

A COSTLY ENERGY BUDGET

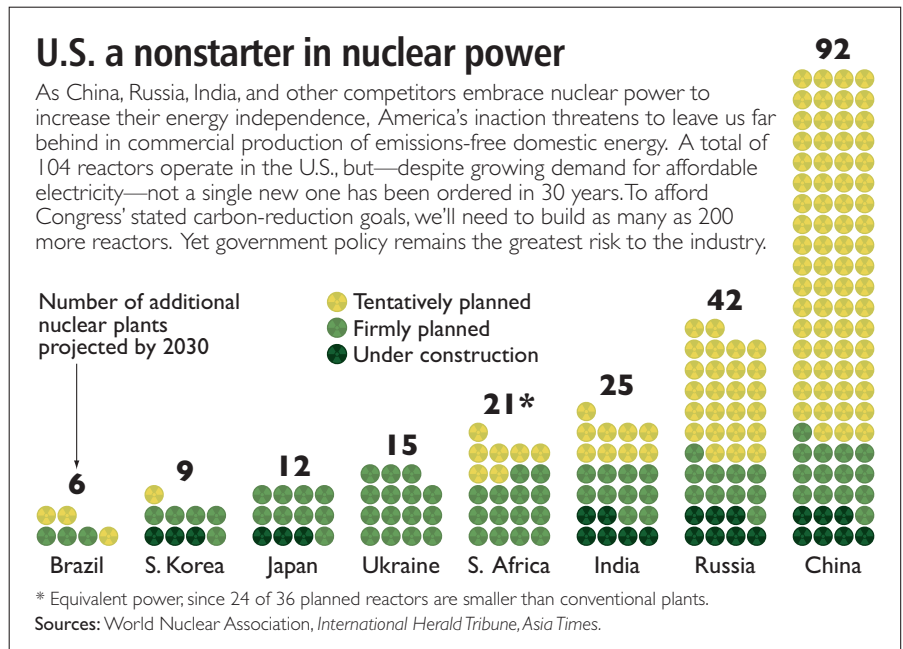
Taxpayers Pay Big for Extreme Environmental Agenda

Taxing Every American

- **Even Obama’s “95%”:** President Obama’s energy policies will cost Americans more money, limit their access to America’s resources, and provide little, if any, environmental benefit. It is an extreme environmental agenda.
- **Climate “Revenue”:** The President’s budget proposes a \$646 billion cap-and-trade tax that would cost each household in America between \$650 and \$1,200 annually.
- **Superfund:** The budget would reinstate unnecessary excise taxes that expired in 1995 to fund Superfund’s efforts to clean up toxic and contaminated areas, which would be admirable if these clean-up goals weren’t already supported by strict environmental laws. New tax efforts would unfairly burden companies that produce little waste.
- **Oil and Gas Taxes:** The budget would collect \$31 billion in new oil and gas tax revenue through a punitive repeal of tax deductions and accounting measures. These new taxes would affect Gulf of Mexico oil and gas production and impact an industry already taxed above the industrial average, which would be detrimental to increasing domestic supply.

Costly Government Spending

- **Department of Energy:** The DOE budget is \$10 billion over the FY ’09 level of \$24.1 billion.
- **Expanded Subsidies:** DOE’s budget dramatically increases government subsidies for wind, solar, biofuels, and clean coal, distorting normal market forces and encouraging government dependence, forcing taxpayers to pay twice—once to fund the subsidies and another time with higher electric bills.
- **Smart Grid:** The President’s budget adds even more money to develop smart grid technology beyond the \$11 billion from the stimulus bill. While upgrading the nation’s grid has a large potential value, it should be driven by the private sector.
- **Yucca Mountain:** Progress on building the Yucca Mountain repository would be stopped while continuing to answer NRC inquiries, allowing DOE to remain technically compliant with current law while at the same time yielding to environmental extremists on progress. This does little to resolve America’s dysfunctional system of managing spent nuclear fuel.
- **Skyrocket in Flight:** President Obama admitted, “Electricity rates would necessarily skyrocket” under a cap-and-trade program (January 2008).



Alternative Energy Policies

- **Radical Environmentalist’s Dream:** This budget will increase energy costs, including high prices at the gas pump, for all Americans to appease a small group of extreme leftist environmentalists. A recession is the wrong time for these policies.
- **American Taxpayer’s Dream:** Instead, President Obama should sign a budget that truly diversifies our energy sources, including domestic oil production, nuclear energy, coal, and new renewable fuels. Instead of taxing on behalf of environmentalists, the President should give all Americans relief with policies that will lower gas and electricity prices rather than raising them. When government impediments are lifted, America’s energy entrepreneurs can develop innovative and market-driven solutions to our energy needs.

For more information, please visit:

<http://blog.heritage.org/2009/03/25/costly-energy-budget-taxpayers-pay-big-for-extreme-environmental-agenda>.