



To: All customers

### **What is CARB?**

CARB is an acronym for California Air Resources Board.

### **What does CARB do?**

CARB's Mission Statement: "Promote and protect public health, welfare and ecological resources through the effective and efficient reduction of air pollutants while recognizing and considering the effect on the economy of the state".

CARB oversees the activities of 35 local and regional air pollution control districts. These districts regulate, issue permits, and develop plans to ensure that industries in their area adhere to air quality mandates.

### **How does this affect the cost of transportation?**

California's legislators and regulatory bodies have passed laws and regulations requiring California transportation companies to perform costly retrofits; averaging \$15,000 per truck, and requiring some replacement. Even if the truck was well maintained, perfectly running and had years of useful life available. But if it does not meet CARB standards, it has to be replaced. Because of these regulations, MJB Freight Systems was forced to buy very expensive new trucks and retrofit others. The cost involved to remain compliant is substantial. MJB can no longer absorb 100% of the cost to maintain compliance and must apply a "CARB Compliance Fee" of \$4.90 per shipment effective November 1, 2016.

### **How Does This Affect You?**

CARB has recently audited businesses that hire or dispatch trucks. Carriers are subject to the Truck and Bus Regulation - to determine if those businesses verified compliance of the hired or dispatched trucks and kept appropriate records. Audited businesses that were unable to show written verification of compliance prior to hiring the vehicles were issued notices of violation.

CARB is in the process of settling the violations and is demanding penalties ranging from \$1,000 to \$10,000 for each year that the business used a carrier without verifying compliance with the Truck and Bus Regulation. For businesses that use multiple carriers, this can result in dozens of potential violations each year. How to verify compliance:

<https://www.arb.ca.gov/msprog/onrdiesel/tblookup.php>

<https://www.arb.ca.gov/enf/sb1402/policy.pdf>