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Title: ***New California reefer regulations significantly affect brokers and forwarders nationwide***

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New regulations from the California Air Resources Board (CARB) will take effect on Jan. 1, 2013, and as a result, transportation brokers and freight forwarders will face significant implications.

Trucking companies who operate reefer containers in California should already be familiar with the new law, which requires all refrigeration units to be tested and registered with CARB before transport in California.

### **Changes for Brokers and Forwarders**

Starting Jan. 1, any company that arranges, hires, contracts for, or dispatches reefer-equipped trucks, tractor-trailers, shipping containers, or railcars for the transport of perishable goods on California highways or railways, must verify that the carrier is using a CARB-compliant container. The requirement applies to brokers and forwarders irrespective of where their actual business is located.

While brokers and forwarders are not required to physically inspect the container, they must verify CARB compliance. CARB suggests that carriers provide their ARBER certification page to show that the dispatched unit is 100% compliant. CARB recommends that brokers and forwarders provide notice to their carrier base that only those listed in the database will be considered when arranging freight that travels in California.

CARB also advises freight brokers to include language in contracts and load boards that any moves within California must use only CARB-compliant reefer equipment. In addition, the broker must provide contact information to any hired driver, so they may be reached if a truck is stopped for CARB-related enforcement.

### **Significant Penalties for Non-Compliance**

If a broker or forwarder is found in violation of CARB's regulation, they may be cited and subject to a penalty of \$1,000 per occurrence, per the provisions set forth in the California Health and Safety Code. CARB also urges that if a carrier is found in violation, the broker should ensure no further hiring of that carrier. Brokers and forwarders should also note that CARB provides for penalties of \$1,000 each for the shipper, consignee and the driver of the vehicle. This is in addition to the penalties assessed against the trucking company and the broker or forwarder. The fact that shippers and/or consignees may likely hold the broker or forwarder liable for any penalties they incur could serve to multiply the exposure for brokers and forwarders.

To view the notice on CARB's website, visit [http://www.arb.ca.gov/diesel/tru/documents/guidance\\_broker-shipper-receiver.pdf](http://www.arb.ca.gov/diesel/tru/documents/guidance_broker-shipper-receiver.pdf)



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