

The Black Chamber of Commerce has been engaging to the greatest extent possible for quite some time. It has been an eye opening experience.

We support the goals of AB 32 but are concerned about the costs associated with its implementation. From the beginning we have been asking for a meaningful economic analysis that would disclose what AB 32 policies would cost our members and what the time frame would be. We have never gotten a satisfactory answer.

The economic analysis prepared for the scoping plan showed – in the fine print – billions of dollars in costs but concluded that somehow there would be no financial burden to anyone. This is because it averaged all the costs over many years and offset them by estimated energy efficiency savings over the same time period. What was conspicuously missing was how those costs would be spread out in the near and mid term, and how those costs would be allocated. That economic analysis was and is meaningless, and the publicized conclusions have been at best misleading.

Our concerns were mirrored by the Legislative Analyst and the CARB's independent peer reviewers. These highly respected folks basically said CARB's economic analysis was seriously flawed and should not be relied upon by either government or the public. They said the costs were severely understated, and could put some small businesses – like our members – out of business.

CARB has also ignored the current economic conditions we are all facing in California, unemployment over 10%, higher taxes and less services to close the budget gap, the mortgage crisis, and the unavailability of credit.

The small, minority-owned businesses that make up our membership are already struggling to keep their doors open and have been hit hard by these other economic conditions. Even under the best of circumstances California rates as one of the worst places to do business in the country, because of its high taxes and costly regulations – not the least of which are environmental laws already on the books independent of AB 32.

So when we see billions of dollars on the line for carbon reduction when other states and other countries are proceeding more cautiously in light of the economic realities, and California in what appears to be a total state of denial, you can bet we worry.

We tried for years to get a seat at the table but were refused representation on CARB's economic justice advisory committee because staff didn't think we were the right kind of representatives. We were limited to two or three minutes at public meetings after waiting in line for hours and then told to keep it short since we weren't saying anything new.

When we've gotten any response at all to our questions, we've been told not to worry, there were going to be plenty of new green jobs to go around. With all due respect, we haven't seen any evidence of how many green jobs are going to be created, and whether or not they will even be in California. California's been losing manufacturing jobs for a long time now, and other states and countries are getting our businesses and jobs because they offer a better chance to actually stay in business once you get there.

I want to say one other thing about green jobs. The Scoping Plan said that for low income workers, which make up a big part of our members' workforce, won't need any new training for THEIR new green jobs – they'll be largely in health care, retail, food service and the hospitality business. In other words, unskilled or low-skilled workers will have the same low-wage jobs, just in a facility that's labeled "green" instead of "business as usual." And I don't have to tell you that with today's unemployment rates, you're going to have to come up with a heck of a lot of jobs right away to re-employ even a portion of the folks who've already lost their jobs and benefits.

As I said earlier, we support the goals of AB 32.

We haven't asked, like some, for AB 32 to be overturned. What we have asked is that the process be slowed down to a responsible pace so the necessary economic analysis could be completed and regulations adopted that wouldn't put a lot of folks out of business and hurt our economy any more than it's already hurting. We've been told that's impossible because of statutory deadlines. That's somewhat baffling, because the law also requires that AB 32 regulations be cost effective, minimize leakage, and take care not to disproportionately impact low income communities – again – where many of our stakeholders fit in. You can't use statutory deadlines as an excuse to enact bad policies without doing your homework, but then ignore the very statutory provisions that require you to do that homework. You can't have it both ways.

That's why the Black Chamber is a sponsor of SB 295 – it doesn't ask to stop AB 32, but to wait until the economy is in better condition to bear the costs of implementation. It's tied to the unemployment rate – which right now is higher than it's been in 25 years or so.

For whatever reason, it seems the Legislature has not been getting the whole story about the impacts of AB 32 or the concerns of the community about what it will cost. Since CARB has chosen to hide behind parts of the law rather than face the alarming economic risks associated with AB 32 implementation, we've had to take it to the Legislature. We take the economic threat of AB 32 that seriously.

Even if you don't like SB 295, you have GOT to do something to get this thing back on track so it will be done right. You've got to get the answers to the tough questions BEFORE you get too far down the road on policies that will cost billions, put folks out of business and out of work, and not do much to reduce carbon emissions since no one else is proceeding at this pace. You might not like the answers and it might splash some cold water on your timetable, but it's the only responsible thing to do.

Even without AB 32 California has the strictest environmental regulations in the country. None of those regulations or the progress they are making towards cleaner air and water will go away or slow down if AB 32's timetable is adjusted. And by taking the time to do the necessary research we'll be moving AB 32 forward the RIGHT way. And that's what's most important to the ultimate success of the program anyway.

You're talking about real business, real people in real communities. We're asking you to protect our jobs and our quality of life with the same zeal with which you are trying to protect the planet from carbon. Thank you.