Gov. Perry: Waxman-Markey Will Negatively Impact Texas Families

*Note - Gov. Perry frequently departs from prepared remarks.

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Thank you, Victor [Carrillo] and thank you all for joining us here today.

It is an honor to be standing here today with a group of public servants who are devoting their lives to making Texas a better place to live and work.

Everyone here understands the importance of a strong economy because it means jobs which enable Texans to earn a living and feed their families.

They also understand that energy is an essential component to our state’s economic success, and not just because we lead the nation in producing and refining petrochemical products.

Energy is also the fuel in a farmer’s tractor outside of Lubbock, the electricity powering a Web hosting company in Dallas, and the diesel burned by a trucker getting a shipment to the Port of Houston.

Energy costs are built into everything we buy, sell and use, so we are wise to keep a close eye on those things that can increase those costs.

At a time when the nationwide unemployment rate is pushing double digits and families all across the country and our state are dealing with the loss of a paycheck, we need to be looking for ways to hold down the cost of living, not increase it.

Three months ago, the US House of Representatives passed the Waxman-Markey cap & trade energy bill by the narrow vote of 219 to 212.

If the U.S. Senate should take leave of its senses and pass this bill, it would precipitate an economic disaster for Texas, making our state less secure and hindering our ability to keep competing with the rest of the world.

Today you’ll be hearing from the folks who have run the numbers on this legislative monstrosity, and the news is not
This misguided piece of legislation would essentially be the single largest tax in the history of our nation, and will open the door to an unprecedented federal intrusion into every Texas farm, home and workplace.

These energy taxes will cause every product that uses energy to become more expensive, forcing hard-working Texans to bear substantial new costs, and kicking a hole in our state’s economic strength.

Shackling our economy with a crushing burden of new regulation will also place our whole country at an unfair advantage to other countries like China and India, who have no intention of forgoing economic growth and prosperity in exchange for no benefit.

In July of last year, the Governor’s Competitiveness Council issued the Texas State Energy Plan, which contained warnings about the looming threat of increased federal intrusion on Texas businesses and families.

In response, I asked the leaders of the three key state agencies overseeing our energy industry to come up with a strategy to help stop an activist EPA and keep a close eye on what the US Congress might do to Texas.

Chairman Bryan Shaw of TCEQ, Chairman Barry Smitherman of the PUC and Commissioner Michael Williams of the Railroad Commission all got to work on the issue in December of 2008.

With the help of Comptroller Susan Combs and the dedicated staff at all of their agencies, they carefully analyzed the impact of these regulations and proposed legislation on Texas.

I commend you all for taking part in this historic joint meeting today and look forward to hearing the conclusions of research you and others have done as we get a handle on the impending meteor strike on our economy, otherwise known as the Pelosi-Waxman-Markey legislation.

Every Texan should take the time to study their conclusions then plot their own course of response, taking time to contact their elected representatives to share their concerns.

The studies clearly illustrate what the federal government still refuses to openly admit: that the proposed changes will be devastating to normal Texans who simply want to do an honest day’s work and take care of their families.

For example, Texans who drive to work, class or a football game will have to pay up to 41% more per gallon of gasoline.

Those same Texans will pay more for food, since Texas farmers and ranchers will face higher costs for fertilizer and fuel needed for their crops and feed for their livestock.

In fact, a study by Texas A&M suggests that virtually all Texas ranches and farmers will be negatively affected by the bill, some to the point of losing the family farm.

According to the Comptroller, this legislation would immediately increase the cost of household goods for Texas families an additional $1,200 per year.

Whether you use electricity to cool your home or power a factory, electricity costs will, in the president’s words “necessarily skyrocket” by as much as $650 per year as soon as 2013.
If Texans are spending all of their money on higher energy costs, how will parents save for their kids’ college, invest in a home or care for their elderly parents?

As energy prices go up, we would also see job losses in our state’s energy and manufacturing sectors.

Between 200,000 and 300,000 Texans who today work to supply the rest of America with energy would find themselves out of work.

There would then be a resulting ripple effect as more stringent regulations and higher energy costs cause Texas businesses to close their doors, either for good, or to leave the country.

Any hope we had of achieving energy independence would also be lost in the avalanche of higher taxes and new regulation, making it more expensive to produce oil, natural gas, and gasoline here and raising the cost to manufacture the next generation of energy technologies.

But make no mistake, even if the US Senate walks away from the job-killing Waxman-Markey-Pelosi bill, it is also increasingly clear that the new administration is on a pace to enact even worse regulation.

The Environmental Protection Agency (EPA) has made it clear that if Congress fails to pass a bill, its group of unelected federal bureaucrats will take matters into its own hands and declare carbon dioxide a harmful substance.

If the imposition of these massive costs and burdens on Texas would produce some measurable benefit, I’d be open to a conversation.

However, the EPA administrator has admitted to Congress that this legislative monstrosity would have virtually no impact on global CO2 levels or temperature, but still they press on.

Texas has shown that you don't need the federal government to intrude on individual rights and freedoms to foster the next generation of energy technology while improving our environment in ways that positively impact our air cleanliness and public health.

Through the use of incentives, we have expanded the use of renewable energy, leading all other states and most other countries in the amount of wind power we’ve installed.

We have also dramatically improved the air quality in our major municipalities, with statewide ozone levels decreasing 22% from 2000 to 2008.

We have reduced nitrous oxide emissions from large industrial sources by 46% between 2000 and 2006 and still attracting new jobs in the process.

Over the past decade, Texas has largely outperformed the national economy while increasing our population by roughly 1,000 folks per day.

We have shunned sweeping mandates and draconian regulation and embraced innovation and incentives to bring about positive change.

This is the right approach. We are calling upon Washington to do the same.
I encourage all Texans to join me and continue to make their voices heard by objecting to this new job killing new energy tax on Texans and the possibility of an increasingly activist EPA imposing massive new restrictions by fiat.

Let’s keep Texans working by fighting to preserve our climate of job-creation and sensible regulation here in Texas.

As you continue this fight, may God bless you. Through you, may He continue to bless the great state of Texas.