

# News Release



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## Obama Budget Targets Western Jobs

***Tax and fee increases on western energy producers will slow job growth and hinder domestic energy production***

(Denver)- President Obama's budget proposals to raise taxes and increase fees on independent western energy producers who supply 27% of our nation's natural gas and 14% of its oil will hinder domestic energy production and slow job growth. Western oil and natural gas producers support over 488,000 jobs in the West, yet are already struggling with burdensome federal red tape and redundant regulations.

"With unemployment near 10%, the administration should be focused on enabling job creation by private enterprise, not making it more difficult and costly to develop the domestic energy that offers real solutions to pressing employment, energy security, and environmental challenges," said Kathleen Sgamma, Western Energy Alliance's Director of Public and Government Affairs.

"Western producers are already burdened with bureaucratic hurdles not faced by producers in other regions. In fact, federal policies have already prevented \$3.9 billion of investment and over 16,000 jobs in the West. Raising taxes and fees will further hinder job creation and delay the West's economic recovery," said Sgamma.

The President's budget includes \$46 billion in tax increases over ten years. In addition, western producers would be faced with even more administrative fees for operating on public lands, which account for over 50% of western production. New disincentive fees from the Department of the Interior are planned despite the fact that producers already return \$40.12 for every \$1 spent by the department.

"Bureaucratic red tape has already caused a decrease in the productive use of western lands for energy development along with a corresponding decline in revenue to federal, state, and local governments," continued Sgamma. "The President's tax and fee increases will exacerbate this trend while taking capital away from finding and developing American energy and growing jobs."

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Western Energy Alliance, founded in 1974, is a non-profit trade association representing more than 400 companies engaged in all aspects of environmentally responsible exploration and production of oil and natural gas in the West. More information on Western Energy Alliance and its members is available at [www.westernenergyalliance.org](http://www.westernenergyalliance.org).