

April 13, 2009

Mary Nichols
Chair, California Air Resources Board
1001 I Street
Sacramento, CA 95814

ORIGINAL
Copies:

Board Clerk
Executive Officer
Chair

RE: Meeting Request – Low Carbon Fuel Standard – Concerns from California's Small Businesses

We are writing on behalf of the AB 32 Small Business Coalition with great concern about the AB 32 process, and about the Low Carbon Fuel Standard (LCFS) that is set to be adopted this month as one of the first major regulations under AB 32 implementation. We believe that small businesses could be at great risk under the new LCFS regulation, and yet these impacts have not been fully analyzed by the California Air Resources Board (CARB) – despite the fast-approaching date for adoption.

In passing the Scoping Plan, CARB made a commitment to minimize the impacts of AB 32 to our state's small businesses – but we are highly concerned that the Low Carbon Fuel Standard has been pushed forward on a rushed timeline without demonstrating how the regulation will meet AB 32's stated goal of minimizing costs and maximizing benefits. Without proper analysis and precaution, the LCFS could put California's fuel supplies at risk leading to higher gasoline and diesel prices, and severe impacts on small businesses.

The adopting resolution for the Scoping Plan specifically called for a re-evaluation of cost-effectiveness and impacts to small business, to be delivered by December 31, 2009. However, this information should be completed and made available prior to designing regulations that will fundamentally alter California's economic and social landscape.

Before moving forward with the LCFS, the small business community would like to make sure that CARB first meets three conditions: 1) fully evaluate the cost-effectiveness of the regulation, 2) ensure that the regulation will protect competitive equality for California's businesses, and 3) ensure that the benefits of economic growth that were promised in the AB 32 legislation are real before approving massive new costs and regulations.

As representatives of California's small business community, we would like to help ensure that AB 32 is implemented in the most cost-effective way that meets the environmental goals of the law. In that regard, we respectfully request a meeting to discuss our concerns regarding the LCFS and how to best move forward without having an adverse effect on California small businesses and jobs. Please contact Alison Stauffer at (916)498-7730 or astauffer@ka-pow.com to arrange a meeting at your earliest convenience.

Thank you for your attention to this very important issue.

Sincerely,

Roy Perez
California Hispanic Chamber of Commerce

Edwin Lombard
California Black Chamber of Commerce

John Kabateck
National Federation of Independent Business – California

CC: Linda Adams
Susan Kennedy
James Goldstene