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*National Automobile Dealers Association*

8400 WESTPARK DRIVE • MCLEAN, VIRGINIA 22101

April 24, 1981

Director  
Standards and Regulations Division  
ANR-490  
U. S. Environmental Protection Agency  
401 M Street, S.W.  
Washington, D.C. 20460

RE: ONAC Docket 81-02  
(Medium and Heavy  
Trucks)

Dear Sir:

Enclosed please find written comments regarding Noise Emission Standards: Medium and Heavy Trucks and Truck-Mounted Solid Waste Compactors, pursuant to the notice appearing on March 19, 1981 at 46 FR 17558.

NADA appreciates the opportunity provide its views on this subject.

Very truly yours,  
WALTER E. HUIZENGA  
CHIEF COUNSEL

BY:

*Bruce R. Baker*  
Bruce R. Baker  
Staff Attorney

BRB/lt  
Enclosures

81-118

NATIONAL AUTOMOBILE DEALERS ASSOCIATION

COMMENTS ON  
NOISE EMISSION STANDARDS:  
MEDIUM AND HEAVY TRUCKS AND TRUCK-MOUNTED  
SOLID WASTE COMPACTORS  
(NH FRL 1786-7)  
ATTENTION: ONAC DOCKET 81-02  
TO THE  
U. S. ENVIRONMENTAL PROTECTION AGENCY

April 24, 1981  
Washington, D.C.

The National Automobile Dealers Association (NADA) is a trade association representing approximately 20,000 franchised new car and truck dealers across the United States. NADA members are engaged in the retail sale and service of both new and used motor vehicles, whether domestically produced or imported. The American Truck Division (ATD), which represents over 1,500 medium- and heavy-duty truck dealers carrying the nine major domestic and three imported lines, actively promotes the views of this vital segment of the retail motor vehicle industry.

Since its founding in 1917, NADA has consistently sought to protect the interests and rights of its dealer members before Congress and Federal regulatory agencies. NADA welcomes the opportunity to provide written comments to the U. S. Environmental Protection Agency (EPA) on Noise Emission Standards: Medium and Heavy Trucks and Truck-Mounted Solid Waste Compactors as appeared on March 19, 1981 at 46 FR 17558. This notice was a request for additional comments on whether or not to rescind the 80 dB regulation as set forth in the final rule for deferral of the effective date issued on January 27, 1981 at 46 FR 8497.

I. Introduction.

The retail automobile and truck industry is suffering from the worst recession since the close of the second World War.

Part of the depressed motor vehicle industry's problems stem from the burden of complying with numerous Federal regulations, which has been recognized by the past two Administrations. The cumulative effect of these regulations has been to dramatically escalate production costs which must ultimately be passed along to the purchaser.

Last year, President Carter established the Auto Industry Committee to examine the problems facing the automobile and truck industries and to propose workable solutions. In his report to the President, then Secretary of Transportation Neil Goldschmidt stated:

"Government has loaded the cost of social and environmental regulation onto automakers without a careful examination of the total cost or the cumulative effect...I do not believe we can allow this to continue."<sup>1/</sup>

In addition, President Reagan appointed a Cabinet-level Task Force to examine the problems of the domestic motor vehicle industry. Based on the advice of the Task Force, the President called for immediate regulatory relief, stating:

"The auto industry is also burdened with stringent regulatory requirements which add hundreds of dollars to the cost of each vehicle and billions of dollars to the industry's capital requirements."<sup>2/</sup>

The same report also carried a notice of intent transmitted to the FEDERAL REGISTER on April 6, 1981 by Acting EPA Administrator Walter C. Barber, Jr. On Page A-28,

the 80 dB noise standard for medium and heavy trucks is cited for further study on whether the rule should be deferred or rescinded. NADA supports this commitment for regulatory relief by the President, the Task Force, and the Acting Administrator, and calls upon EPA to rescind the noise standard for the reasons hereafter set forth.

II. Petitions for Reconsideration of 1982 Truck Noise Standard.

These comments support the positions expressed in the petitions for reconsideration of the 1982 noise standard of 80 dB for medium and heavy trucks which were filed by International Harvester Company and Mack Trucks, Incorporated. The standard was scheduled to be effective on January 1, 1982, but was deferred for one year in the notice published January 27, 1981 at 46 FR 8497.

International Harvester (IH) petitioned for reconsideration of 40 CFR Section 205.52(a) in a letter addressed to the Administrator on September 2, 1980. In that letter, IH stated that the 1982 standard is not cost justified and would be an unnecessary burden on the economy, individuals, on public and private organizations, and on state and local governments.

On November 7, 1980, Mack Trucks, Inc. (Mack) submitted a petition for reconsideration and stated that they echoed IH's concern that the standard would contribute more

to the inflationary forces than it would to public health. Supporting documents for both the IH and Mack requests were filed with those petitions or shortly thereafter. The arguments set forth in these petitions are summarized at 46 FR 8498.

The Agency has also received letters from some States in opposition to rescinding the 80 dB standard. Most felt that reduced noise would be a positive benefit to their citizens, but generally did so only in very general terms. The State of North Dakota opposed withdrawal of the 1982 standard, but admits in its letter that:

"We have no way of calculating the quantitative effect of truck noise levels on the overall equivalent noise level for a particular site, area or city."<sup>3/</sup>

This was typical of the approach taken by many States -- general opposition, but lack of sound evidence to support it.

NADA must defer to the expertise of the engineers at IH and Mack in analyzing the impact of the 80 dB standard on the population and the costs of achieving such a level. However, NADA must concur that, at least at this time, the cost-benefit of implementation is too high.

In Table 3.2 of the January 27 notice, it is estimated by EPA that compliance costs for medium-duty trucks would be \$307 per unit for gasoline powered vehicles; \$876

for diesel. For heavy-duty trucks, these figures would be \$269 and \$489, respectively. With more trucks switching to the diesel engines because of greater fuel economy, it will increasingly be the higher cost that is paid. EPA contends that these costs are counterbalanced by a reduction of costs due to a decline in truck sales. This is illogical and avoids the cost-effectiveness issue. To be consistent with this approach, EPA would have to agree that because fewer trucks are sold, the overall noise level would be decreased and the goals of having a lower noise standard would have already been met.

III. Specific Issues.

The January 26 notice sets forth 16 issues raised by the manufacturers to which EPA responds. These responses are answers to challenges raised by IH and Mack. While NADA supports the petitions of these manufacturers, it cannot address each issue raised. Likewise, NADA cannot speak for suppliers of component parts or state and local governments. However, certain issues do have some impact on truck dealers.

Issue 3.4 attempts to refute the burden on the trucking industry from higher interest rates than EPA predicted in 1975. The Agency states that the increase in the price of trucking services would not necessarily cause a loss of business. Perhaps this is true for commercial carriers, but not necessarily so for truck dealers.

Dealers have been hard hit by the increased prices and the excessively high interest rates which they must pay for vehicles in inventory. Sales of domestic heavy-duty trucks were down 21.6% for the first quarter of 1981 compared to 1980, which was a depressed year itself.<sup>4/</sup> Currently, truck sales are at a 14-year low.<sup>5/</sup> Because of increased prices and steep interest rates which have climbed above 20%, truck dealers cannot pass through all these costs, since customers are simply not buying trucks. Unlike carriers who compete with other forms of transportation, dealers compete only with other dealers. Based upon a February 1981 survey conducted by ATD, the average prime rate paid by dealers was 17%. The average sales price of a medium-duty truck was \$18,500 and the average for heavy-duty trucks was \$47,500. Because of high interest and slow sales, these vehicles were in inventory for an average of 101 and 89 days, respectively. Additional costs from compliance with an 80 dB standard can only slow sales further.

IV. Deferral of 1982 TMSWC Noise Standard.

The 76 dB noise emission standard for truck-mounted solid waste compactors (TMSWC) is related to the 80 dB level for truck chassis. On January 27, 1981, the effective date for this standard was deferred from July 1, 1982 to July 1, 1983 for compactors.

The truck-mounted solid waste compactor was identified as a major source of noise pollution under Section 5(b)(1) of

of the Noise Control Act of 1972, on May 28, 1975. Under Section 6 of that Act, the Administrator is required to prescribe regulations implementing noise emission standards for each product so identified. Because of recent downturns in the economic condition in the truck manufacturing industry, NADA and ATD support postponement of the TMSWC standard and urge EPA to consider further deferral similar to those previously expressed for medium and heavy trucks.

V. Conclusion.

NADA realizes that community noise is a complex problem made up of several different factors. Thus, it is appropriate that all noise sources be considered and treated equally in any noise reduction program. Noise reduction should take into account possible alternatives such as source reduction, barriers, land-use changes, building insulation and increased vehicle inspections. While medium and heavy trucks certainly contribute to community noise, they should not be singled out to bear the burden for all motor vehicles and other noise sources.

The President and Acting Administrator believe that this regulation requires additional study before implementation. Certainly any deferral beyond one year is welcomed and NADA supports the Administration in its program of regulatory relief and economic recovery for the United States motor vehicle industry. NADA urges EPA to utilize this time for further study of the program and more cost-effective alternatives.

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For these reasons, NADA supports the manufacturers' position in this matter.

NATIONAL AUTOMOBILE DEALERS  
ASSOCIATION

WALTER E. HUIZENGA  
CHIEF COUNSEL

BY:

*Bruce R. Baker*

Bruce R. Baker  
Staff Attorney  
8400 Westpark Drive  
McLean, Virginia 22102  
(703) 821-7033

FOOTNOTES ·

- 1/ The U. S. Automobile Industry, 1980, Report to the President from the Secretary of Transportation, January, 1981, p. 6.
- 2/ Actions to Help the U.S. Auto Industry, The White House, Office of the Press Secretary, April 6, 1981, p. 2.
- 3/ North Dakota State Department of Health, October 1, 1980. Letter from Stephen P. Charlton to U. S. Environmental Protection Agency.
- 4/ Ward's Automotive Reports, Vol. 56, No. 15, April 13, 1981, p. 114.
- 5/ MVMA Facts and Figures 1980, Motor Vehicle Manufacturers Association.