

SAVE OUR JOBS

STOP the OIL TAX

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FOR IMMEDIATE RELEASE

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WORKERS CONVERGE ON CAPITOL TO SAVE JOBS – STOP AB 1326

SACRAMENTO – The “Job Saver Express” rolled into Sacramento today, as over a hundred Californians took a stand to fight for their jobs which are threatened by AB 1326 (Furutani), a new 12.5% oil severance tax.

The red t-shirted group, many of whom traveled to the Capitol by bus for hours over hundreds of miles, pleaded with the Assembly Revenue and Tax Committee to reject the bill. An economic analysis of a similar proposal concluded a severance tax bill at a significantly lower rate would kill about 10,000 jobs, increase our dependence on imported oil, and drive up the cost of gasoline and diesel fuel.

Participants in the hearing and the news conference and rally that preceded it included small businesses owners, students, oil field workers, local government officials and others from throughout California, all carrying the same message: AB 1326 is a job killer that will have myriad negative impacts on our state’s citizens and economy.

Tami Chapman’s family has owned and operated Johasee Rebar in the Central California Region for over 30 years, with oil/industrial projects representing 95% of her business. When the tax causes cutbacks in oil production there will be less work for companies like Chapman’s, and she anticipates having to significantly reduce her payroll to devastating effect on her employees and their families.

“When we lay off workers, it’s not just those individuals who will be hurt,” explained Chapman. “It’s their families, who will go from having a secure income to having no paycheck and no health insurance.

(more ... quote open)

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“I understand the state is facing enormous financial difficulties but killing jobs and putting small businesses at risk is not the way to solve the problem,” Chapman concluded.

Jobs aren’t the only thing at risk from AB 1326. Entire communities would suffer from the tax’s economy-wide impacts.

In a letter to the Committee, the Kern County Board of Supervisors declared that AB 1326’s “economic shockwave would spread from local oilfields, devastating families and businesses everywhere in Kern County, driving down local sales and property taxes, and further straining Kern County health and social services.”

Voters and the Legislature alike have recognized the harm an oil severance tax will impose on California’s workers, families and economy and have consistently rejected such proposals, many recently. In 2006 voters overwhelmingly defeated a statewide severance tax ballot initiative; in 2010 legislators rejected two severance tax bills; and in the March, 2011 election voters in Los Angeles and Beverly Hills said no to local severance tax measures.

AB 1326 is opposed by the California Taxpayers Association; California Hispanic Chambers of Commerce; California Black Chamber of Commerce; Industrial Environmental Association; California Independent Petroleum Association; Kern County Taxpayers; California Manufacturers & Technology Association; Small Business Action Committee; California Metals Coalition; Independent Oil Producers Agency; California Chamber of Commerce; Orange County Taxpayers; Western States Petroleum Association; Kern Economic Development Corporation; California Independent Oil Marketers Association; National Federation of Independent Business/California; Sacramento Black Chamber of Commerce; Slavic-American Chamber of Commerce; Moreno Valley Black Chamber of Commerce; Carson Black Chamber of Commerce; Hispanic Chamber of Commerce of Contra Costa County; Central California Hispanic Chamber of Commerce; South Bay Latino Chamber of Commerce; Latin Net; Regional Black Chamber of Commerce of San Fernando Valley; American GI Forum of California; American GI Forum Women of California; and the Black Business Association (partial list).

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