

Amisha Patel
08-10-2



December 10, 2008

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

RE: Comments on the CARB Scoping Plan and Economic Analysis

Dear Ms. Nichols:

The California Chamber of Commerce is the largest business advocate in California, representing over 16,000 businesses statewide. CalChamber is concerned that the state's climate program will lose its credibility if the shortcomings of the economic analysis are not adequately addressed. Without a realistic assessment of the impact the scoping plan will have on existing jobs in our state, we are certain that California will be headed down a path that will slow economic recovery and a long term solution to the budget crisis as well as reduce our competitiveness for years to come.

The current budgetary issues have posed great challenges for California's businesses. If CARB does not accurately study the full ramifications of what is proposed in the scoping plan as outlined in the peer review and LAO Analysis, the state will experience increased unemployment rates and an exacerbated recession. We understand that CARB believes climate regulation may bring new green jobs to the state; however, the reality is that this plan will drive up costs for companies currently providing high quality jobs to Californians. This is effectively a redistribution of wealth that will result in job loss in the short run and create additional harm in an already troubled economy. Although the CalChamber is very supportive of building a strong green business sector in the state, it is important that we retain our existing industries and help them meet their AB 32 goals. The Board should make it a priority to explain how the state will mitigate the negative impact of its AB 32 implementation plan on California's employers, its workers and small businesses during crippling economic times. Additionally, we urge the Board to address the various concerns and issues brought forth by the peer reviewers, Legislative Analyst's Office, and the Analysis Group by commissioning a study to address the true impact on business and jobs in our state.

California's climate program would also benefit from a comparative analysis that studies the impacts of various alternatives and options to what is proposed in the scoping plan. This comparative analysis will help the Board make informed decisions so we can ensure the State is choosing the least cost route that allows for maximum environmental benefit.

Lastly, we respectfully ask you to revisit the scoping plan and update it as the federal government takes an increasing role on the climate change front. We support President-Elect Obama's pledge to put more funding into cleaner fuels and technology research to increase our knowledge and development of green technologies. It would be better to leverage these funds in developing our program rather than increasing near term costs on existing businesses. If California is to be a true leader in green technology and in the fight against climate change it is important that we take advantage of national efforts and potential investment to boost our economy and help our businesses meet their regulatory targets. The

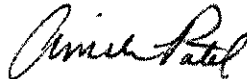
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CalChamber would like to work with the CARB Board and staff on ways to further strengthen our technology development and green sector.

With other nations and states closely watching California, we cannot afford to move in the wrong direction. We need an implementation plan that others will follow. CalChamber is committed to working on the implementation of AB 32 and ensuring that we remain competitive in the world while reducing global greenhouse gas emissions. We hope we can continue to provide constructive feedback throughout this process as it is in the benefit of all California businesses and consumers that we get this right.

Please feel free to contact me with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Amisha Patel". The signature is fluid and cursive, with the first name being more prominent.

Amisha Patel
Policy Advocate

cc: Members of the California Air Resources Board
Linda Adams, Secretary of CalEPA