



# California Legislature

August 12, 2024

Liane Randolph, Chair  
California Air Resources Board  
1001 I St.  
Sacramento, CA 95814

Dear Chair Randolph,

We are writing to convey our continued concerns regarding the confluence of multiple California Air Resources Board (CARB) rules that is leading to a severe inventory shortage at truck dealerships within the state. This letter follows previous correspondence from many of us to CARB in October 2023 and highlights the ongoing and increasing challenges posed by the Low NOx Omnibus and Advanced Clean Trucks regulation. CARB responded to this prior correspondence with a letter dated December 29, 2023.

We appreciate your ongoing engagement with stakeholders, however since your December 2023 letter, the situation has grown increasingly severe as many heavy-duty truck dealers are now facing an alarming 80-90% reduction in vehicle inventory for 2024. This reduction in inventory and new truck sales is exacerbating an existing backlog of new truck orders due to the supply chain impacts of the COVID-19 pandemic.

During the May 2024 CARB board meeting, numerous fleet operators reported their inability to purchase the internal combustion engine vehicles they require, despite there being no Zero Emission Vehicle (ZEV) alternatives available for those specific vehicle types and despite being legally permitted to buy combustion vehicles. This lack of available vehicles for purchase is not exclusive to one industry and extends across multiple vehicle classes and types.

The adverse impacts of this inventory shortage are extensive. Fleets unable to procure new trucks will be forced to use existing vehicles longer. This extended use of older and used vehicles will slow California's progress toward achieving carbon neutrality and meeting the NOx goals outlined in the Scoping Plan and State Implementation Plan, thus hindering our climate and air quality objectives.


As a result of severe inventory shortages, many dealers are considering significant layoffs of sales staff. Due to the unique nature of commercial truck sales (many vehicles require substantial upfitting and infrastructure deployment), the elimination of these positions will

harm California's ability to transition to cleaner technologies. Salespeople at California truck dealerships have built trusted relationships with fleet owners and operators, especially small fleet operators, over many years, which are essential in facilitating the transition to ZEVs. Salespeople can guide fleet operators through the availability of new ZEV models and assist with the complexities of charging infrastructure and other transition needs. Without these trusted advisors, fleets are less likely to transition to ZEVs, especially if they are not subject to the Advanced Clean Fleet regulations. The loss of these jobs not only affects the individual workers but also disrupts the entire ecosystem necessary for a smooth transition to cleaner technologies.

While widespread, this severe truck inventory shortage will hit small heavy-duty truck owner-operators the hardest, many of whom come from working-class and immigrant backgrounds. Smaller dealers, including those in rural areas and with unique areas of expertise, are also most heavily impacted. This supply chain is essential for transporting daily necessities to the people of California.

We look forward to your response and to understanding how CARB plans to address these critical issues.

Sincerely,



**HEALTH FLORA**

Assemblymember, 9<sup>th</sup> Assembly District



**JUAN ALANIS**

Assemblymember, 22<sup>nd</sup> Assembly District



**JASMEET BAINS**

Assemblymember, 35<sup>th</sup> Assembly District

Handwritten signature of Carlos Villapudua in black ink on a light gray background.

**CARLOS VILLAPUDUA**

Assemblymember, 13<sup>th</sup> Assembly District

Handwritten signature of Marie Alvarado-Gil in black ink.

**MARIE ALVARADO-GIL**

Senator, 4th Senate District