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Wrong plan (greenhouse gases) at wrong time (recession)

ARB global warming plan costly, unnecessary

An agency obscure to most Californians is poised to adopt one of the most costly regulatory packages ever imposed on the state's economy.

The regulations to be fully implemented by 2012 would enforce the Global Warming Solutions Act, Assembly Bill 32, championed by Gov. Schwarzenegger, to cut back greenhouse gas emissions to 1990 levels by 2020. Government bureaucrats who stand to gain control over industries, individuals and economic decisions say their plan to vastly reduce greenhouse gas emissions will have a positive economic effect.

But in recent days, a far different picture has emerged.

Assemblyman Roger Niello of Sacramento has urged the Air Resources Board to postpone adopting its costly restrictions on transportation, utilities and other economic segments. Mr. Niello says the agency's "scoping plan" also includes taxes and fees as "large as \$23.5 billion annually."

The Air Resources Board meets today to vote on the plan. But six highly regarded economic experts commissioned by the agency found its economic projections significantly underestimated costs. One reviewer said the projections give "the appearance of justifying" the regulations "rather than evaluating" them. Another criticized the rosy projections for leaving the erroneous impression of a "free lunch," when great costs are involved. The state's independent Legislative Analyst's Office also found the resource board's projections flawed by "a lack of analytical rigor."

The scoping plan's economic projections appear carefully crafted to justify regulations rather than predict true costs. Mr. Niello properly complains that it's "simply not reasonable to believe that there would be little to no negative economic effect," and that "as both of these new studies suggest, the actual truth may be quite the opposite."

Either self-interested bureaucrats are right, or the independent critics are, which would mean potentially great damage to an already fragile economy. In the midst of a prolonged recession, when state government's \$103 billion budget has fallen \$15 billion in the red, it borders on incredible that the state would take such an economic gamble.

The scoping plan smacks of the same arrogance of global warming alarmists meeting in Poland under United Nations' auspices to consider, among other Draconian proposals, imposing a 2-percent tax on developed nations to raise cash to give to developing nations as compensation for global warming.

These economically disastrous proposals are advanced on the unreasonable fear of global warming, something that hasn't occurred for almost a decade. As Dr. David Gee, chairman of the 2008 International Geological Congress, put it: "For how many years must the planet cool before we begin to understand that the planet is not warming?"

Not only are these government intrusions onerous and costly, they are unlikely to have any effect on temperatures, which aren't rising even though greenhouse gas emissions are. The ARB, which can't even persuade its own hired consultants, ought at least to go back to the drawing board before gambling with California's economic well-being.