

Garden Grove Chamber of Commerce (Claudette Baldemor)

Garden Grove's economy depends on small businesses that rely on affordable transportation and stable supply chains. Restaurants, retailers, contractors, and service providers depend on regular deliveries and daily commuting by employees and customers. Increases in fuel costs quickly translate into higher operating expenses and increased prices for consumers.

The proposed amendments will tighten the emissions cap and increase compliance costs for fuel suppliers. These costs will move through the economy in the form of higher gasoline, diesel, and freight expenses that directly affect small businesses.

The Chamber is also concerned about the continued loss of in state refining capacity and the resulting increase in reliance on imported fuels. Policies that further increase compliance costs for domestic production risk accelerating this trend.

CARB should address regulatory imbalances and ensure that climate policies do not place disproportionate burdens on small businesses and local communities.



March 7, 2026

Honorable Lauren Sanchez, Chair
California Air Resources Board
1001 I Street
Sacramento, California 95814

Re: Opposition to Proposed Amendments to the Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms Regulation

Dear Chair Sanchez:

The Garden Grove Chamber of Commerce represents a diverse community of small businesses, including family-owned restaurants, service providers, retail establishments, and local contractors.

These businesses operate with narrow margins and face rising costs across nearly every aspect of their operations.

The proposed amendments to the Cap and Invest program will increase compliance costs for fuel suppliers by tightening the emissions cap and removing roughly 118 million allowances from the system between 2027 and 2030.

Those costs will ripple through supply chains in the form of higher fuel prices, freight costs, and delivery expenses.

Small businesses feel these impacts immediately. Local restaurants pay more for food deliveries. Contractors face higher transportation costs for materials and equipment. Employees must travel longer distances to work and face higher commuting expenses.

In addition, recent refinery closures have reduced California's domestic fuel production capacity. As the state becomes more dependent on imported refined products, fuel markets become more vulnerable to supply disruptions and price volatility.

Policies that further increase the cost of producing fuel in California risk accelerating this trend.

The Garden Grove Chamber urges CARB to revise the proposed amendments to ensure that California's climate policies do not unintentionally impose disproportionate economic burdens on small businesses and working families.

A balanced approach must protect both environmental goals and the economic vitality of local business communities.

Sincerely,

A handwritten signature in black ink that reads "Claudette Baldemor". The signature is written in a cursive, flowing style.

Claudette Baldemor

President and CEO

Garden Grove Chamber of Commerce