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Dear Senator:

On behalf of the National Federation of Independent Business (NFIB), the nation's leading small business advocacy organization, I write in strong support of H.J. Res. 88, Providing congressional disapproval under chapter 8 of title 5, United States Code, of the rule submitted by the Environmental Protection Agency relating to "California State Motor Vehicle and Engine Pollution Control Standards; Advanced Clean Cars II." California's Clean Cars II standard will lead to less choices and increased prices on the cars, SUVs, and trucks that small business owners rely on every day. A vote in favor of H.J. Res. 88 will be considered an NFIB Key Vote in the 119th Congress.

This Congressional Review Act (CRA) resolution rescinds the federal waiver granted to California to implement more stringent vehicle emissions standards and require that 100% of new passenger vehicle sales be zero-emissions by 2035. California's waiver authority under the Clean Air Act enables the state to impose de facto electric vehicle (EV) mandates that extend beyond its borders, impacting millions of small businesses across the country. Over a dozen states have adopted California's standards, effectively allowing a single state's policymakers to dictate vehicle regulations nationwide. This is an overreach that imposes costly and unrealistic mandates on small business owners, most of whom do not have the financial means to comply with these regulations.

According to a recent member ballot, 90% of NFIB members believe that Congress should lift regulatory burdens to reduce transportation costs of goods for small businesses. Additionally, 96% of NFIB members believe the federal government should not ban or restrict the purchase of consumer products like gas-powered vehicles. These results reflect a simple truth: small business owners need reliable and affordable transportation choices.

California's Advanced Clean Cars II rule represents a rapid shift towards electrification that is economically unfeasible for many small businesses. The upfront costs of electric commercial vehicles, coupled with the lack of charging infrastructure in most parts of the country, will force businesses to either scale back operations or absorb significant increases in the cost of

¹ Mandate, vol. 584, NFIB Member Ballot, March 2024, Should Congress lift regulatory burdens to reduce transportation costs of goods for small businesses? (Yes: 90% No: 4% Undecided: 6%)

² Mandate, vol. 583, NFIB Member Ballot, September 2023, Should the federal government ban or restrict the purchase of consumer products like new gas-powered vehicles and equipment or natural gas cooktops? (Yes: 2%, No: 96%, Undecided: 2%)

operations. This directly threatens jobs and growth, both of which are drivers of the American economy.

NFIB strongly supports H.J. Res. 88 as a critical step toward protecting small businesses from one-size-fits-all mandates that do not reflect their realities. We urge Congress to swiftly adopt this resolution and reassert its authority in shaping realistic energy policy.

Sincerely,

Adam Temple

Senior Vice President for Advocacy

NFIB