

July 14, 2025

California Air Resources Board  
P.O. Box 2815  
Sacramento, CA 95812

**RE: Comments of the California New Car Dealers Association on the Proposed Amendments to the Advanced Clean Trucks (ACT) Regulation**

Dear Chair Randolph and Members of the Board,

The California New Car Dealers Association (CNCDA) is a statewide trade association representing the interests of roughly 1,200 franchised new car and truck dealer members. CNCDA members primarily engage in the sale and lease of new and used motor vehicles and provide customers with parts, service, and automotive repair.

California's new car and truck dealers are committed to supporting the state's transition to zero-emission vehicles (ZEVs) and cleaner combustion technologies. Dealers are at the forefront of the ZEV transition, ready to help consumers navigate purchasing ZEVs and cleaner technologies that meet their transportation needs. Our front-line experience has shown us that this transition is possible but must be undertaken in a way that maintains the trust of California fleet owners and consumers.

Despite our commitment to advancing ZEV adoption, California's dealers continue to grapple with an alarming shortage of medium- and heavy-duty vehicles. We've written to you several times about the deteriorating health of the marketplace, met with individual Board members, and testified at Board hearings on this. Our most recent letter, dated December 6, 2024, noted a staggering 79% drop in sales for Class 8 trucks for the month of August 2024, when compared to the prior year.

Since our December 6, 2024, letter, there have been substantial changes that greatly impact California's ability to effectuate CARB's planned ZEV transition. These changes include:

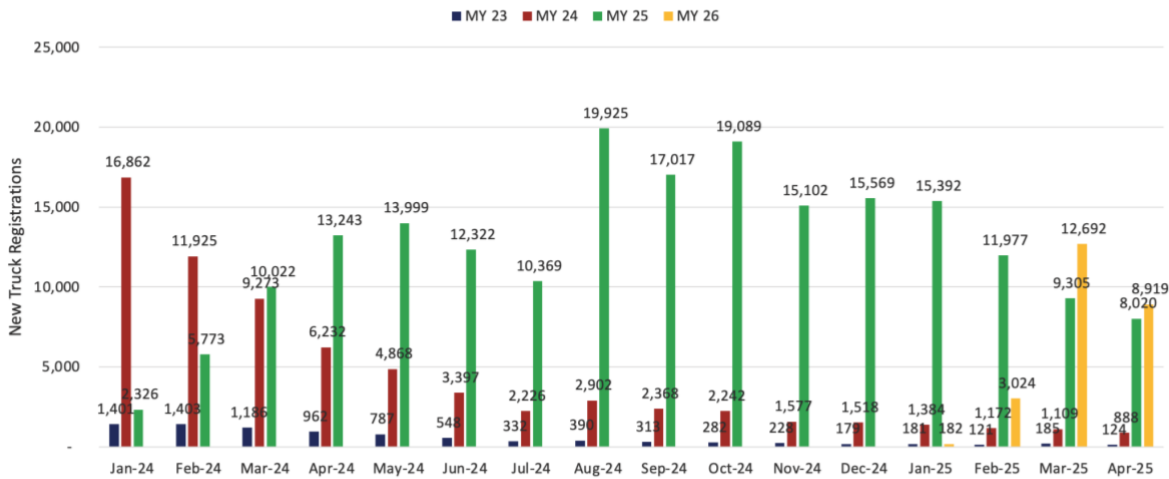
- CARB withdrew its waiver request for Advanced Clean Fleets (ACF) so cannot enforce portions of the rule that would require a federal waiver, including fleet purchase requirements.
- Multiple Section 177 states have suspended or delayed enforcement of ACT, such as Maryland, Massachusetts, Vermont, and Oregon.
- Congress invalidated ACT and the Omnibus NOx (NOx) waiver through the Congressional Review Act. Eliminating California's ability to enforce these regulations.

All three of these items served as foundations for California’s ability to implement and enforce the ACT rule. No more is that evident than was CARB’s justification for the ACF rule, considered a pillar to create the demand side of ZEVs to assist the success of the ACT rule.

The suspension of ACT by multiple Section 177 states and the invalidation of ACT and NOx by Congress has left California market isolated. This means that even though CARB may be able to enforce emissions requirements against manufacturers through the Clean Truck Partnership, manufacturers can choose to “comply” with these requirements by writing off the California marketplace.

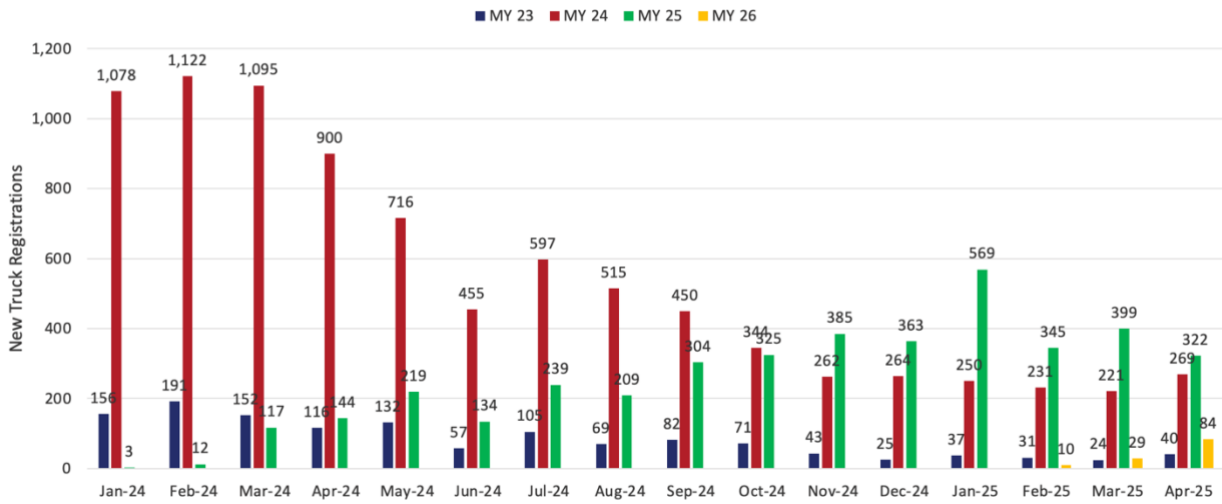
The tables below represent Class 8 sales data, illustrating the ongoing severity of the drop in California’s new model year sales compared with the nation from January 2024 through April 2025.

## US Excl. CA All Powertrain Class 8 Monthly Registrations by Model Year



Source: S&P Global Mobility

# California All Powertrain Class 8 Monthly Registrations by Model Year



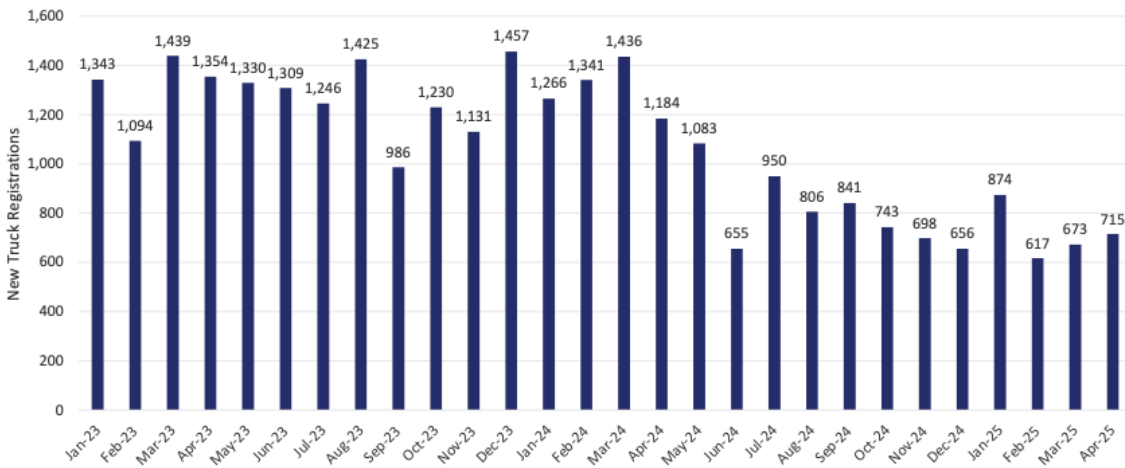
Source: S&P Global Mobility

There is a significant disparity between California and nationwide Class 8 vehicle sales. Nationally new truck sales are softening modestly, while in comparison, California continues to see much more depressed sales (down roughly 40% year-over-year). And the decline is even more acute with the most recent model year vehicles subject to ACT. The data continues to show that California truck sales are uniquely impacted by the CARB rules.

The table below further illustrates the continued depression of the Class 8 marketplace, when compared with the 2023 calendar year and first few months of 2024.<sup>1</sup>

<sup>1</sup> Even though ACT and NOx were effective January 2024, most dealer inventory for the first few months of 2024 was from the earlier compliance period.

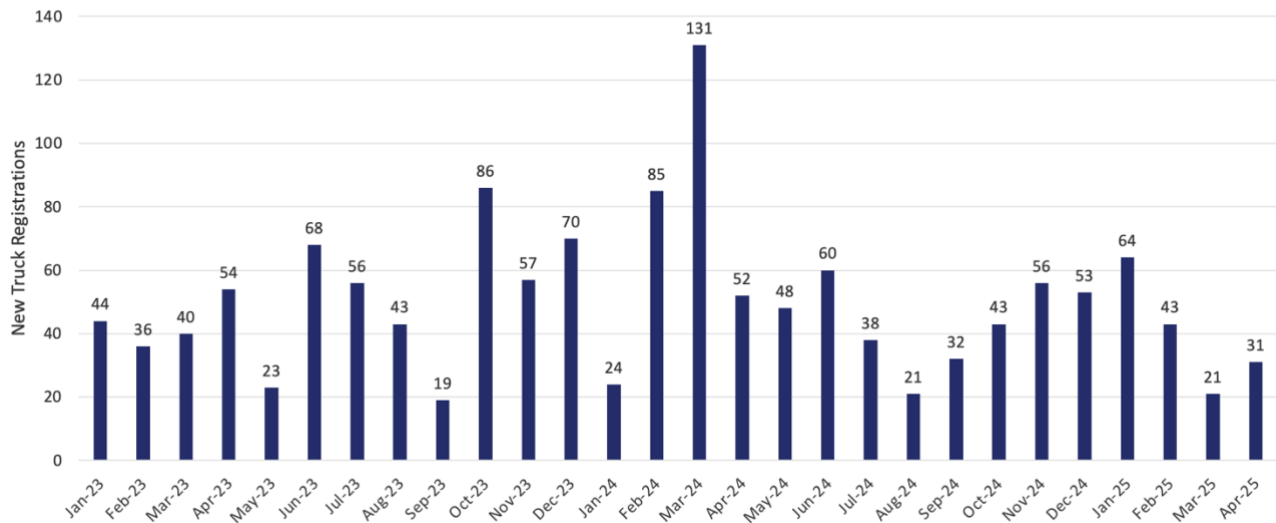
## California All Powertrain Class 8 Monthly Registrations



Source: S&P Global Mobility

And finally, the table below outlines Class 8 EV sales, which have largely remained flat since January 2023.

## California Electric Class 8 Monthly Registrations



Given these numbers and this data, CNCDA hopes that CARB will consider deeper changes to ACT that more substantially increase vehicle supply. CARB must closely monitor the health of the marketplace and consider likely real-world impacts following recent developments.

Without ACF and the broader Section 177 state marketplace, ACT is on a trajectory to further disrupt new truck sales, starving the state from the newer fuel-efficient technology.

Thank you for your attention to this critical issue. Should you have any questions or comments about this letter or CNCDA's position, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink that reads "Anthony Bento". The signature is written in a cursive, flowing style.

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Anthony Bento  
Chief Legal Officer  
California New Car Dealers Association