

Sanders/Boxer Climate Legislation

To address the crisis of climate change, position the United States as a leader in reducing greenhouse gas emissions, and invest in energy efficiency and clean energy technologies, the Sanders/Boxer legislative package would:

Price Carbon – While setting a long-term emissions reduction goal of 80 percent or more by 2050 as science calls for, the legislation would enact a carbon fee of \$20 per ton of carbon or methane equivalent, rising at 5.6% a year over a ten-year period. Applied upstream (at the coal mine, the oil refinery, the natural gas processing point, or at the point of importation), this fee would apply to only 2,869 of the largest fossil fuel polluters, covering about 85 percent of U.S. greenhouse gas emissions, according to the Congressional Research Service. The Congressional Budget Office estimates this step alone could raise \$1.2 trillion in revenue over ten years and reduce greenhouse gas emissions approximately 20 percent from 2005 levels by 2025. Additional emissions reduction under this legislation would occur as a result of the energy investments, and ongoing efforts by the EPA and a number of states.

Protect Communities from Fracking – In order to ensure that any carbon price does not cause harm to communities from increased production of natural gas, the legislation ends the so-called Halliburton exemption from the Safe Drinking Water Act for fracking, and includes all the provisions from the FRAC Act to ensure disclosure of chemicals used in the fracking process.

Invest in Energy Efficiency and Sustainable Energy – Using a portion of the revenues raised, the legislation would make an historic investment in energy efficiency and sustainable energy technologies to further reduce emissions, create jobs, and position America as a leader in clean technology. This would include:

- ***Weatherizing 1 million homes per year***, as the President called for in 2008, creating hundreds of thousands of jobs, and saving each household hundreds of dollars a year on their energy bills;
- ***Tripling the budget for ARPA-E*** breakthrough energy research and development;
- ***Creating a Sustainable Technologies Finance Program*** that would, through public-private partnerships, leverage \$500 billion for investments in wind, solar, geothermal, advanced biomass and biofuels, ocean and tidal energy, hydropower, advanced transportation projects, and energy efficiency technologies;

- ***Investing in domestic manufacturing*** and energy-intensive industries to promote energy efficiency and mitigate impacts of a carbon price; and
- ***Funding \$1 billion a year in worker training*** and transition programs to help move workers into jobs in the clean energy economy.

Create a Family Clean Energy Rebate Program – Using 3/5ths of the carbon fee revenue, the Family Clean Energy Rebate Program would work off the model developed by Alaska’s oil dividend to provide a monthly rebate to every legal U.S. resident. This is the most progressive way to ensure that if fossil fuel companies jack up prices, consumers and families can offset cost increases on fuel and electricity, according to data from the Congressional Research Service. The program would rely on electronic distribution and existing payment mechanisms where possible to keep administrative costs low, and would allow families to apply for joint rebates.

Ensure Fair Trade and International Cooperation – To ensure that all countries play by the same rules, imported fuels and products would also be charged the same carbon fee that domestic fuels and products pay, unless the exporting nation has a similar climate program and already charges a fee on carbon. Revenues derived from the fee on imported products would help communities make infrastructure more resilient and fund adaptation projects that protect natural resources and wildlife, and also help meet international commitments the United States has already made to assist in global climate adaptation. This provision would be a spur for exporting nations to enact domestic programs and cooperate on an international treaty.

Pay Down the Debt – As part of this legislation and a companion bill that would end fossil fuel subsidies and extend key renewable energy tax incentive programs, approximately \$300 billion would go to debt reduction over ten years.