

April 7, 2017

TO: Members, Assembly Committee on Transportation

FROM: Amy Mmagu, Policy Advocate 

**SUBJECT: AB 964 (GOMEZ) – ECONOMIC DEVELOPMENT: CAPITAL ACCESS LOAN PROGRAM: LOW EMISSION VEHICLES HEARING SCHEDULED – APRIL 17, 2017 OPPOSE – AS INTRODUCED FEBRUARY 16, 2017**

The California Chamber of Chamber is the largest broad-based business advocate in the state, representing the interests of over 13,000 California businesses, both large and small. Many of CalChamber's larger members are directly covered by the cap-and-trade regulation, while many other smaller members will likely experience indirect impacts in the form of new costs passed down from upstream fuel and energy providers.

CalChamber supports the cost-effective implementation of AB 32. CARB's decision to arbitrarily withhold and sell (auction) allowances will raise billions of dollars at the expense of California businesses and consumers. This approach runs contrary to expressed goals of AB 32, which is maximizing benefits and minimizing leakage risks and costs.

As CalChamber has long held, CARB lacks authority to raise revenue through the auction of allowances. Given the substantial legal uncertainties surrounding CARB's authority to impose an auction, expending the proceeds is premature; therefore, we must respectfully **OPPOSE AB 964 (Gomez)** which seeks to create and fund the California Affordable Clean Vehicle Program with AB 32 auction revenues.

cc: The Honorable Jimmy Gomez  
Catalina Hayes-Bautista, Office of the Governor  
Victoria Alvarez, Assembly Committee on Transportation  
Daniel Ballon, Assembly Republican Caucus  
District Office, Members, Assembly Committee on Transportation

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