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Sierra Club and Citizens Action Coalition Launch Aggressive Ad Campaign to Stop the Leucadia Tax

Radio and online ad effort to pressure lawmakers to support Senate Bill 510

INDIANAPOLIS – The Sierra Club and Citizens Action Coalition today announced an advertising campaign to urge state lawmakers to support Senate Bill 510 and to prevent the Leucadia tax on natural gas bills. The radio and online ad campaign, which represents a five-figure investment, is the first paid media effort either group has made regarding the legislation and Leucadia tax issue.

The full audio of the radio ad can be found [here](#). Versions of the online ads can be found [here](#).

“Our lawmakers need to protect ordinary Hoosiers over corporate Wall Street interests and their lobbyist friends,” said Jodi Perras, Indiana representative for Sierra Club’s Beyond Coal campaign. “Families will see their heating bills rise if our elected leaders fail to act. Senate Bill 510 provides a greater guarantee of savings for those families, small business owners, senior citizens, churches, low income communities, and many more who would be burdened by this new Leucadia tax.”

S.B. 510 could promise a better guarantee of savings for Hoosier ratepayers and families that stand to lose \$1.1 billion during the first eight years of the contract between the Indiana Financing Authority and the developers of the proposed Leucadia coal gasification plant in Spencer County. According to a recent study by Indiana University’s Kelley School of Business, the contract will “act like an excise tax applied to natural gas customers,” because natural gas ratepayers will find a new surcharge on their bills. The Leucadia tax is expected to average \$375 during the contract’s first eight years for ordinary Hoosier ratepayers. Higher costs are expected to carry through the entire 30-year term of the state’s ill-conceived agreement.

S.B. 510, which last week was passed by the House Utilities and Energy Committee, is now pending before the full House of Representatives. It would allow the Indiana Utility Regulatory Commission to guarantee ratepayer savings throughout the 30-year contract term, and not just when the contract expires.

The strategically placed ad buy will reach a statewide audience, with an emphasis on the Indianapolis and Fort Wayne media markets. As part of the effort, the groups also announced the launch of a new website, www.noleucadiatax.com, to raise awareness and urge Hoosiers to call their state legislators. The legislature needs to act before April 29 in order to protect Hoosier ratepayers, families, and small businesses from propping up a coal gasification business that can’t compete on the free market.

“Hoosiers value liberty, fairness and the principles of the free market,” said Kerwin Olson, Executive Director of CAC. “The Leucadia tax flies in the face of those values by enriching a few at the expense of

the many, and requiring Indiana's natural gas ratepayers to purchase synthetic natural gas without seeking competitive bids. Our elected leaders should be working for us, not helping big out-of-state corporations to pad their profits. Our ads are designed to show legislators the injustice of the Leucadia tax, and to urge them to act."

The "Leucadia tax" would disproportionately hurt senior citizens, low income communities, and communities of color who traditionally spend more of their income on energy. Small businesses will have to pay an average of \$2,000 during the first eight years, while small industrial companies could pay up to \$250,000 more than they would otherwise. The project will also "negatively impact the state's gross domestic product (GDP) by up to \$1.4 billion" and could cost as much as 1,800 local Hoosier jobs each year, according to the IU study.

RADIO AD SCRIPT

WIFE: You seem upset. What are you reading?

HUSBAND: Those politicians in the Statehouse are up to no good again. Our heating bill is going up.

WIFE: What? (Upset)

HUSBAND: Our state government is trying to cram through a contract with some Wall Street company called Leucadia that's gonna force us ordinary Hoosier families to pay more on our heating bills. It's called the Leucadia Tax.

WIFE: Let me see that. It says here the state's gonna buy synthetic gas from a company that's cozy with our politicians, and we'll be forced to pay more - even when there's cheaper energy available. On our fixed income, how are we supposed to afford this....what's it called again?

HUSBAND: Leucadia Tax. And I thought our state legislators were looking out for us. They're more interested in giving handouts to their friends on Wall Street.

ANNOUNCER: Let's put a stop to the Leucadia Tax. Call [800.382.9841](tel:800.382.9841) or go to no-l-e-u-cadiatax.com and tell Indiana lawmakers to put a stop to Wall Street's Tax-and-Spend scheme.

DISCLAIMER: Paid for by Sierra Club and Citizens Action Coalition

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