

STATE POLICIES ARE CRIPPLING KERN COUNTY



The Kern County economy is dependent on agricultural and energy production. State water policies have reduced water supplies, curtailed the production of seasonal crops, and reduced agriculture, food processing, and transportation jobs. State water policies have also harmed the agricultural industry and businesses that provide products and services to support agricultural production.

Similarly, despite Kern County's innovative, longstanding contribution and commitment to alternative energy, the State is restricting the responsible production of oil, leaving the region in a perilous economic condition. Ironically, the restrictions on oil production will increase greenhouse gas emissions, impose higher energy costs on Californians, and eliminate energy and service industry jobs in Kern County. This will undoubtedly cause irreparable harm to Kern County and its nearly 1 million residents. In response, Kern County filed a lawsuit challenging the state's policy on oil and gas development. The lawsuit seeks to address state energy policies that have done severe harm to residents and the County's revenue stream.

Kern County: A Diverse and Dynamic Region, National Leader in Energy and Power Generation and Food Supply

Diverse Region. Kern County has a long history of being a region where people from other parts of the United States and immigrants from other countries come to find jobs, build businesses, and raise their families. As the third largest county in California, **Kern has become incredibly diverse, with a Latino population of nearly 55%.**

Leading Producer of Alternative Energy and Agricultural Products. Kern County's businesses and residents have invested in producing **more zero emission power** than all the other California counties combined, providing zero emission power to areas like Santa Monica, Beverly Hills, San Francisco, and Marin. The County also produces **more than 250 crops** that serve as a **critical pipeline to the nation's food supply.**



Harmful Policies, Lack of Support Devastating for Kern Residents

State Policies are Reducing Jobs and Hurting the Local Economy. The swift curtailment of the petroleum and agricultural production is killing jobs, harming small business, and reducing critical County revenue by \$80 million annually. According to B3K, a regional economic development consulting group, the same economic result happened in 2015 when "the county's two largest traded clusters, agriculture and oil, saw simultaneous downturns that caused a brief recession within the County."

Decline in Local Revenue. While state policies eliminate \$80 million in revenue from oil production, the State's solar tax exclusion exempts solar landowners from property tax and reduces property tax for Kern County by \$19.9 million per year. The combined impact is affecting funding for local essential services including law enforcement, fire, and emergency services, public schools, and libraries.

Unemployment and Poverty. State policies and the pandemic have driven unemployment to 12%, causing hardship for local families. Despite the state’s commitment to reduce poverty, Kern County’s poverty rate is 19% compared to the state average of 11.8%. A Kern County Grand Jury reported that the homeless rate is rising and barriers to finding affordable and available housing with County resources are already stretched to meet increased demand for social services.

Inadequate Workforce Planning. B3K found significant lag in local workforce preparedness and the creation of new businesses. The report found that the expected number of solar and wind industry jobs will not be comparable to the jobs lost in oil and gas industry.

Children Bear the Brunt of Economic Pain. “According to the Forum for Youth Investment’s Opportunity Index, 20 percent of Kern County youth are disconnected from the social institutions that provide them with the knowledge, skills, identity, and purpose needed to lead productive lives as adults. The long-term consequences of this condition are staggering— decrease in a skilled labor force; increase in public assistance; increase in crime and incarceration; poor physical and mental health; and increase in substance abuse.” Community Action Partnership of Kern, Community Needs Assessment, 2021

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**NEARLY \$200
MILLION IN
ANNUAL LOCAL
REVENUE FROM
THE OIL AND GAS
INDUSTRY FUNDS
KERN COUNTY
PROGRAMS AND
ESSENTIAL
SERVICES**

ASSISTANCE NEEDED: THE STATE IS OBLIGATED TO SUPPORT THE REGION

Kern County needs a reliable water supply and a coherent energy policy that acknowledges the state’s present need for oil and the advantages of in-state oil production. Kern County needs the state to fulfill its promise to make the region rise and provide jobs and business opportunities for the region’s nearly 1 million residents.

