STATE OF CALIFORNIA
LEGISLATIVE COUNSEL BUREAU
AUTHENTICATED
ELECTRONIC LEGAL MATERIAL

Assembly Joint Resolution No. 43

RESOLUTION CHAPTER 168

Assembly Joint Resolution No. 43—Relative to greenhouse gases.

[Filed with Secretary of State September 1, 2016.]

LEGISLATIVE COUNSEL'S DIGEST

AJR 43, Williams. Greenhouse gases: climate change.

This measure would urge the United States Congress to enact a tax on carbon-based fossil fuels.

WHEREAS, The Intergovernmental Panel on Climate Change has stated in its recently released 5th Assessment Report, Climate Change 2013: The Physical Science Basis, that "[w]arming of the climate system is unequivocal" and "[i]t is extremely likely that human influence has been the dominant cause of the observed warming since the mid-20th century"; and

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

WHEREAS, In May 2014, two separate scientific papers were published in journals of Geophysical Research Letters documenting dramatic retreats of Antarctic glaciers and predicting that large-scale destruction of the West Antarctic ice sheets is likely now inevitable and will lead to sea level rises of 10 feet or more; and

WHEREAS, The 2013 Indicators of Climate Change in California, released by the Office of Environmental Health Hazard Assessment, found that continued warming of the atmosphere would cause threats of flooding along the coastline of California; threats to infrastructure, sewage systems, wetlands, and marine life; increased ocean acidification; increased threats from wildfires; threats to the water supply from decreased snow packs; increased asthma and respiratory illness due to higher ozone levels; increased insurance and mitigation costs; and negative impacts to the agriculture, fishing, and tourism industries; and

WHEREAS, Conservative estimates by climate scientists throughout the world state that, to achieve climate stabilization and avoid cataclysmic climate change, emissions of greenhouse gases must be brought to 80 percent below 1990 levels by 2050; and

WHEREAS, The California Global Warming Solutions Act of 2006 (Division 25.5 (commencing with Section 38500) of the Health and Safety Code) commits the state to reduce greenhouse gas emissions to 1990 levels by 2020, and the Governor's Executive Order S-3-05 further calls on the

state to establish a policy to reduce greenhouse gas emissions to 80 percent below 1990 levels by 2050; and

WHEREAS, The California Global Warming Solution Act of 2006 has reached its 10-year anniversary and the California economy remains strong; and

WHEREAS, The United States needs powerful new policies to meet its greenhouse gas emission reduction goals established in the 2015 Paris Climate Agreement; and

WHEREAS, The United States Congress can enact a national carbon tax on fossil fuels, based on the amount of carbon dioxide the fuel will emit when burned; and

WHEREAS, For efficient administration, fossil fuels can be taxed once, as far upstream in the economy as practical, or at the port of entry into the United States; and

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

WHEREAS, Citizens' Climate Education Corporation Commissioned Regional Economic Models, Inc. (REMI) to do a nation-wide macroeconomic study on the impact of a revenue-neutral carbon tax; and

WHEREAS, REMI's study predicted that, after 10 years, a revenue-neutral carbon tax would lead to a decrease in carbon dioxide emissions by 33 percent, an increase in national employment by 2.1 million jobs, and an average monthly dividend for a family of four of $288; and

WHEREAS, Border adjustments, such as carbon-content-based tariffs on products imported from countries without comparable carbon pricing and refunds to our exporters of carbon taxes paid can maintain the competitiveness of United States businesses in global markets; and

WHEREAS, A national carbon tax can 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 tax and already collects taxes from fossil fuel producers and importers; and

WHEREAS, A national carbon tax would make the United States a leader in mitigating climate change and the advancing clean energy technologies of the 21st Century, and would incentivize other countries to enact similar carbon taxes, thereby reducing global carbon dioxide emissions without the need for complex international agreements; now, therefore, be it

Resolved by the Assembly and the Senate of the State of California, jointly, That the Legislature hereby urges the United States Congress to enact, without delay, a tax on carbon-based fossil fuels; 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 carbon dioxide emissions in the United States to 80 percent below 1990 levels by 2050; and be it further

Resolved, That all tax revenue should be returned to middle- and low-income Americans to protect them from the impact of rising prices due to the tax; and, be it further

Resolved, That the international competitiveness of United States businesses should be protected by using carbon-content-based tariffs and tax refunds; and be it further

Resolved, That the Chief Clerk of the Assembly 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 Senator and Representative from California in the Congress of the United States, and to the author for appropriate distribution.

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