

Energy Innovation and Carbon Dividend Act
By Thomas Beck, AIA, NCARB

Our need to find ways to reduce our carbon footprint locally and globally is a challenge we must all face full-on in a bipartisan way. One's political party does not change the science that climate change is real, and is affecting our lives in coastal communities, mountain communities, and every community in between. A clear view of the effect of climate change on ocean levels and hurricanes prompted Florida Representatives to join a bipartisan group of congressional leaders to propose H.R. 763, the Energy Innovation and Carbon Dividend Act last year (<https://energyinnovationact.org/>). Cosponsors include Colorado Representatives Neguse and Perlmutter. Ted Deutch of Florida says "For too long, damaging carbon emissions have been left off the balance sheets of the world's largest polluters. Instead, we are all paying the price. That's why we need a market-driven solution that will get us to zero emissions." (OurEnergyPolicy.org)

Simply stated "Charge a fee on fossil fuels at the source (mine, refinery or first pipeline)/Return 100% of net revenue to households as a dividend. This benefits people, the economy, and the environment." (<https://energyinnovationact.org/how-it-works/>) Annually the first year the dividend would be about \$16 to \$24 per month per adult (kids under 19 receive half shares). As the fee increases each year the dividend increases yearly. The projection is that in year ten a family of four would receive \$4,410. And although the added income would be reported for taxes, it would not be considered in means testing for Federal Assistance programs, leaving in place protections for lower income households.

The fee starts at \$15 per metric tons of CO2 equivalent emissions and increases \$10 per year. There are exemptions for farm fossil fuel use, as well as considerations for import/exports, to disincentivize sending manufacturing jobs to countries with less stringent carbon fees. If successfully enacted, the bill will cut emissions by 40 percent in the next decade, and by more than 90 percent in the next 30 years. It is estimated that this act would create 2.1 million local jobs over ten years.

One important aspect of this proposal is that 100% of the net funds are directed to all U.S. citizens to use in whatever way they personally see fit, instead of directing funds to specific programs or funding bigger government and new bureaucracies. It is their choice how to use their Carbon Dividend. A maximum of 2% of the fees will fund the Treasury administration of the distribution of the dividend to every adult with a Social Security Number or a Taxpayer ID Number (ITIN).

Support for this bill, or for similar Carbon Dividend climate solutions is surprisingly broad. The Citizen's Climate Lobby (CCL) has historically advocated for Carbon Fee and Dividend and supports the bill. The Climate Leadership Council (CLC) has proposed a similar Carbon Dividends Plan co-authored by James A. Baker, III, and George P. Shultz, both well know conservatives. George P. Shultz is also listed as an endorser for H.R. 763, and co-authored "The Strategic Case For U.S Climate Leadership" (<https://clcouncil.org/reports/Foreign-Affairs.pdf>) with Baker and Ted Halstead, Chairman and CEO of CLC, a conservative whose untimely death prompted a Tribute by The Rocky Mountain Institute September 8, 2020. Prior to his death Halstead said in a statement that the bill "provides a clear proof of concept that a conservative-inspired carbon dividends framework can attract bipartisan support." (The Hill).

Organizations, businesses and prominent individuals can endorse the bill at <https://energyinnovationact.org/endorse/>. Individuals wishing to support the bill can go to <https://citizensclimatelobby.org/energy-innovation-and-carbon-dividend-act/> to find resources for supporting the bill through letter writing campaigns, sharing infographics on social media, and joining CCL. Let your congressional representatives and senators know about your support for this important step toward reducing our carbon footprint.

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