

# California State Senate

SENATE MINORITY LEADER BRIAN W. JONES

FORTIETH SENATE DISTRICT



April 23, 2025

The Honorable John Harebedian, Chair  
Joint Committee on Legislative Audit  
1020 N Street, Room 107  
Sacramento, California 95814

RE: REQUEST FOR AUDIT – CALIFORNIA AIR RESOURCES BOARD

Dear Chair Harebedian,

I write to request an audit of the California Air Resources Board (CARB) and its handling of regulatory rulemaking. Last year, CARB finalized its update to its Low Carbon Fuel Standard (LCFS) regulation. During the rulemaking process, a Standardized Regulatory Impact Report (SRIP) was released on September 8, 2023. Within that SRIP, on pages 52-58, were estimates of total costs for small businesses and individual consumers. The estimated costs were significant, with an estimated consumer impact of \$0.47 more per gallon in 2025, escalating incrementally to an additional \$1.83 per gallon by 2042. In the face of scrutiny over the cost of the proposed amendments to the LCFS regulation, CARB walked back its officially released estimate figures and made changes to the draft regulation amendments. Throughout the remainder of the rulemaking process, members of the public, media, and legislature inquired and implored CARB to release updated estimates on the impact this new rule may have on the average consumer. They refused.

CARB, at different times through 2023 and 2024 claimed the figures featured in the SRIP were projections, were inaccurate projections, were not projections at all, and finally that CARB does not have the capability of making projections on how their regulations might impact gas prices. These contradictory statements deprive the public of transparency and, depending on which of them is true, may deprive appointed board members of the adequate information needed to formulate an opinion and cast a vote on new and updated regulatory action. The 2024 update to LCFS is, unfortunately, just one such regulation.

Therefore, I now request that the Joint Committee on Legislative Audit authorize an audit of the California Air Resources Board specifically focused on the following questions, and that the Auditor provide recommendations as he sees fit.

1. Are CARB's processes for assessing and analyzing the economic impacts of rules and regulations they craft adequate to inform staff, board members, legislators, and the executive branch, and guide decision-making among those parties?

2. Is CARB fulfilling its duties under all applicable laws in regard to transparency and accountability to the government, press, and public concerning the cost and economic impact analysis it conducts as a part of the rulemaking and enforcement process?

3. Is CARB appropriately weighing economic impacts alongside equity and environmental impacts of its regulations?

4. Has CARB taken any deliberate actions to obscure, withhold, or downplay projected cost impacts of its regulations from the public or decision-makers, and what internal processes exist—if any—to ensure transparency in communicating these economic impacts?

I thank you for the opportunity to submit this request and to work with you going forward to ensure the people of California are being properly served by the state agencies that regulate them.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Brian W. Jones". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Brian W. Jones  
Senate Minority Leader – 40<sup>th</sup> District