



AB 32 Implementation Group



Working Toward Greenhouse Gas Emission Reductions
And Enhancing California's Competitiveness

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CARB APPROVES AB 32 PLAN COSTING BILLIONS DESPITE FLAWS IN ECONOMIC ANALYSIS

SACRAMENTO – Resolving to do a better economic analysis next year, the California Air Resources Board (CARB) today approved a Scoping Plan for AB 32 (Global Warming Solutions Act) that will force billions of dollars in higher costs on to consumers and businesses.

“While we are encouraged the resolutions accepted today call for further economic analysis of the implementation of AB 32, we are disappointed CARB did not take into account the work of the Legislative Analysts’ Office (LAO) and a peer review panel, of leading climate change economists, to develop a scoping plan based on a valid economic study before the vote today,” stated Dorothy Rothrock, co-chair of the AB 32 Implementation Group, a statewide coalition of more than 180 business organizations.

“We believe the information offered by the LAO and the peer review panel is quite valuable and should be viewed as a tool to improve the Plan as CARB moves forward in implementation.”

While supporting the goals of AB 32, the coalition has raised concerns about the Plan’s impact on every sector of our economy. It is the most ambitious regulatory program ever undertaken in California, requiring the purchase of energy efficient technologies, imposing land use restrictions, increasing renewable electricity generation, changing the formulation of gasoline and limiting emissions through a cap-and-trade program among other strategies.

CARB’s economic analysis doesn’t address what the actual costs will be for the State to implement AB 32. Rothrock said what is known is the economy-changing plan will not be cheap or easy to accomplish which she said is the reason that an honest economic analysis is so valuable to keep the Plan credible and gain support from all stakeholders.

“California consumers and businesses deserve to know what the cost of AB 32 implementation means to them now and into the future,” Rothrock said. “The AB 32 Scoping Plan is very ambitious and we need to get it right if we expect other states, the nation and the world to align with California’s model.

“It is vital that a balance is created that reaches the real greenhouse gas emission reduction goals of AB 32 along with keeping California’s economy strong,” concluded the co-chair of the AB 32 Implementation Group.

Members of the AB 32 Implementation Group include the California Manufacturers and Technology Association, California Small Business Association, California Taxpayers’ Association, California Alliance for Jobs, California Retailers Association, California Grocers Association, League of Food Processors, Small Business Action Committee, California Trucking Association and the California Chamber of Commerce.