CITY OF ALAMEDA RESOLUTION NO. 15329

URGING THE UNITED STATES CONGRESS TO ENACT A FEDERAL CARBON FEE AND DIVIDEND

WHEREAS, the average surface temperature has been increasing steadily, with the warmest years ever recorded all occurring since 1998; and

WHEREAS, the climate scientists overwhelmingly agree that an increase in greenhouse gases in the atmosphere – carbon dioxide (CO2) in particular – is causing the increase in global temperature; and

WHEREAS, humans burning carbon-based fossil fuels – coal, oil, and natural gas – is the primary cause of the substantial and continuing increase of CO2 in the atmosphere; and

WHEREAS, in May 2013, the global atmospheric concentration of CO2 reached 400 parts per million – the highest level in the last 800,000 years; and

WHEREAS, it's predicted that by 2100 average global temperature will be 2*F or higher than now depending on the level of future greenhouse gas emissions; and

WHEREAS, climate change caused by global warming-related greenhouse gas emissions including CO2 already is leading to large-scale problems including ocean acidification and rising sea levels; more frequent, extreme, and damaging weather events such as heat waves, storms, heavy rainfall and flooding, and droughts; more frequent and intense wildfires; disrupted ecosystems affecting biodiversity and food production; and an increase in heat-related deaths; and

WHEREAS, we are approaching a dangerous threshold whereby, if it is crossed, humans will no longer be able to influence the course of future global warming, as tropical forests, peat bogs, permafrost and the oceans switch from absorbing carbon to releasing it; and

WHEREAS, the increase in global atmospheric CO2 concentration shows that broader, more powerful policies are needed to supplement local and regional efforts to reduce emissions; and

WHEREAS, burning fossil fuels also causes human health impacts by releasing pollutants that cause lung disease, respiratory illnesses, and cancer; and

WHEREAS, presently the environmental, health, and social costs of CO2 emissions are not included in prices paid for fossil fuels, but rather these externalized costs are borne directly and indirectly by all Americans and global citizens; and

WHEREAS, to begin to correct this market failure, the United State Congress can

enact a national carbon fee on fossil fuels, based on the amount of CO2 the fuel will emit when burned; and

WHEREAS, for efficient administration, a fee on fossil fuels can be charged once, as far upstream in the economy as practical, or at the port of entry into the United States; and

WHEREAS, a national carbon fee starting at a relatively low rate and increasing steadily over future years is a market-based solution that is designed to minimally disrupt the economy while sending a clear and predictable price signal to businesses to develop and use non-carbon-based energy resources; and

WHEREAS, a national carbon fee would incentivize manufacturers, businesses, and consumers throughout the economy to produce and use less fossil fuel, and would spur investment in and deployment of clean energy resources and energy efficient processes, without favoring any particular technology, and would thereby reduce CO2 emissions to the atmosphere; and

WHEREAS, job creation from development of clean energy and energy efficiency businesses would be expected to exceed job creation from further development of fossil fuel businesses; and

WHEREAS, according to Citizen's Climate Lobby, if 100 percent of the carbon fee revenue is returned to households in equal shares, approximately two-thirds of Americans will break even or come out ahead, as their dividends match or exceed direct and indirect price increases due to the fee, protecting lower and middle income households; 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 – should maintain the competitiveness of U.S. businesses in global markets; and

WHEREAS, a national carbon fee may be implemented quickly and efficiently, and 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, a national carbon tax would make the United States a leader in mitigating climate change and in the clean energy technologies of the 21st Century, and would incentivize other countries to enact similar carbon taxes, reducing global CO2 emissions without the need for complex international agreements; and

WHEREAS, the goals of a national carbon tax to reduce CO2 emissions and transition to a green economy are consistent with state and local programs designed to mitigate climate change, such as California's AB32 and Alameda's Climate Action Plan; and

WHEREAS, the market incentive provided by a steadily rising national carbon tax implemented in 2015 can result in significant and increasing near-term reductions in overall U.S. CO2 emissions, and thereby help Alameda to meet or exceed its own goals; and

WHEREAS, continued widespread use of fossil fuels and global climate change pose a present and growing risk to the health and welfare of Alameda residents and to its economy, and a U.S. national, revenue-neutral carbon fee will significantly mitigate those risks and promote health and prosperity in our City, region, and world.

NOW, THEREFORE, IT IS RESOLVED, that:

The Alameda City Council urges the United States Congress to enact a federal carbon fee and dividend; and

BE IT FURTHER RESOLVED, that the tax should be collected once, as far upstream in the economy as practical, or at the port of entry into the United States; and

BE IT FURTHER RESOLVED, that the tax rate should start low and increase steadily and predictably, to achieve the goal of reducing U.S. CO2 emissions to 10% of 1990 levels by 2050; and

BE IT FURTHER RESOLVED, that all tax revenue should be returned to households to protect low and middle income Americans from the impact of rising prices due to the tax; and

BE IT FURTHER RESOLVED, that the international competitiveness of U.S. businesses should be protected by using border tariffs and tax refunds.

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I, the undersigned, hereby certify that the foregoing Resolution was duly and regularly adopted and passed by the Council of the City of Alameda in a regular meeting assembled on the 5th day of December 2017, by the following vote to wit:

AYES:	Councilmembers Ezzy Ashcraft, Matarrese, Oddie, Vella and Mayor Spencer – 5.
NOES:	None.
ABSENT:	None.
ABSTENTIONS:	None.

IN WITNESS, WHEREOF, I have hereunto set my hand and affixed the official seal of said City this 6th day of December 2017.

Lara Weisiger, City Clerk
City of Alameda

APPROVED AS TO FORM:

Janet C. Kern, City Attorney
City of Alameda