

# SAVE OUR JOBS

**STOP the OIL TAX**



**KERNTAX**

**CHAMBER**

GREATER BAKERSFIELD CHAMBER OF COMMERCE



Contact: Scott Macdonald  
(310) 996-2671

**FOR IMMEDIATE RELEASE**

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**AB 656 WOULD COST KERN CO. MILLIONS OF DOLLARS, THOUSANDS OF JOBS**

BAKERSFIELD – A large and diverse coalition of Kern County leadership today denounced severance tax legislation that would cut 7,000 local jobs and could cost local governments millions a year in tax revenue.

At a news conference, speakers representing businesses, taxpayers, local government and workers announced plans for a bus trip called the “Job Saver Express” to carry affected workers and business owners to Sacramento Monday for a scheduled hearing on the bill.

“Assemblyman Alberto Torrico has launched a direct attack at Kern County with AB 656 and its proposed 12.5% tax on oil production,” said Roy Watson, chairman of the Kern County Board of Supervisors. “Since Kern County produces about 70% of the state’s oil, this tax is aimed right at the heart of our economy.

“Mr. Torrico says this is about making oil companies pay their “fair share” of taxes. But there’s nothing fair about singling out one specific industry for billions of dollars in taxes while conveniently ignoring others.”

By taxing oil production, AB 656 would make the oil in the ground less valuable, meaning fewer efforts to pump it and a sharp drop in property taxes that include that value.

(more)

“More than 6,000 jobs were lost in Kern County in 2009, and the county’s unemployment rate surged to over 15% - far above the national level,” said Richard Chapman, president/CEO of the Kern County Economic Development Corporation. “An oil severance tax could cost us another 7,000 jobs – more than the entire job loss figure for last year.”

Michael Turnipseed, president of the Kern County Taxpayers Association added: “The Californian reported on Sunday that last year, the recession caused local government revenues to plummet, forcing cuts at all levels. Kern County laid off 174 employees and cut 506 vacant positions. Local school districts lost hundreds of jobs.

“AB 656 will further erode county and city revenues in Kern, meaning more bad news for schools and essential services like public safety.”

Greater Bakersfield Chamber of Commerce President/CEO Debra Moreno said proponents of AB 656 are making misleading statements about the level of taxation that exists on California oil production.

“In truth, AB 656 would make California oil production the highest taxed in the country,” said Moreno. “AB 656 is an open invitation for lowering production here – driving revenues and jobs out of California and into more business-friendly states.”

The “Job Saver Express” will leave Bakersfield early Monday morning, in time to allow Kern County citizens to speak out against AB 656 and attend the Assembly Revenue and Taxation Committee hearing that afternoon where the bill will be heard.