

Climate Protection and Justice Act of 2015

Original Sponsor: Senator Sanders (I-Vt.)

Sections 1-5. Short Title; Table of Contents; Findings and Purposes; Sense of Congress; Definitions

TITLE I – ACHIEVING EMISSIONS REDUCTIONS

Section 101. Carbon Pollution Fee: Adds a new Part E to Title I of the Clean Air Act, with the following sections:

Sec. 194. Definitions

Sec. 195 Emissions Reductions Targets: Sets decadal national emissions targets within the Clean Air Act for the entire U.S. economy for 2020, 2030, 2040, and 2050, at levels that are 40% below 1990 levels by 2030, on a pathway to more than 80% lower by 2050.

Sec. 196 Carbon Pollution Fee: Establishes an upstream carbon pollution fee for coal, petroleum, and natural gas, produced in or imported into the United States, based on the amount of carbon dioxide that would be released upon the combustion of that particular fossil fuel. The fee starts at \$15 in 2017 and rises to \$73 in 2035, and grows at a real rate of 5% after that. Before 2035, the fee shall not apply to any material that is used as a feedstock whose carbon content is expected to not result in carbon dioxide emissions.

Sec. 197. Interagency Climate Council: Establishes an Interagency Climate Council, chaired by the EPA Administrator, and composed of the Secretaries of Treasury, Energy, Transportation, Commerce, Interior, and Agriculture, as well as the heads of the Office of Science and Technology Policy, the Office of Management and Budget, and the Council on Environmental Quality. Beginning in 2020 and every three years after that, the Council shall evaluate the efficacy of existing national, state, and local policies to determine whether the U.S. is on track with achieving the emissions targets established in Section 101. The Council will also evaluate potential opportunities to further reduce emissions from all available sectors in the economy. If the Council determines that the U.S. is not on track to achieve our emissions reductions targets, then within two years after such determination, the EPA Administrator shall issue new regulations under the Clean Air Act that will ensure we meet our emissions reductions targets.

Sec. 198. Savings Provisions: Preserves all existing Clean Air Act greenhouse gas regulations in effect on the date of enactment, and preserves the authority of the EPA Administrator to continue to update and regulate greenhouse gas emissions consistent with that authority. It also preserves the authority of states to regulate greenhouse gas emissions.

Section 102. Carbon Fee Rebate Program: Establishes an Office of Climate Dividend within the Department of the Treasury, to administer the carbon fee rebate program. Proceeds from the carbon pollution fee are rebated equally to all eligible U.S. residents, with the exception of those individuals who are members of high-income households. For the roughly top 20% of households earning in excess of \$100,000 a year, the size of the carbon fee rebate is reduced, and eventually eliminated, depending on the household's income. The approximately 20% of retained carbon fee receipts is used for other public purposes. Eligible residents include U.S. citizens, permanent residents, refugees, asylees, as well as individuals eligible to be granted legal status under the Deferred Action for Childhood Arrivals, or the Deferred Action for Parents of Americans programs, and other individuals the president may designate.

TITLE II – ENSURING ENVIRONMENTAL JUSTICE OF ALL AMERICANS

Subtitle A: Climate Justice

Section 201-202. Findings, Purposes, Definitions: Congress finds that the causes and impacts of climate change disproportionately impact low-income and minority communities.

Section 203. State Environmental Justice Census: In order to qualify for Climate Justice Resiliency Funds, eligible entities shall conduct a locally based study to identify the climate adaptation hotspot communities. The study will identify areas based on socioeconomic, public health, and environmental hazard criteria, including:

- Areas disproportionately affected by climate impacts, environmental pollution and other hazards that can lead to negative public health effects or environmental degradation.
- Areas with concentrations of people that are of low income, high unemployment, low levels of homeownership, high rent burden, sensitive populations, or low levels of educational attainment.

Eligible entities then submit a five-year plan prioritizing climate justice-based resiliency projects prioritized by the study findings.

Section 204. Climate Justice Resiliency Council: A federal interagency council will oversee the creation and distribution of the Climate Justice Resiliency Fund block grant program to states, territories, tribes, municipalities, counties, localities, and nonprofit community organizations. The Council includes the EPA Administrator, as well as the Secretaries of Health and Human Services, Housing and Urban Development, Agriculture, Transportation, Energy, Labor, and Interior. Climate Justice Resiliency Funds may be used for the following purposes: Climate resiliency Investments; Wetland restoration; Mine Reclamation; Seawalls; Community Evacuation Plans and Resources for safe and complete evacuation. Excluded uses for resiliency funds include for electricity generation or carbon capture and sequestration. Communities that receive funding under this title have mandatory reporting requirements similar to those for funds

distributed by the American Recovery and Reinvestment Act (2009 stimulus). There is made available without further appropriation \$20 billion annually for these grants.

Section 205. Low-Income and Municipal Energy Efficiency: Makes available without further appropriations \$1.5 billion each year for the Weatherization Assistance Program and \$1.5 billion each year for the Energy Efficiency and Conservation Block Grant Program.

Subtitle B: Strengthening Clean Air Protections for Disproportionately Impacted Communities

Section 211. Ending Toxic Pollution from Incinerators: Closes a loophole for incinerators that treats trash as a ‘fuel’ instead of ‘solid waste,’ which allows incinerators to avoid strict air pollutant emissions limits under the Clean Air Act. Clarifies that the definition of solid waste in the Resource Conservation and Recovery Act includes materials such as tires, chemically treated wood products, construction debris, and plastics.

TITLE III – PROTECTING AND ENHANCING U.S. MANUFACTURING

Section 301. Carbon Equivalency Fee Border Adjustments For Carbon Pollution-Intensive Goods: Provides for a border tariff to be assessed on energy-intensive commodities imported into the U.S., based on factors including the class of product, country of origin, and the emissions intensity of production processes there. The fee shall be equal to the cost that would be incurred by a domestic producer for emitting an equivalent amount of greenhouse gas. Commodities subject to border tariffs include iron and steel, aluminum, cement, glass (including industrial ceramics), pulp and paper, and chemicals. The tariff shall not apply to countries that are part of a robust international climate accord, or to nations that have climate policies that are comparable in effect to policies in effect in the United States.

Section 302. Carbon Equivalency Fee Fund: Makes available without further appropriations all carbon equivalency fee proceeds as follows:

- Five percent (but not to exceed \$150 million annually) for the Dept. of Commerce’s Manufacturing Extension Partnership.
- Twenty percent for DOE’s Office of Energy Efficiency and Renewable Energy in support of the Advanced Manufacturing Office.
- Fifty percent to DOE’s State Energy Program, provided that such monies be used exclusively by states to facilitate energy efficiency improvements at industrial facilities.
- Any remaining funds to the Secretary of Energy for industrial energy efficiency programs authorized under Title IV Subtitle D of the Energy Independence and Security Act of 2007.

TITLE IV – PROTECTING AGRICULTURE AND ENHANCING FARM OPPORTUNITIES

Section 401. Rural Energy For America Program: Makes available without further appropriation \$500 million annually for the Rural Energy For America Program (REAP), (7 U.S.C. 8107). REAP provides grants and loans to farmers to enhance onsite energy efficiency and clean energy generation, thereby reducing costs, energy usage, and pollution from farm activities. Sets aside at least \$30 million of these funds to enhance the deployment of methane digesters used as part of manure management strategy, while preserving and enhancing local air quality.

Section 402. Improving Soil Quality Through Increases in Soil Carbon: Sets a national goal to increase the percent of U.S. farm acres under continuous no-till cultivation to 50% in ten years. Establishes a grant and loan program within the Natural Resources Conservation Service (NRCS) to provide assistance to farmers for the purchase of no-till farm equipment, and to conduct outreach and education on the benefits and methods associated with no-till cultivation practices. Directs the Secretary of Agriculture to issue a report on soil carbon stocks and net flows of carbon into and out of soils. Directs the NRCS to develop a soil carbon uptake initiative to foster the adoption and sustained use of practices that increase soil carbon uptake. Makes available without further appropriations \$300 million annually to carry out provisions under this section.

Section 403. National Strategy for Nitrous Oxide Emissions Reductions: Fosters the creation of protocols for the application of nitrogen fertilizers at the right rate, in the right form, at the right time, and in the right place (the Four Rs), to reduce costs for farmers and reduce emissions of nitrous oxide. Directs the Secretary of Agriculture make available all existing public agricultural data to facilitate the development of these protocols. Also directs the Secretary to establish a five year research pilot program to enhance understanding of the Four Rs and to create nitrogen fertilizer application protocols that support high yields while reducing nitrous oxide emissions. Directs the NRCS to develop a nitrous oxide reduction initiative to foster the adoption and continued use of fertilizer protocols that reduce nitrous oxide emissions. Makes available without further appropriations \$150 million annually to carry out the provisions under this section.

TITLE V – WHOLESALE DEMAND RESPONSE

Section 501. Wholesale Demand Response: Overturns the D.C. Circuit Court's decision to invalidate FERC Order 745 by authorizing FERC to set rates for wholesale demand response and enables aggregators to receive avoided cost under Public Utilities Regulatory Policy Act. Demand Response serves an important climate justice function by preventing peaking power plants, which are often the least regulated, from being turned on.

Section 502. General Right to Neutrality of Interconnection: Provides equal grid access to those entities selling demand response services.

**If you have any questions or your boss would like to co-sponsor, please email
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