



Legislation Text

File #: RES 20-311, **Version:** 1

Supporting the Energy Innovation and Carbon Dividend Act.

WHEREAS, based on its core values of equity, resiliency, sustainability and health, Saint Paul is committed to reducing emissions by 50% by 2030 from business as usual and being carbon neutral by 2050, offsetting emissions so no net carbon dioxide will be released into the atmosphere; and

WHEREAS, Saint Paul endorsed the Carbon Fee and Dividend Legislation in 2018 (RES 18-1137); and

WHEREAS, Minnesota is already experiencing climate change with warmer winters, more intense precipitation events, and flooding that damages infrastructure and homes as well as new disease vectors that impact human health; and

WHEREAS, further increases in global temperature will cause increasingly longer, more intense heat waves and more intense and dangerous storms, and as such pose imminent threats and long-term danger to the health of residents and the natural environment of Saint Paul and the nation; and

WHEREAS, limiting global warming to 1.5°C will require rapid and far-reaching transitions in energy, land, urban and infrastructure including transport and buildings, and industrial systems; and

WHEREAS, the United Nations climate science body said in a monumental climate report in 2018 that to keep global warming to 1.5°C over pre-Industrial levels we must cut carbon pollution by 45% by 2030, leaving only 10 years to make massive and unprecedented changes to global energy infrastructure to limit global warming to moderate levels; and

WHEREAS, four former chairs of the Federal Reserve, 27 Nobel Laureate Economists, 15 former Chairs of the Council of Economic Advisers, and two former Secretaries of the U.S. Department of Treasury have endorsed carbon fee and dividend as the most cost-effective way to reduce carbon emissions and protect the most vulnerable families from rising energy prices; and

WHEREAS, to begin to correct this market failure, Congress can enact the Energy Innovation and Carbon Dividend Act to assess a national carbon fee on fossil fuels based on the amount of CO₂ equivalent emissions the fuel will emit when burned and allocate the collected proceeds to all U.S. Households in equal shares in the form of a monthly dividend; and

WHEREAS, as stated in the Energy Innovation and Carbon Dividend Act of 2019, H.R. 763, a national,

revenue-neutral carbon fee starting at a relatively low rate of \$15 per ton of CO₂ equivalent emissions and resulting in equal charges per ton of CO₂ equivalent emissions potential in each type of fuel or greenhouse gas should be assessed to begin to lower what are now dangerously high CO₂ emissions. The yearly increase in carbon fees including other greenhouse gases, shall be at least \$10 per ton of CO₂ equivalent each year, with the Department of Energy determining whether an increase larger than \$10 per ton per year is needed to achieve program goals; and

WHEREAS, the Energy Innovation and Carbon Dividend Act of 2019, H.R. 763, specifies that, in order to protect low and middle-income citizens from the economic impact of rising prices due to the carbon fee, equal monthly per-person dividend payments shall be made to all American households (½ payment per child under 19 years old) each month from the fossil fuel fees collected and the total value of all monthly dividend payments shall represent 100% of the net carbon fees collected per month; and

WHEREAS, the Energy Innovation and Carbon Dividend Act of 2019, H.R. 763, encourages market-driven innovation of clean energy technologies and market efficiencies which will reduce harmful pollution and leave a healthier, more stable, and more prosperous nation for future generations; and

WHEREAS, the Energy Innovation and Carbon Dividend Act of 2019, H.R. 763, will, after 12 years, lead to a decrease in America's CO₂ emissions of 40 percent and an increase in national employment of 2.1 million jobs; and

WHEREAS, border adjustments - carbon content-based tariffs on products imported from countries without comparable carbon pricing, and refunds to our exporters of carbon fees paid - can maintain the competitiveness of U.S. businesses in global markets; and

WHEREAS, a national carbon fee can be implemented quickly and efficiently, and will respond to the urgency of the climate crisis because the federal government already has in place mechanisms, such as the Internal Revenue Service, needed to implement and enforce the fee, and already collects fees from fossil fuel producers and importers; and

WHEREAS, adopting the Energy Innovation and Carbon Dividend Act (HR 763) would move our country and city forward by actively increasing the quality of life of Saint Paul residents and meeting our city goal of being carbon neutral by 2050; therefore be it

RESOLVED, that the City of Saint Paul urges the United States Congress to enact without delay the Energy Innovation and Carbon Dividend Act of 2019, H.R. 763, and

BE IT FURTHER RESOLVED, that the City Clerk, no later than 30 days after passage of this Resolution, shall transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to the Majority Leader of the Senate, to each U.S. Senator and Representative from the State of Minnesota in the Congress of the United States, and to nearby city and county governments

urging that they pass similar resolutions.