

Economic and Fiscal Impacts of Setbacks on Los Angeles County

- Total oil onshore and offshore oil production in the County was 21,289 barrels in 2016, about 11 percent of the statewide total. Natural gas production was about 10,239 barrel equivalents.
- Setback requirements would eliminate between 38 percent (for 500 foot setbacks) and 60 percent (for 2,500 foot setbacks) of this combined production.
- We estimate that a 60 percent shutdown in production beginning in 2020 would have the following economic and fiscal impacts:¹
 - Annual economic output losses of \$2.2 billion.
 - Annual job reductions of over 8,000.
 - Annual reductions in local taxes of nearly \$70 million.
- These estimates take into account the direct effects of the oil and gas production losses on the oil and gas production industry as well as multiplier effects on industries that supply goods and services to oil and gas producers and their employees. They also include jobs in industries involved in the distribution of crude oil to refiners, such as pipeline construction and transportation, and crude oil wholesale merchants.
- The jobs lost would be in a range of blue-collar and professional jobs, the majority of which pay well above the economy-wide average.

¹ All estimates assume a 2020 implementation date for setbacks and are annual averages for the 2020 through 2025 period.