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May 25, 2022

Chair Randolph and Members of the Board California Air Resources Board

1001 | Street Sacramento, CA 95814

## **Re: Advanced Clean Cars II Regulation**

Dear Chair Randolph and Members of the Board,

The Advanced Clean Cars II (ACC II) regulation is one of the most critical steps our state can take in the next few years to ensure an equitable and accelerated transition from combustion vehicles to non-polluting ones. On behalf of the organizations signed below, we urge the Air Resources Board (CARB) to strengthen the ACC II rule to require zero emission vehicle (ZEV) sales and equity provisions to be consistent with the demands of the climate crisis and to support access to the benefits of the clean energy economy future for all residents.

The ACC II regulation empowers buyers by tipping the economies of scale to make electric cars more affordable and accessible to people that are hit first and worst by high gas prices, tailpipe pollution, and the climate crisis. By catalyzing investment and growth in the electric car industry, a stronger ACC II rule could create a massive economic stimulus resulting in <u>upwards of 350,000 new</u>, family supporting jobs, and ultimately have a multiplier effect on the wider economy by freeing up dollars to be spent in state on local goods and services instead.

However, the current ACC II proposal is not strong enough to fully achieve these opportunities by rapidly and equitably transforming the passenger vehicle market to zero-emissions. CARB must go further to develop an ACC II rule that prioritizes equitable outcomes that will support and create hundreds of thousands of good paying jobs, keep California competitive with the growing global ZEV marketplace, and dramatically drive down health costs by billions of dollars, improve access and affordability for low-income households, all while significantly reducing and ultimately eliminating tailpipe pollution. California's clean energy policy leadership helped make it the 5th biggest economy on the planet and a global leader in creating clean transportation products, services and technologies - with <u>many of them</u> <u>supplied by small businesses</u>. Before the pandemic, the state's electric vehicle industry employed <u>over</u> <u>275,000</u> workers with an average salary of <u>\$90,000+ a year</u>, and was growing almost twice as fast as jobs in general. Now, California is <u>quickly falling far behind</u> the rest of the world. Automakers have introduced more than <u>twice as many electric models in Europe compared to the U.S.</u>, and more than five times as many models in China. Automakers are shifting investments to governments where there are stronger policies, <u>driving up production and jobs in those regions</u>.

Equitable, affordable, pollution-free transportation will relieve the financial strain of gas prices and leave families with more money in their pockets to invest in their local communities. When lower-income groups experienced more rapid electric car adoption, their gains were larger than those of higher-income groups, and spurred an impressive multiplier effect. On average, a dollar saved at the gas pump and spent on the other goods and services will <u>create 16 times more jobs</u>. Strong sales targets can build on this progress and act as a massive stimulus for the state's economy.

Clean transportation is still the economic pillar most poised to lift us out of the economic crisis. But good American jobs and economic stimulation from the electric car marketplace will be slower to materialize unless we have bold leadership from CARB. To support a strong economic recovery and cut ties with volatile gasoline prices, we need an ACC II rule that achieves at least <u>75% electric car sales by 2030 and includes equity provisions that ensure car-makers increase affordability and access to pollution-free cars in frontline communities.</u>

CARB has a history and a responsibility of leadership in setting bold environmental standards that improve our health and quality of life. The ACC II rule is one of the most significant opportunities California has to address the state's number one source of dangerous air and climate pollutants and make us less reliant on expensive and volatile fossil fuels that wreak havoc on our family's budgets and economy. ARB's failure to meet this moment with aggressive action to cut climate-warming emissions will slow the transition to clean vehicles for everyone in the country. Please restore your leadership and put us all on a faster, more equitable path to 100 percent zero emission vehicles, breathable air, and a livable climate.

Sincerely,

Ruben Aronin Director California Business Alliance for a Clean Economy

Jason Anderson President and CEO Cleantech San Diego Larry Gross Executive Director Coalition for Economic Survival (CES)

Madeline Janis Executive Director Jobs to Move America

Adam Lane Vice President, Programs Los Angeles Business Council

Clay Sandidge Co-convened Long Beach Sustainable Business Network