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# **California State Firefighters' Association Endorses Prop 23, Puts Economic Recovery Above Economy Busting Legislation**

*Proposition 23 would temporarily suspend California's global warming law (AB 32) until the state's economy recovers.*

## **The CSFA Board of Directors Recently Endorsed Prop 23, Boldly Putting the Recovery of Our State and Local Government Economies Above an Unattainable Goal that is Far and Away the Loftiest Energy and Air Quality Law in the Nation**

"Implementation of AB 32 during this time of growing budget deficits and record-high unemployment would undoubtedly impact our ability to provide essential public safety services to our communities," said CSFA president Kevin R. Nida.

AB 32 would deal a double blow to public safety budgets, Nida explained. "Every dollar a city or county has to spend on AB 32's higher energy costs and state mandates investments is a dollar less available to spend on maintaining sufficient firefighting and emergency personnel," observed Nida. "And with those same higher costs forcing local businesses to downsize or close, taking local sales and property tax revenues down with them, city and county governments will have even less of the funding necessary to retain adequate levels of public safety."

## **While Other States Exercise Fiscal Caution, California is on the Road to Billions in Higher Energy, Building and Infrastructure Costs**

Other states and countries are re-thinking their expenditures on greenhouse gas reductions, having recognized the need to protect jobs rather than weaken their economies. California, on the other hand, is racing blindly toward implementing the most far-reaching and expensive new regulations in our state's history. AB 32-related costs include:

- Up to 60% higher electricity costs (Source: Southern California Public Power Authority)
- Increased gasoline and diesel costs of \$3.7 billion a year. (Source: Sierra Research)
- Increased costs of \$50,000 for a new home. (Based on National Renewable Energy Laboratory estimates)
- Increased vehicle costs from \$1,000 to \$3,000. (Source: CARB and auto maker estimates)
- A proposed AB 32 cap-and-trade auction tax in the range of \$143 billion between 2012 and 2020, in the form of direct and indirect costs equivalent to as much as a 53 cent per gallon increase in the cost of gasoline
- More than one million lost jobs (Varshney and Associates)

## **AB 32 Means Further Pain for State and Local Employees**

These billions in higher electricity, natural gas, and fuel costs and the AB 32 Auction Taxes resulting from AB 32 will mean higher costs for state and local governments, and would lead to reduced economic activity and lower state and local government revenues. The expected loss in government revenues would range from \$2.2 billion to nearly \$6 billion per year according to one study. These higher costs and lost revenues resulting from AB 32 will force already cash-strapped governments to cut the services they provide. And that means less funding for teachers, firefighters, police officers, transportation, social service workers and all other state and local employees.

## **Proposition 23 Will Help Us Recover While Keeping Environmental Protections**

California already has the strictest air and water quality protection laws in the country. Proposition 23 will not weaken those laws in any way. Nor would the measure repeal AB 32. It is a responsible measure that would temporarily re-schedule the onset of costly GHG reduction programs until the economy has a chance to recover (when the unemployment rate returns to 5.5 % for four consecutive quarters.) This prudent pause will give employers a chance to stabilize and grow their workforces and would give the state and local governments the opportunity to retain the personnel and resources to deliver essential services during these difficult times without the further burden of higher costs and reduced revenues resulting from AB 32.