Contra Costa Taxpayers Association (Marc Joffe)

Date: March 9, 2026
To: Chair Lauren Sanchez and Members of the California Air Resources Board
From: Marc Joffe, President, Contra Costa Taxpayers Association
Subject: OPPOSITION to Proposed Amendments to the Cap-and-Invest Regulation

Dear Chair Sanchez and Members of the Board,

On behalf of the Contra Costa Taxpayers Association, I am writing to strongly oppose the proposed amendments to the California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms (Cap-and-Invest) Regulation. While we support practical environmental stewardship, this aggressively tightened cap and the restructuring of allowance allocations will inflict severe economic damage on California taxpayers while failing to achieve genuine global emission reductions.

Our opposition is rooted in two primary concerns:

Refinery Closures and Spiking Gas Prices: Contra Costa County is heavily reliant on the jobs and economic stability provided by our local energy sector. By severely penalizing in-state refiners through a drastically reduced allowance budget, CARB is accelerating the inevitable closure of California's remaining refineries. This regulatory squeeze will immediately translate into significantly higher fuel costs at the pump—with some estimates suggesting gas prices could increase by over a dollar per gallon by 2030. Working-class Californians and local taxpayers cannot afford to bear the brunt of these artificial price shocks.

Illusory Emission Savings and "Carbon Leakage": The greenhouse gas reductions touted in the Initial Statement of Reasons are fundamentally illusory. Because California lacks interstate fuel pipelines, artificially constraining our domestic refining capacity does not eliminate the state's demand for fuel—it simply forces us to import it from overseas. As in-state refineries scale back or close, California will become entirely reliant on foreign imports arriving on massive, ocean-going supertankers. These vessels are powered by heavy bunker fuel, a thick refining byproduct that generates massive amounts of carbon, sulfur, and particulate emissions. When factoring in the immense, unregulated emissions generated by transporting foreign fuel thousands of miles across the Pacific Ocean, the net environmental benefit of CARB's regulation is effectively zero. We are not saving the climate; we are simply offshoring our emissions, outsourcing our energy jobs, and forcing California taxpayers to pay a premium for imported fuel. Driving highly regulated domestic producers out of business only to rely on bunker-fuel-burning imports is a textbook example of carbon leakage.

We urge the Board to reject these amendments or substantially revise the cap trajectory to protect in-state manufacturing, prevent fuel price spikes, and ensure that our climate policies account for the true global emissions of imported energy.

Sincerely,

Marc Joffe

President, Contra Costa Taxpayers Association