

Senate Carbon Pricing Bills

- ▶ Introduced by Sen. Flake and Coons at end of 115th Congress
- ▶ No Senate bills in 116th Congress
- ▶ Senators often reluctant to look at House bills
- ▶ Difficult to have a substantive conversation with Senators without a bill

117th Congress has two Carbon Pricing Bills!

- ▶ America's Clean Future Fund Act (S. 685, Durbin-IL)
 - ▶ \$25/ton, increasing \$10/year inflation adjusted
 - ▶ 75% of revenues as dividends, means tested
 - ▶ 15% to fund a new federal agency to finance and support investment and job creation in clean energy projects, climate resilience, and research, development, and deployment
 - ▶ 10% for transition assistance (phased out after 15 years)
 - ▶ Border adjustment, exemptions for carbon capture



117th Congress has two Carbon Pricing Bills!

- ▶ Save Our Futures Act (S. 2085, Whitehouse-RI, Schatz-HI)
 - ▶ \$54/ton, increasing 6% annually inflation adjusted + fees for NOx, particulates, and Sulphur Dioxide
 - ▶ 70% as dividends, means tested
 - ▶ 5% state block grants
 - ▶ 20% environmental justice provisions
 - ▶ 5% for transition assistance (Energy Veterans)
 - ▶ Border adjustment, exemptions for carbon capture



The Politics

- ▶ Both Senate bills are more complex than HR 2307
- ▶ Neither returns 100% of dividends, but do protect the bottom 40% of US earners
- ▶ Both aggressively price carbon and are very likely to have a substantial effect in reducing emissions
- ▶ Both have a border adjustment
- ▶ **Both give our senators something to look at and can be the basis of public discussion. They get us moving in the Senate.**
- ▶ Some of the EJ and EV provisions in S. 2085 can be used to re-engage with progressive organizations
- ▶ Lots of time for (inevitable) changes during committee and conference negotiations
- ▶ **CCL's bottom line - significantly reduce emissions, protect poor**

Other Materials

- ▶ Copy of these slides at landing page at tucsonccl.com
- ▶ Also a 7-page backgrounder on all the Senate and House bills



Questions?



A Nice Gift this Week

- ▶ Fareed Zakaria, WP columnist and CNN host said on his show recently that the best way to fight climate change is with a carbon fee and dividend
- ▶ <https://twitter.com/FareedZakaria/status/1406686510259314690>