



CALIFORNIA

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November 8, 2024

NFIB Testimony before the California Air Resources Board meeting on November 8, 2024, in Riverside, submitted to ww2.arb.ca.gov/applications/public-comments

Good afternoon, Tim Taylor with the National Federation of Independent Business.

First of all, I'd like to thank Judy Nottoli with CARB, who does a great job in her role of reaching out and engaging with the business community, including NFIB.

California's economic engine is fueled in large part by small businesses. Over 95% of all businesses are small businesses and they generate about half of the country's GDP.

I want to be clear that we are not opposed to the greenhouse gas emissions goals of the state, but the choice today is not one of endorsing a zero-emissions, electrification of the state, it's one of subsidizing bio-fuels.

When we speak with our small business members throughout California, they express great concerns about the cost increases associated with these LCFS proposed amendments. Specifically, they cite the potentially massive gasoline price hikes and the adverse impacts those increases will have on their businesses and the rippling effect it will have on all Californians, without actually improving the air quality of the state.

Originally CARB had indicated that these amendments could increase prices at the pump by some 47 cents a gallon. Later, CARB revised that number, which seems to have been confirmed today, and indicated that the cost increase may be negligible. What changed? What is the new methodology or inputs that account for that revision?

Currently, California pays the highest prices for gasoline at the pump—about a \$1.69 over the national average. Tacking on an additional 50 cents to that number would be crushing to small businesses.

Employees and employers who already face inflationary hardships and soaring rents would find their already expensive commutes even more economically challenging.

Additionally, the downstream economic impact on the entire supply chain could be staggering, further driving up the costs of goods and services throughout California.

It's challenging to understand how these amendments will improve the lives of Californians. NFIB believes that these amendments will not improve our air quality but will certainly exacerbate the economic woes of our small business owners and their employees.

NFIB respectfully asks for a no vote on these proposed amendments.

Sincerely,

A handwritten signature in black ink, appearing to read "Tim Taylor". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Tim Taylor
Legislative Director
National Federation of Independent Business (NFIB)