets operating in California are small businesses - 20 or fewer trucks.

Recession significantly impacted the trucking industry, reducing new vehicle sales, and impacting fleets’ abilities to comply.

Regulation amended in response to comments and feedback from industry to provide flexibility.
Statewide PM2.5 Emissions from Vehicles Subject to T&B Rule

- Emissions prior to implementation of Truck and Bus Rule
- Excess emissions due to non-compliance
- Full Compliance w/ Truck and Bus Rule

Diesel PM Emissions (tpd)

- 2010: 25 tpd
- Today: 15 tpd (5 tpd due to non-compliance + 10 tpd with no further action)
- 2023: 10 tpd (5 tpd due to non-compliance + 5 tpd with no further action)
Statewide NOx Emissions from Vehicles Subject to T&B Rule

Emissions prior to implementation of Truck and Bus Rule

Excess emissions due to non-compliance

with no further action

Full Compliance w/ Truck and Bus Rule

NOx Emissions (tpd)

2010

Today

2023

CARB
Compliance Options in 2020

Not many compliance options left:

- 2010 model year or newer engine
- Commit to a flexibility provision
  - Low-use (<1,000 miles/year)
  - NOx exempt (have diesel particulate filters and operate only in limited areas)
Components of Successful Implementation

- New DMV registration process
- Compliant/exempt vehicle list
- Outreach and enforcement
- New T&B Compliance Verification Process
- Funding assistance
New Registration Process

CARB/DMV handshake. DMV checks:
- Vehicle model year
- Vehicle GVWR
- Exempt model codes
- CARB’s list of compliant/exempt vehicles

DMV sends registration renewal notice to:
- Compliant vehicles allowed to register
- Noncompliant vehicle owners notified of status

Noncompliant vehicles
- Referred to CARB for resolution
- Temporary permits to operate can be issued
Developing List of Compliant/Exempt Vehicles

- Includes all vehicles reported to CARB as compliant with T&B Regulation
- Includes trucks and buses subject to other regulations
- Others that can report through a vehicle verification form
  - Requires proof, subject to audit
Outreach Goals

Ensure regulated community knows what to expect

- Direct proactive outreach to compliant fleets
- Broad outreach for all regulated community and public
Direct Outreach to Compliant/Exempt Fleets

- CARB/DMV deadline reminders based on vehicle model year
- Mailers to exempt/otherwise compliant fleets who may need to report
- More operators on the diesel hotline
Broad Outreach

- DMV Outlets - Videos, posters, and distributable materials
- Industry Coordination – Magazines, newsletters, events
- TruckStop Website Redesign – Streamlined and intuitive
- Media Campaign – Multimedia projects
Media Campaign

- Digital video ads
- Digital banner ads
- Publications
- Radio ads
- Billboards
- Pump toppers
- Social media

Began November 2018
Funding Assistance

- Outreach provides information on funding options
- Compliant fleets are eligible for incentive funding
- Small fleets are eligible for loan assistance

Funding can help fleets attain compliance if they qualify
Promoting Incentive Programs

- Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP) and Low NOx Engine Incentives
- Carl Moyer Memorial Air Quality Standards Attainment Program
- AB 617 Funds
- Other Local funds
Truck Loan Assistance Program

- Low interest loans to truckers who need additional assistance
- $103 million from CARB and counting
- Leveraged $1.2 billion in financing
- Over 20,000 loans issued
The Role of Enforcement

- Identify noncompliance
- Notify responsible party
- Provide compliance assistance
- Take enforcement action if warranted
Enforcement Activities

- Goal is compliance for a level playing field
- Productivity has dramatically increased, but
- Tens of thousands of vehicles are currently not compliant
Enforcement Challenges

California Registered Vehicles
- 82,000 California registered vehicles not compliant today
- The average fleet size subject to enforcement is 2 vehicles

Out-of-State Vehicles
- Up to 260,000 noncompliant non-California registered vehicles are in fleets that operate in California
Streamlined Truck Enforcement Process

- Data driven process informed by vehicle registration, inspection, and compliance reporting data
- Using administrative enforcement procedures
  - Strict time limits to move cases quickly
  - All communications recorded in a database
  - Offer due process through administrative hearing
  - Assess penalties and request registration holds
Results to Date:
STEP Increasing Efficiency of Enforcement

- Five-fold increase in productivity: 20,000 vehicles/year
- 10,500 fleets covering 20,500 vehicles currently in process
- Registration holds issued to 10,000 vehicles
- $1.6 million in administrative penalties collected
  - Penalties assessed at $3,000 per vehicle
  - Penalties collected range $1,000 - $3,000 per vehicle
  - Unpaid penalties may be referred to court for judgment
    - Collection methods may follow
Enforcement Strategy

1. Focused enforcement

2. “Notice to Comply” letters to remaining noncompliant vehicles

3. Targeted warning letters to fleets with vehicles approaching noncompliance

4. Focus inspections on out-of-state vehicles
Focused Enforcement

- Enforcement on 35,000 vehicles by December 2019

- Focus
  - Chronic noncompliance
  - Oldest vehicles
  - Operating in disadvantaged communities
Notice to Comply and Warning Letters

- Send Notice to Comply Letters to remaining 47,000 noncompliant vehicles

- Send Warning Letters to 44,000 currently compliant vehicles that will become noncompliant in 2020

Approach
- Certified mail
- Specific identification of noncompliant vehicles
- Could be subject to enforcement action
- Provide compliance assistance information

- Registration will be withheld in 2020 as new law implemented
Out-of-State Vehicles

- Focus inspections at border crossings for noncompliant, non-CA registered vehicles
  - Field staff
  - Investigating use of automated license plate readers

- Enforcement
  - Issue and process citations
  - Identify fleets for audit and enforcement
  - Coordinate with US EPA
What Happens in 2020

- New law takes effect
- Program staff coordinate with DMV and withhold registration for noncompliant trucks and buses
- More than 80,000 California registered vehicles will be impacted
- Inspections will be focused at border crossings to create level playing field relative to out-of-state vehicles
Next Steps

- Continue working with DMV for a seamless process
- Education/Outreach on new process
- Continue enforcement efforts to address noncompliance
- Periodic Board updates on implementation
- Protect public health by getting dirty vehicles off the road!