

**Statement of Senator Barbara Boxer  
Chairman, Senate Committee on Environment and Public Works  
Before the Senate Committee on Small Business and Entrepreneurship  
Hearing on Small Business Solutions for Combating Climate Change  
*March 8, 2007***

Thank you, Chairman Kerry and Ranking Member Snowe for inviting me to speak regarding global warming and small business.

I also want to welcome one of the witnesses from California, Scott Hauge of Small Business California.

Small Business California was one of the first business groups to support the passage of California's landmark global warming law, AB 32. And they supported AB 32 because they thought it made good business sense.

Global warming is one of the most pressing issues of our time.

Every day we learn more about how global warming is threatening the well being of our planet.

Just a few weeks ago, the Intergovernmental Panel on Climate Change released its report, which makes clear that global warming is happening now and that there is a 90% certainty that humans are causing most of the warming.

A more recent report from the UN Foundation also confirmed the fact that the earth is warming and that we need to take action soon.

Global warming can have enormous consequences for mankind. Left unchecked, global warming will lead to increased extreme weather events, to sea level rise, to more floods and hurricanes, and to changes in our weather patterns that could reduce our water supplies. These are but a few of the effects that global warming will have in the years to come.

That is why we need to take action now, so that future generations can live in a world that resembles the world of today.

Although there is now an overwhelming consensus that global warming is happening, some will say that we cannot move forward because of the costs to our economy.

But in fact, the business and investment community is waking up to the business opportunities that will result from reducing greenhouse gas emissions.

And while we have recently seen big businesses like GE, Dupont and BP join in the call for mandatory global warming legislation, small businesses are also leading the way.

That is because the “can-do” entrepreneurial American spirit resides in small businesses, which create more than half of the private sector jobs. These businesses will be nimble enough to adjust rapidly to a low carbon, low fossil fuel, economy.

And since small businesses consume more than half the electricity and natural gas that is used for commercial purposes, reductions from small businesses can make a big difference.

Small businesses can be leaders in energy efficiency, which is one of our most important tools in fighting global warming immediately. Reducing energy use is smart business, especially when fuel prices are high.

We need to help small businesses undertake more energy efficiency projects, which will also save money, increase our competitiveness and enhance our energy security.

Small businesses can also lead the way in developing innovative low carbon technologies.

In California, with the help of small businesses, we enacted the first mandatory global warming law, AB 32, which calls for a reduction to 1990 levels by 2020.

Small businesses supported AB 32 as a necessary step and as an important opportunity.

California leads the way in developing a thriving environmental business sector for so called “clean tech” projects, which are investments in clean technology solutions. In 2005, “clean tech” venture capital investment in California totaled \$484 million dollars.

As the need for clean technologies develops worldwide, we will see an enormous business opportunity unfold in front of our eyes. My bet is small businesses will be among the first to recognize and take advantage of that opportunity, as small businesses are doing in California.

I am an optimist and I believe that we should approach global warming with hope and not fear. I believe that we can address this problem and that we will be better off in every way for it.

Small businesses are going to be key in helping us get there, and as we craft solutions to this problem, we need to work closely with small businesses—so that what we do helps them, and allows them to help us, as we all work together to curb global warming.

Thank you.