

ISSUE ALERT: Stop SB 32 Another ARB Blank Check



After being defeated last year, SB 32 is back and will be one of the most important votes this year. The bill grants the California Air Resources Board (ARB) broad authority to achieve a new 2030 climate change goal without fixing significant issues in the existing system. Consumers, small businesses, manufacturers, home builders and anyone who drives are already paying high energy costs to meet the existing 2020 goal. There are substantial concerns about the additional costs and job displacement in the absence of a well-designed and flexible program.

“We estimate that including transportation fuels in the cap-and-trade program has added roughly 11 cents per gallon to the current retail price of gasoline and 13 cents per gallon to the current retail price of petroleum-based diesel fuel.”
– **Legislative Analyst Office**

Cost Effectiveness

To date, ARB has not demonstrated that current expenditures have achieved cost-effective reductions. An analysis of expenditures to date has shown minimal GHG emissions reductions for the hundreds of millions of dollars spent and many of those reductions will not occur for decades to come. Since every dollar in cost increases puts California at a competitive disadvantage, we must ensure that every dollar is spent wisely to reduce emissions and protect the environment sooner rather than later.

Blank Check to ARB

Despite statewide concern over ARB’s unbridled authority, SB 32 grants even more power to this unelected body. ARB officials should not be granted the power to impose onerous new regulations without greater legislative oversight and approval. Before getting authority to move forward with a 2030 target, ARB should be required to demonstrate that the current program is cost-effective in achieving the 2020 goal and will protect consumers and businesses.

Legality of Taxing Californians

SB 32 does not remove the legal cloud over cap and trade as California courts weigh in on whether ARB can collect billions of dollars from California taxpayers. Uncertainty continues to loom over cap and trade’s apparent function as a tax and this legislation threatens to continue a legally questionable policy.

“Awarded funds are anticipated to reduce GHG emissions by only 14.3 million MTCO_{2e} over the 80-year lifetime of implemented projects.”

– **Department of Finance**

SB 32 is an extension of a policy that resulted in higher energy prices for all Californians without demonstrating cost effectiveness in combating climate change and lacks legislative oversight and approval that protects California consumers, workers and businesses.

Tell your legislator to Vote NO on SB 32

Californians for Affordable and Reliable Energy (CARE) is a broad-based coalition supported by the California Business Roundtable, small businesses, community groups, local officials, local business organizations, statewide associations, and energy consumers that are calling on policy-makers to ensure that we have a responsible energy plan that protects our state’s economy.

To join, visit CAREaboutEnergy.org