

**STATEMENT FOR THE RECORD**

**BEFORE THE CALIFORNIA AIR RESOURCES BOARD**

**ON**

**SMALL BUSINESS GROWTH IN RELATION TO PROPOSED FUEL  
EFFICIENCY STANDARDS**

**ON JANUARY 26, 2012**

**JOHN RUUD  
CO-OWNER  
BM BUILDERS**

**3-Minute Version**

Good afternoon. My name is John Ruud. I own BM Builders, a full-service construction firm in Los Angeles, CA. As a small business owner who is LEED certified in building and construction, I know firsthand about the benefits of improving fuel economy.

Strengthening fuel efficiency standards for cars and light trucks would cut operation costs for my business. I'm aware that purchasing more fuel-efficient vehicles can have an upfront cost; However, the likely reduction in the long-term operation costs of these vehicles would far outweigh the cost of purchasing them. We use a lot of vehicles in our work, and as the fleet grows, , we will be better positioned to boost our bottom line and expand the business if improved fuel standards have been secured.

In a tough economy, bolstering fuel efficiency standards is something lawmakers could enact immediately to help small businesses. Put simply, higher fuel economy standards can help entrepreneurs like me save money, money that can help us grow our business and create jobs.

I recently saw a survey from Small Business Majority that found 80% of California small business owners believe it is important for the federal government to take action now to increase fuel efficiency in cars and light trucks. Fifty-six percent of California small business owners said it was *very* important to raise these standards.

Small Business Majority's poll also revealed just how strong small business owners would like to see fuel standards become over the next few years: Four in five California small business owners said they would support raising requirements to 60 mpg by 2025—an even higher standard than the 54.5 mpg rule President Obama proposed in November 2011. With 69% of California entrepreneurs surveyed saying that American car companies do not innovate enough and 79% agreeing the federal government should do more to encourage this innovation.

What's more, 82% of California small business owners agree that improving innovation and energy efficiency are good ways to increase prosperity for small firms in our state and the nation as a whole.

California must continue to lead the way in making sure these standards are met, because Small Business Majority's poll found that California entrepreneurs see the rising costs of doing business as one of their primary business concerns—and that includes the cost of fuel. As illustrated by our business, improved fuel economy standards have the power to cut our long-term operational costs, and potentially to boost our bottom line.

In summary, higher fuel standards could help BM Builders save significantly on operational costs, savings that can be reinvested in the expansion of the business. Better standards would broaden the array of fuel-efficient vehicles available to our business, increasing choice and ultimately decreasing cost. The proposed fuel economy standards are a win-win for Californians and Americans at large. Thank you.

