September 25, 2020

The Honorable Mitch McConnell Majority Leader U.S. Senate S-230, The Capitol Washington, D.C. 20510

The Honorable Charles E. Schumer Minority Leader U.S. Senate S-221, The Capitol Washington, D.C. 20510 The Honorable Nancy Pelosi Speaker U.S. House of Representatives H-232, The Capitol Washington, D.C. 20515

The Honorable Kevin McCarthy Minority Leader U.S. House of Representatives H-204, The Capitol Washington, D.C. 20515

Dear Leader McConnell, Leader Schumer, Speaker Pelosi, and Leader McCarthy:

As Congress considers legislation to respond to the coronavirus pandemic and assist with economic recovery, we are writing to request Congress suspend the 12% federal excise tax (FET) on the purchase of new heavy-duty trucks and trailers until the end of 2021. As representatives of the trucking industry and other important sectors of the economy, we believe that the suspension of the FET would serve as an extremely effective and immediate policy to spur the sales of newer cleaner trucks, which would retain jobs in the trucking sector and help rebuild our economy.

Truck sales in the United States are now predicted to decline by 50% in 2020¹ due to the pandemic. In March, Class 8 truck orders dropped by 52% compared to last year.² As a result of government-ordered closures, truck manufacturing plants and truck dealers have either suspended or scaled back operations. To jump start the economy after the pandemic, a suspension of the burdensome FET, which increases the cost of new heavy-duty trucks and trailers by \$22,000 on average, would immediately spark the purchase of heavy-duty trucks and trailers. In turn, this would help save or bring back the livelihoods of the 7.8 million Americans employed in jobs related to trucking.³

In addition to saving jobs, a suspension of the FET would spur sales of today's cleaner and safer heavy-duty trucks and trailers by making them more affordable during this difficult economic time. Over the past two decades, the trucking industry has made strong environmental gains, and today's heavy-duty trucks are cleaner than ever before. Cleaner fuel and engines utilizing advanced technologies have combined to reduce nitrogen oxide emissions by 97% and particulate matter emissions by 98%. Since 2010, more fuel-efficient diesel trucks have saved 101 million barrels of crude oil and reduced CO₂ emissions by 43 million tons. Suspension of the

¹ Dey, Esha. "U.S. Truck Retail Sales May Decline 50% This Year, Citi Predicts," Bloomberg (March 2020).

² Cannon, Joseph, "Navistar joins other OEMs in delaying truck production as truck orders hit 10 year low," Commercial Carrier Journal (April 2, 2020).

³ American Trucking Association. "Economics and Industry Data." (2018).

tax would also encourage the sale of newer trucks, which have the latest safety technologies that help reduce roadway crashes and related injuries and fatalities.

During this crisis, our nation has been more dependent than ever on our trucking fleet for delivery of goods and critical medical supplies, yet the average age of a truck on the road today is almost 10 years old. We believe the suspension of the FET can help both in keeping the nation well supplied and in rebuilding America's vital trucking industry and related employment. The organizations below are united in urging Congress to suspend the FET in any upcoming coronavirus legislation. Thank you for your consideration.

Sincerely,

National Organizations/Companies

American Truck Dealers – a division of the National Automobile Dealers Association Cummins Inc.

Daimler Trucks North America

Mack Trucks

Navistar Inc.

PACCAR Inc

Volvo Trucks North America

Agility Fuel Solutions

Agriculture and Food Transporters Conference of the American Trucking Associations

Allison Transmission Inc.

American Iron and Steel Institute

American Trucking Associations

Americans for Modern Transportation

ArcelorMittal USA

Automobile Carriers Conference of the American Trucking Associations

Baker Commodities Inc.

Bendix Commercial Vehicle Systems, LLC

Central Transport LLC

Diesel Technology Forum

Eaton

Environmental Solutions Group

Hexagon Composites

Howmet Aerospace – Alcoa® Wheels

Intermodal Association of North America

Knight-Swift Transportation

McNeilus Companies, Inc.

Momentum Fuel Technologies

Motor & Equipment Manufacturers Association

NAFA Fleet Management Association

National Association of Chemical Distributors

National Association of Trailer Manufacturers

National Association of Truckstop Operators

National Beer Wholesalers Association

National Ground Water Association

National Industrial Transportation League

National Private Truck Council

National Ready Mixed Concrete Association

National Retail Federation

National Tank Truck Carriers

National Trailer Dealers Association

National Waste & Recycling Association

NGVAmerica

North American Renderers Association

NTEA – The Association for the Work Truck Industry

Old Dominion Freight Line, Inc.

Oshkosh Corporation

PAM Transport Services, Inc.

Recology

Recreation Vehicle Dealers Association

Republic Services, Inc.

Schneider National, Inc.

Specialized Carriers & Rigging Association

Transportation Intermediaries Association

Truck and Engine Manufacturers Association

Truck Mixer Manufacturers Bureau

Truck Renting and Leasing Association

Truck Trailer Manufacturers Association

Truckload Carriers Association

Universal Logistics Holdings, Inc.

UPS

Volumetric Mixer Manufacturers Bureau

Waste Management

WCA Waste

Werner Enterprises

Western States Trucking Association

Women in Trucking Association, Inc.

State and Local Organizations/Companies (HQ Location)

Automobile Dealers Association of Alabama, Inc.

Alabama Trucking Association

Alaska Trucking Association

Arizona Automobile Dealers Association

Arizona Trucking Association

Arkansas Automobile Dealers Association

California Trucking Association

California New Car Dealers Association

Greater Los Angeles New Car Dealers Association

Orange County Automobile Dealers Association

Motiv Power Systems (Calif.)

Colorado Automobile Dealers Association

Colorado Motor Carriers Association

X3CNG Colorado LLC (Colo.)

Connecticut Automotive Retailers Association

Motor Transport Association of Connecticut

Delaware Motor Transport Association

Chesapeake Utilities Corporation (Del.)

Washington Area New Automobile Dealers Association

Florida Automobile Dealers Association

Florida Trucking Association

Peterson Industries, Inc. (Fla.)

Georgia Automobile Dealers Association

Georgia Motor Trucking Association

Hawaii Automobile Dealers Association

Hawaii Transportation Association

Idaho Automobile Dealers Association

Idaho Trucking Association

Illinois Automobile Dealers Association

Illinois Trucking Association

Best Way Disposal (Ind., Mich. and Ky.)

Automobile Dealers Association of Indiana

Decatur Hills Landfill (Ind.)

Indiana Motor Truck Association

Randolph Farms (Ind.)

South Side Landfill (Ind.)

Iowa Automobile Dealers Association

Iowa Motor Truck Association

McLaughlin Family Companies (Iowa)

New Way Trucks (Iowa)

Scranton Manufacturing, Inc. (Iowa)

Sparta Waste Services (Iowa)

Kansas Motor Carriers Association

Kentucky Automobile Dealers Association

Kentucky Trucking Association

Greater Louisville Automobile Dealers Association

Louisiana Automobile Dealers Association

Louisiana Motor Transport Association

Maine Automobile Dealers Association

Maine Motor Transport Association

Maryland Automobile Dealers Association

Maryland Chamber of Commerce

Maryland Motor Truck Association

Massachusetts State Automobile Dealers Association Inc

Trucking Association of Massachusetts

Detroit Automobile Dealers Association

Michigan Automobile Dealers Association

Michigan Trucking Association

Minnesota Automobile Dealers Association

Minnesota Trucking Association

Mississippi Trucking Association

Missouri Automobile Dealers Association

Automobile Dealers Association of Kansas City

St. Louis Auto Dealers Association

Missouri Trucking Association

Montana Automobile Dealers Association

Motor Carriers of Montana

Nebraska Trucking Association

Nevada Franchised Auto Dealers Association

Nevada Trucking Association

New Hampshire Automobile Dealers Association

New Hampshire Motor Transport Association

New Jersey Coalition of Automotive Retailers

New Jersey Motor Truck Association

New Mexico Trucking Association

Eastern New York Coalition of Automotive Retailers

Greater New York Automobile Dealers Assn.

Trucking Association of New York

North Carolina Automobile Dealers Association

North Carolina Chamber

North Carolina Trucking Association

Automobile Dealers Association of North Dakota

Pioneer Equipment Dealers Association (N.D.)

North Dakota Motor Carriers Association

Columbus Automobile Dealers Association

Dayton Area Auto Dealers Association

Ohio Automobile Dealers Association

Ohio Trucking Association

Toledo Automobile Dealers Association

Rumpke Consolidated Companies, Inc. (Ohio)

Oklahoma Automobile Dealers Association

Oklahoma Trucking Association

Oregon Automobile Dealers Association

Oregon Trucking Associations

Pennsylvania Automotive Association

Pennsylvania Chamber of Business and Industry

Pennsylvania Motor Truck Association

Rhode Island Automobile Dealers Association

Rhode Island Trucking Association

eNow (R.I.)

South Carolina Automobile Dealers Association

South Carolina Trucking Association

South Dakota Automobile Dealers Association

South Dakota Trucking Association

Tennessee Automotive Association

Tennessee Trucking Association

Texas Automobile Dealers Association

Texas Trucking Association

Austin Automobile Dealers Association

North Texas Automobile Dealers

Texas Natural Gas Vehicle Alliance

Freedom CNG (Texas)

Freedom Fuel Equipment (Texas)

Indumar Products (Texas)

Novus Wood (Texas)

WoodFuel.com (Texas)

New Car Dealers of Utah

AAL Enterprises (Utah)

Ogden Financial Group (Utah)

Ogden Polar Group (Utah)

Utah Trucking Association

Vermont Automobile Dealers Association

Vermont Truck & Bus Association

Virginia Automobile Dealers Association

Virginia Manufacturers Association

Virginia Trucking Association

Washington State Auto Dealers Association

Washington Trucking Associations

West Virginia Automobile Dealers Association

West Virginia Trucking Association

Wisconsin Automobile and Truck Dealers Association

Wisconsin Motor Carriers Association

Contract Transport Services, LLC (Wis.)

Manitowoc Disposal and Recycling (Wis.)

Wyoming Automobile Dealers Association

Wyoming Trucking Association

cc:

Hon. Charles Grassley, Chairman, Senate Committee on Finance

Hon. Ron Wyden, Ranking Member, Senate Committee on Finance

Hon. Richard Neal, Chairman, House Committee on Ways and Means

Hon. Kevin Brady, Ranking Member, House Committee on Ways and Means

Hon. John Barrasso, Chairman, Senate Committee on Environment and Public Works

Hon. Thomas Carper, Ranking Member, Senate Committee on Environment and Public Works

Hon. Peter DeFazio, Chairman, House Committee on Transportation and Infrastructure

Hon. Sam Graves, Ranking Member, House Committee on Transportation and Infrastructure

Hon. Roger Wicker, Chairman, Senate Committee on Commerce, Science, and Transportation

Hon. Maria Cantwell, Ranking Member, Senate Committee on Commerce, Science, and

Transportation

Hon. Frank Pallone, Chairman, House Committee on Energy and Commerce Hon. Greg Walden, Ranking Member, House Committee on Energy and Commerce