



LOS ANGELES AREA
CHAMBER OF COMMERCE



Agricultural Council
of California





October 22, 2018

Rajinder Sahota
Assistant Division Chief -- Industrial Strategies Division
California Air Resources Board
1001 I Street
Sacramento, CA 95814

Dear Ms. Sahota,

As a group of concerned businesses and consumers in California, we are united in strongly opposing specific provisions of the proposed amendments to the regulation for administering cap-and-trade for the period of 2021 to 2030. Specifically, we believe the proposed price ceiling would fail entirely at its statutory purpose of controlling costs on households, businesses, and the overall economy.

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Assembly Bill 398 (Garcia, 2017) directs the California Air Resources Board (CARB) to include a price ceiling in the proposed regulation to control the prices of allowances. The legislation specifically directs CARB, when setting the price ceiling, to “avoid adverse impacts on resident households, businesses, and the state’s economy.” This important and straightforward direction reflects a widespread and bipartisan recognition that the costs of climate regulations must be managed in order for the regulations to be successful and avoid driving California consumers, workers, and businesses into insolvency.

Unfortunately, CARB is proposing to set a price ceiling nearly twice as high as experts recommend. This threatens to impose unaffordable, runaway costs on all Californians, and violates the legislative directions to “avoid adverse impacts.” This includes adding up to \$1.08 per gallon to the cost of gasoline, as well as potential cost increases on energy, food, and other necessities. These cost increases will dramatically impact California consumers, workers, and businesses who already contend with some of the highest costs of living in our nation.

For these reasons, we strongly oppose the lack of proper price-containment provisions in the proposed amendments. We ask CARB to consider an approach to cost-containment that is more aligned with the Legislature’s direction in AB 398.

Thank you for your consideration.

Greater Bakersfield Chamber of Commerce	American Pistachio Growers
California Farm Bureau Federation	California Citrus Mutual
Central Valley Latino Mayors and Elected Officials Coalition	Western Plant Health Association
California Fresh Fruit Association	North Orange County Chamber
Los Angeles Area Chamber of Commerce	California Rice
Latino Business Association	California Tomato Growers Association
Long Beach Area Chamber of Commerce	Fontana Chamber of Commerce
Valley Industry & Commerce Association	California Dairies Inc.
California Fuels & Convenience Alliance	Central Valley Business Federation
Nisei Farmers League	Fresno County Farm Bureau
Climate Change Policy Coalition	FARWEST Equipment Dealers Association
The Chamber – Greater Coachella Valley	Inland Empire Economic Partnership
Regional Chamber of Commerce San Gabriel Valley	Escondido Chamber of Commerce
Agricultural Council of California	Harbor Association of Industry & Commerce
Regional Hispanic Chamber of Commerce	South Bay Association of Chambers of Commerce
San Gabriel Valley Economic Partnership	Garden Grove Chamber of Commerce
Stanislaus County Farm Bureau	Redondo Beach Chamber of Commerce & Visitor Center
Tulare County Farm Bureau	Hispanic 100
California Hispanic Chambers of Commerce	Fresno Chamber of Commerce
Orange County Business Council	African-American Farmers of California
Orange County Hispanic Chamber of Commerce	Southwest California Legislative Council
Camarillo Chamber of Commerce	California Cut Flower Commission
	Madera County Farm Bureau

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