

FACT SHEET

Economy in the West

- Western communities are suffering high-rates of job loss and economic distress.
- The challenges facing the West are exacerbated, not alleviated, by federal policies emerging from this Administration and the Democratic leadership in Congress.
- According to the Bureau of Labor Statistics, the Western United States reported the highest regional jobless rate in May 2010- 10.9 percent.
- The western region has maintained the highest regional unemployment for the past 12 months.
- Nearly 1 out of 3 acres in this country is owned and controlled by the federal government.
- In the West, 1 out of every 2 acres is owned and controlled by the federal government.
- Federal ownership of public lands makes the U.S. Bureau of Land Management and the U.S. Forest Service landlords of the rural West. They aren't just the neighbors, they're the entire neighborhood.
- Since the recession first began, 6 of the 12 states with the largest declines in the employment to population ratio are western states

Policies that have Destroyed Western Jobs

- Cancellation of 77 oil and gas leases in Utah
- Banning uranium mining permits
- Placing multiple restrictions on oil shale development causing subsequent delay of projects
- Expanding federal leasing rules for onshore natural gas and oil programs
- Bureau of Land Management halted scheduled oil and gas lease sales in Montana, South Dakota, and North Dakota due to potential impact of climate change.
- Blocked access to water for California's ranchers and farmer
- EPA's unilateral decision to regulate carbon emissions
- New Mining regulations that hamper job creation in Nevada and other states

Policies that Further Threaten Western Jobs

- Clean Water Restoration Act, which opens federal jurisdiction to all U.S. waters
- Administration's plans to designate more than 13 million acres as national monuments
- New wilderness areas that are unsupported by local communities and lawmakers
- Over 4,000 new regulations each year
- Cap and Trade national energy tax
- Making coal too expensive to use by proposing to regulate coal ash as hazardous waste, similar to nuclear waste
- Regulating farm dust through EPA's National Ambient Air Standards.
- Requiring the National Environmental Policy Act to consider climate change in permitting projects.
- Using the Endangered Species Act as a climate change tool

According to The Associated Press Economic Stress Index, 3 of the top 5 states showing the most stress in May were Western states:

1. Nevada (21.75)
2. Michigan (16.22)
3. California (16.14)
4. Florida (15.26)
5. Arizona (15.04)

HIGHLIGHTS FROM TESTIMONY

Christopher Horner

The administration is attacking the west on two fronts. Public land grabs and expanding regulations under the pretense of the America's Commitment to Clean Water Act.

Land grabs and regulation represent an assault on the energy industry. Examples include the Grand Staircase Escalante monument and ANWR. It is also noted that the "NOT FOR RELEASE" document mentioned 14 potential monuments designations or expansions in nine states covering up to 13 million acres.

De Facto land-grabbing and opportunity killing policies like the drilling moratorium in the gulf coast. Judge Martin Feldman overturned the moratorium and said, "The effect on employment, jobs, loss of domestic energy supplies caused by the moratorium as the plaintiffs (and other suppliers, and the rigs themselves) lose business, and the movement of the rigs to other sites around the world will clearly ripple throughout the economy in this region.."

U.S. Chamber has identified more than 380 renewable energy projects that have been blocked or stalled over approximately the past five years which, combined, total more than \$560 billion in lost economic activity and approximately 250,000 direct jobs lost.

Environmental groups are seeking to limit all federal coal leasing in the U.S. in the name of global warming. Already, environmental group protests against oil and gas leases in Wyoming have ensured that only 5 percent of the leases sold since mid 2008 have been issued.

William Kovacs

It is estimated that as of 2007 there were approximately 110,000 federal regulations¹, and that number is growing at the rate of 4,000 additional new regulations annually.

In 2007 Environmental regulations more than doubled tax regulations.

The EPA has several proposed rules that would affect the western states. The coal ash disposal rules would increase disposal cost of ash from \$10 a ton to \$150 a ton or more. The EPA is proposing NAAQS for ozone to be lowered to 0.060 ppm. If this is passed 650 of the 675 monitored counties would not comply with this regulation. These counties would lose highway funding as well as deter business that need air permits.

A new study further bolsters concerns that pollution blowing across the Pacific Ocean from China and other rapidly developing Asian nations may swamp efforts to clean up the air in the Western United States and make it difficult for states and cities to meet federal standards.

Of the 381 proposed energy projects that were unable to obtain permits, 152 of these projects were located in the west. It is also noteworthy that 73 of the 152 western projects were renewable energy projects. The economic cost to the country of losing these projects is estimated to amount to over \$560 billion in direct and private investment and a direct deprivation of 250,000 jobs. The cost to the west was \$271 billion with 102,000 jobs not created.

The NEPA impacts energy projects as well as other projects such as, big box stores, cell towers, agricultural operations, and many more. The NEPA also denies access to natural resources on federal lands.

The rare earth elements are essential for a diverse and expanding array of high-technology applications, which constitute an important part of the industrial economy of the United States.

Recommendations for addressing issues

- Consolidate all project challenges
- Provide Continuous oversight for the Clean Air Act Section 321 (a) mandate of continuous evaluation of potential loss or shifts of employment due to EPA air regulations.
- Foreign emissions need to be taken into account when determining nonattainment.
- There must be a clear and transparent accounting of the monies paid to citizens for bringing lawsuits against the federal government.

Representative Nunes

“Last year, tens of thousands of jobs evaporated when the Obama Administration, at the urging of their radical environmental allies and friends, cut-off federally-owned water to family farms in the San Joaquin Valley of California.

In exchange for the forced unemployment -- which surpassed 40% in some communities -- the Obama Administration provided \$400 million in government stimulus. Yet a majority of the money went to congressional districts of Democrats who supported cutting off the water.

If Democrats were not so blinded by political ideology and support from radical environmentalists, logic might prevail -- it does not take \$400 million in failed stimulus to recover tens of thousands of jobs. Just turn on the water. It's free!”