

James Duran
9-4-4

James Duran
Chair, California Hispanic Chambers of Commerce Legislative Affairs Committee and member of
the Hispanic Chamber of Commerce of Silicon Valley
April 23, 2009

My name is James Duran, and I'm the Chair of the California Hispanic Chambers of Commerce Legislative Affairs Committee, and also a member of the Hispanic Chamber of Commerce of Silicon Valley.

I've been here before, asking for objective and realistic answers to what AB 32 global warming reduction policies are going to cost. Each time I've been told the real economic analysis would happen as each individual rule is considered.

Now you're considering the first major rule under AB 32 and it looks like you're still not doing the analysis necessary to truly figure out what the Low Carbon Fuel Standard will cost, whether the technology is or will be available, and what the impacts will be on the environment and public health.

Members of the public, like me, couldn't even see your staff's report until today – so the process is not only apparently deficient, it's also not in the least bit transparent.

Here's what I know just from reading the papers and checking what is publicly available. A new study of your staff's analysis says this fuel standard will cost almost \$4 billion a year. It says your staff's assumptions were based on theories, not real data or experience. It also says that because of the plan's heavy reliance on corn ethanol, we'll also get a significant increase in the emissions that cause smog.

Here's what else I know. Unemployment in California rose to 11.2% in March – a new record. In the Silicon Valley, where I'm from, it's doubled in the last year. We are already looking at tax increases, fee increases, and higher costs all around at the same time we're suffering from the recession. We can't afford higher fuel costs, we can't afford to replace our personal and business vehicles with the ones your plan is counting on to get the emissions reductions – even if they do turn out to be available soon, which is doubtful.

And we can't afford to rush into this rule without proper study. Please continue this item until such time as your staff has answered the critical questions about cost and other impacts.

Thank you.