Rich Borba

I am a businessman serving farms and business in California and live in Stanislaus County in California's Central Valley. Our region grows the food that feeds California and the nation, and we already face some of the highest energy and living costs in the country. I strongly oppose the proposed 2026 amendments to the Cap-and-Invest (formerly Cap-and-Trade) program. These changes will raise costs — both directly and indirectly — on Central Valley families, farms, and small businesses while delivering zero meaningful benefit to California's climate or environment.

The core problem is the accelerated tightening of the allowance cap: the removal of approximately 118 million allowances from the 2027–2030 budgets plus a much steeper decline trajectory after 2030 to reach an 85% reduction by 2045. This will drive carbon allowance prices sharply higher. Covered entities (fuel distributors, utilities, refineries) will simply pass those costs on to all of us through higher gasoline, diesel, electricity, and natural-gas prices.

For Central Valley agriculture — our largest industry — the impact will be devastating. Diesel powers tractors, harvesters, and the trucks that move our produce. Electricity and natural gas run irrigation pumps, dairy operations, and food-processing plants. Small businesses that support farms (equipment dealers, trucking companies, processors) will face the same increases. Rural families already stretched thin will pay more to commute, heat their homes, and buy groceries. CARB's own Standardized Regulatory Impact Assessment admits these costs are passed through to individuals and businesses and will produce small but real negative effects on jobs and output in food processing.

The changes to offsets (capping them at 6% and requiring one-for-one allowance retirement) make the problem worse. Dairy digesters and healthy-soils projects — major offset generators right here in the San Joaquin Valley — will lose revenue, removing an important income stream that actually helps farmers reduce emissions voluntarily.

California's entire approach is performative and symbolic. Our state emits roughly 360 million metric tons of CO_2e per year — less than 1% of global emissions. Even if we drove our emissions to zero tomorrow, global emissions would barely change because China, India, and other countries continue to build coal plants and increase output. We are lowering the standard of living for Californians — especially in the Central Valley — for no measurable climate benefit. This is not serious environmental policy; it is virtue-signaling that punishes working families and farms while the rest of the world ignores the problem.

Instead of layering on more costly regulations, CARB and the Legislature should immediately reduce regulatory and compliance burdens. Slow or freeze the cap decline, protect agricultural offset programs, expand the Allowance Price Containment Reserve to prevent price spikes, and dedicate auction revenue to direct rebates for agricultural diesel and rural energy costs. At the same time, California should roll back the anti-oil policies that have driven thousands of high-paying jobs out of Kern County and other parts of the Central Valley. Bringing back oil production would create good local jobs, increase state revenue, and help keep fuel prices lower for everyone — exactly the opposite of what these amendments will do.

I urge the Board to reject these amendments as proposed. Do not adopt them on May 28. California does not need to make life more expensive for its own citizens in the name of symbolic global leadership. Focus on real, cost-effective solutions that protect our farms, small businesses, and families instead of punishing them.

Thank you for considering this comment. I am available to answer questions and request to speak at the May 28 hearing if needed.