RESOLUTION NO. 4128

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAPITOLA IN SUPPORT OF CITIZENS' CLIMATE LOBBY CARBON FEE AND DIVIDEND POLICY PROGRAM

WHEREAS, the City of Capitola's Climate Action Plan recognizes the city's responsibility to reduce greenhouse gas emissions from residents, businesses, and government agencies; and

WHEREAS, research on global warming indicates that coastal regions are highly vulnerable to climate change and that local plans are being developed to prepare for impacts such as increased coastal erosion, sea level rise, droughts, severe storms, and salt water intrusion into drinking water aquifers; and

WHEREAS, the City of Capitola and other municipalities throughout the state are implementing climate action plans to reduce the emission of greenhouse gases to 1990 levels by 2030; and

WHEREAS, the carbon fee and dividend program principles proposed by the Citizens' Climate Lobby would provide an efficient approach for developing incentives to reduce the dependence on fossil fuels and contribute to the development of cleaner energy alternatives; and

WHEREAS, the carbon fee and dividend approach would be fair to everyone and would protect middle- and low-income households because the revenue neutral dividend would, on average, exceed the increased energy costs for two-thirds of all households during the transition to cleaner energy; and

WHEREAS, it is estimated that the adoption of the Citizens' Climate Action policy program would grow the economy by adding more than 2 million new jobs.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Capitola that:

- 1. The United State Federal Government should immediately enact legislation for a fee on carbon-based fuels at the point of entry into our economy; and
- 2. That the fee should be, as proposed by the Citizens' Climate Lobby, \$15 per ton of carbon dioxide emitted when burned, and rise by \$10 per ton annually to achieve the goal of reducing carbon dioxide emissions to 10 percent of 1990 levels by 2050; and
- All fee revenue should be returned to households as a dividend to protect low- and middle-income households from the impact of rising prices due to the fee; and
- 4. The international competitiveness of the United States businesses should be protected by using carbon content-based border tariffs and refunds; and
- The response in combating climate change to mitigate its worst effects should be implemented with the speed appropriate to the urgency of the situation.

I HEREBY CERTIFY that the above and foregoing resolution was passed and adopted by the City Council of the City of Capitola at its regular meeting held on the 25th day of October, 2018, by the following vote:

AYES:

Council Members Bertrand, Harlan, and Petersen and Mayor Termini

NOES:

Council Member Bottorff

ABSENT: ABSTAIN: None None

Michael Termini, Mayor

ATTEST: