

Progress toward Carbon Fee and Dividend on Both Sides of the Aisle in Congress

Movement toward Carbon Fee and Dividend legislation has occurred on both the Republican and Democratic sides of the US House of Representatives:

Republican House Resolution on Climate Gains New Co-Sponsor

There has been progress recently on Elders Climate Action's top national legislative priority: Adoption of the Carbon Fee and Dividend proposal developed by our partner, Citizens Climate Lobby. This proposal would place a steadily rising fee on fossil fuels at the point they enter the US (at the mine, well, or port-of-entry if shipped into the US). This proposal would use the market to phase out fossil fuels. While energy costs would rise as a result, the fees collected would be rebated to all citizens in the form of a monthly or quarterly check, and most citizens would come out ahead financially, and that extra money would stimulate the economy and create jobs (All of this has been verified by the highly respected, non-partisan, economic modeling firm, Regional Economic Modeling, Inc.)

The recent progress came when Congressman Tom Reed (NY-23) became the 12th Republican sponsor of House Resolution 424, which calls for better environmental stewardship through "economically viable, and broadly supported private and public solutions to study and address the causes and effects of measured changes to our global and regional climates." Acknowledging that "if left unaddressed, the consequences of a changing climate have the potential to adversely impact all Americans," the resolution provides a hopeful sign of progress along the road to bipartisan climate action.

HR 424 was introduced last September, by Republican Congressman Chris Gibson (NY-19) and 10 Republican colleagues. When introducing the resolution, Congressman Gibson stated: "I believe the most important first step forward is recognizing that this is also a fundamentally conservative issue, and finding common ground on how to address it. All too often, the conversation about appropriate and balanced environmental stewardship gets caught up in partisan politics. Yet, this conversation is key to the preservation of our great country for generations to come, as important as ensuring we have fiscally responsible policies to secure our future."

While not directly calling for carbon fee and dividend legislation, the Gibson resolution is gathering Republican House members who are interested in finding a bipartisan solution to climate change - a critical step toward breaking the gridlock in Congress on this issue. And these Republican Members of Congress are most likely to support a market-based solution like Carbon Fee and Dividend as has prominent Republican George Shultz, Ronald Reagan's Secretary of State.

Carbon Fee and Dividend Bill Introduced by Rep. Jerry McNerney (D-CA)

Congressman McNerney's bill, the [Consumers REBATE \(Rebate to ban Emissions and Boost ALternative Energy\) Act](#), places a fee on the carbon dioxide content of coal, oil and natural gas and returns the revenue back to consumers. The fee would start at \$15 per ton of CO₂ and increase by \$15 per ton annually, as proposed by Citizens Climate Lobby.

"Combating the dangerous effects of a changing climate begins with growing the economy in a way that reduces carbon emissions from polluters and fossil fuels that dirty our air, harm the health of our families and communities, and hinder our

country's long-term energy independence. My Consumers REBATE Act takes the revenue generated from pricing carbon over time and puts it in the hands of consumers to empower individuals to become more efficient in their energy choices," said Rep. McNerney. "We must look at climate change, one of the great challenges facing future generations, as an opportunity for America to be the leader of a new clean energy economy. Now is the time to build on the innovative technologies and investments we've already made with market-based approaches that will further drive renewable energy production, promote job creation and produce a cleaner environment."

"Going forward after the Paris agreement, the next big step is to price carbon, and McNerney's Consumers REBATE Act is a smart way to price carbon," said Mark Reynolds, executive director of Citizens' Climate Lobby.