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ATR Opposes California Proposition 7

Ballot Measure Would Increase Utility Rates and Cost of Living in Golden State

WASHINGTON D.C. – Today Americans for Tax Reform, a non-profit taxpayer advocacy organization that opposes all tax increases as a matter of principle, officially announced its opposition to the California Solar and Clean Energy Initiative, which will appear on the November ballot as Proposition 7.

Prop. 7, if approved, would require that all California utilities generate at least 40 percent of electricity from renewable sources such as wind, solar, and hydropower, by 2050. Currently 10.9 percent of the electricity in the Golden State is derived from renewable sources. Current law mandates that renewable sources comprise 20 percent by 2010. Prop. 7 is primarily funded by Arizona billionaire Peter Sperling.

“It can always be problematic when a billionaire comes in from out of state seeking to impose government energy mandates. It is even more problematic when that out of state billionaire has zero expertise on the matter,” said Grover Norquist, president of Americans for Tax Reform. **“If Prop. 7 is approved, Californians can expect higher utility bills, a higher cost of living, and higher taxes in an already high tax state.”**

Nearly every environmental group in California, including the Sierra Club, Natural Resource Defense Council, and the League of Conservation Voters, officially opposes Prop. 7. The environmental lobby contends that “7” is complicated, poorly written, and effectively shuts down small renewable energy producers. California’s non-partisan Legislative Analyst’s Office (LAO) projects over \$3 million in increased administrative costs alone due to Prop. 7. Analysts predict the California budget will be billions of dollars in the red next year as it is. The LAO also states that Prop. 7 will likely result in utility rate increases for consumers.

“How do you know an initiative is really poorly written and ill-conceived? When it brings together labor groups, renewable energy producers, taxpayer groups, free marketeers, environmental groups, and other coercive utopians - that’s when.” added Norquist. **“Government mandates and artificial controls led to the 2001 California energy crisis and Prop. 7 would set the stage for future shortages. Even worse, ‘7’ would make one the nation’s highest cost state even costlier. Additional costs would be even more punitive at a time when California families are already reeling from the slowing economy. California taxpayers worked 188 days last year to pay for the cost of their government. Passage of ‘7’ would ensure that Cost of Government Day comes much later in the year for Californians.”**

Americans for Tax Reform is a non-partisan coalition of taxpayers and taxpayer groups who oppose all tax increases. For more information or to arrange an interview please contact John Kartch at (202) 785-0266 or by email at jkartch@atr.org

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