



GLOBAL WARMING AND JOBS: LIMITING CALIFORNIA'S GLOBAL WARMING POLLUTION WILL CREATE JOBS AND ECONOMIC BENEFITS

Economists have found that limiting California's global warming pollution to 1990 levels by 2020 will provide *tens of thousands* of new jobs for residents of the Golden State, while saving families and businesses *billions* of dollars. Today, California sends \$30 billion out of the state every year to buy fossil fuels, the primary cause of our global warming pollution; this means that on average \$2,500 from every California household is leaving the state. We can break that addiction and bring our money back home to invest in clean technologies, providing jobs and economic benefits for Californians. And by acting soon to limit global warming pollution, California can provide a clear market signal to spur entrepreneurs to deploy clean technologies. Leading the clean technology revolution will be the next high-tech economy fueling California's prosperity for decades to come.

A Pollution Limit Will Enable California to Lead the Emerging Clean Energy Market

No market exists in California today for clean technologies that reduce global warming pollution, because the pollution can be emitted without charge. An enforceable limit on global warming pollution will provide clear market incentives to reduce pollution, unleashing California's world-famous entrepreneurs to pursue clean technologies. By acting soon, California can capture significant economic benefits by securing a leadership position in the emerging worldwide clean energy market.

We are watching *the economic opportunity of a lifetime* unfold right in front of our eyes. Nearly every developed country in the world has committed to reduce its global warming pollution. The vast majority of emissions come from burning fossil fuels, so reducing emissions requires developing a new clean energy economy. Energy is a \$700 billion a year market in the United States alone, and the world spends *trillions* every year.

Pollution Limits Spur Job Creation

Pollution limits have created large economic and job benefits that California can learn from. Since 1970, the Clean Air Act has limited emissions of smog-forming pollutants, acid rain pollutants, and other harmful air pollution emissions from power plants, cars, and factories. Over time these pollution limits have provided about \$40 in public health and air quality benefits for every \$1 invested, including preventing about 200,000 premature deaths every year, according to the U.S. Environmental Protection Agency. The pollution limits also spurred technological innovation and created a new air pollution control industry. Today, this \$19 billion a year industry employs an estimated 130,000 people. And because the U.S. acted early to limit these air pollutants, the nation's air pollution control industry has secured a leadership position in the worldwide market. U.S. firms earn about \$3 billion a year from exporting their technologies and services, and their leadership position is enabling them to capture a significant share of the growing Asian market.

The race for this massive prize has already started. The opening shot was fired a year ago when most developed countries made a binding commitment to reduce emissions. The good news is that California has a modest head start thanks to decades of progressive energy and environmental policy. The bad news is that we have not even decided yet if we are going to join the race, while the rest of the world has their sights set firmly on the finish line. And the longer we wait, the more countries will pass us by, and California will be left buying *their* technologies to power *our* future.

California knows how to lead a technology revolution. But if the state is going to lead the clean energy market, it must begin here at home. To create that market, California needs an enforceable limit on global warming pollution. It will unleash our famed innovative spirit, and if we take action now, California can lead the worldwide clean energy market, providing enormous economic benefits for decades to come.

Economists Find Large Job and Economic Benefits

Even without accounting for the benefits of securing a leadership position in the clean technology market, three independent economic studies and state agency reports show that reducing California's global warming pollution emissions to 1990 levels by 2020 will save California families and businesses billions of dollars and provide tens of thousands of new jobs.

- The Climate Action Team – a team of state agencies coordinated by the California Environmental Protection Agency - found that meeting the 2020 limit on pollution will increase Californians' income by about \$4 billion and provide about 83,000 additional jobs.
- The Center for Clean Air Policy conducted an independent "bottom-up" assessment of measures that can reduce pollution emissions in California and concluded that the 2020 limit can be met and that consumers will enjoy savings in gasoline costs and energy bills.
- A team of two dozen prominent experts led by professors from the University of California, Berkeley found that just eight strategies can take California halfway to the 2020 goal, while increasing the Gross State Product by approximately \$60 billion and creating over 20,000 new jobs.

Moreover, these analyses are all conservative. They do not include the sizeable co-benefits of implementing emission reduction strategies, such as improved public health, quality of life and a cleaner environment.

Bring Our \$30 Billion Back Home

Every year, Californians send about \$30 billion out of the state to purchase fossil fuels, including oil, natural gas and coal, the primary sources of the state's global warming pollution. On average, that means that every California household sends \$2,500 directly out of the state every year. Reducing global warming pollution with solutions such as energy efficiency, renewable energy, smart growth, and improved transit will bring that money back home to reinvest in our communities.

Investments such as energy efficiency and renewable energy will provide more than twice as many jobs as investments in fossil fuel-fired power plants. And these pollution-cutting investments will simultaneously help improve the state's air quality, alleviate traffic congestion, and ensure reliable water supplies. By curbing global warming, California can bring its money back home and improve the state's economy and quality of life.