

12/5/08

CO 12-75

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

ORIGINAL: Board Clerk
Copies: Executive Officer
Chair

Dear Ms. Nichols:

As a small business owner I am very concerned about the current state of the economy and my ability to maintain and grow my business. California already imposes a number of taxes on businesses and while I think it is important to protect the environment it must not come at the expense of the growing the economy.

Like many small businesses these difficult times force us to make difficult decisions. I do not want to lay off workers or reduce salaries or benefits, but if I am saddled with higher energy costs, additional taxes and fees I will have to make some tough choices.

My business is a small growing business already feeling the gouges from today's economy. Last Christmas I was laid off from a job I had for 15 years due to the economy. Fortunately, the opportunity arose for me to run my own motorcycle repair shop. New fees and higher taxes would flat out put me out of business. Being self employed, that would leave me with nothing.

As you consider the best way to implement California's climate change program, I urge you to take into account California's struggling small businesses. The proposed plan your agency has put forth increases taxes, energy costs, fuel costs, vehicle costs and building costs, which will all hurt small businesses.

In addition, many of the implementation measures you are suggesting require billions of dollars in capital investments and annual operating cost increases. Many of us cannot afford the required upfront investments and do not have the luxury of waiting several years to see returns on these investments.

I encourage you to adopt a balanced, cost-effective climate change plan that does not impose an impossible burden on small businesses and consumers. By using the most cost-effective strategies to minimize greenhouse gas emissions we can reduce global warming while also protecting California's companies, jobs and the economy.

Sincerely,



Marcell Engstrom
Small Business Owner
R&R Customs
San Andreas, CA 95249