

15 + 1 REASONS TO SUPPORT SJM-5

Being a pragmatist who focuses action on what's both effective and achievable, I support SJM 5, to send a message to Congress that Oregon supports carbon fees in general and the Energy Innovation and Carbon Dividend Act (EICDA) specifically.

Time is of the essence – if it's not too late already. Let's get something passed on a national level that can start providing definitive results, that is **fair, simple, effective and achievable**.

FAIR

1. **Nationwide**, instead of statewide, as was Oregon HB2020. A nationwide bill would not negatively impact Oregon businesses nor consumers compared to other states.
2. **Includes a border adjustment to protect U.S. trade** thus making it fair for businesses that compete internationally.
3. Returns carbon dividends back to households.
4. **Provides for social equity** in which the great majority of lower income households will receive more back in dividends than they spend in increases to fossil fuel pricing.
5. **Will create jobs** – estimates for job creation in clean energy and energy efficiency industries is 2.1 million
6. **Provides for a special waiver for agriculture**
7. **Predictable for businesses** – since they'll know how much the tax will impact fossil fuel prices year after year, while also limiting additional regulations.

SIMPLE

8. **Easy to Administer**, collecting the fee at the source.
9. **Much more straightforward than cap-and-trade**, in which a special marketplace would have to be created for trading carbon credits. A carbon fee is also far less likely to be manipulated to the detriment of its purpose, as would be the case for professional cap-and-trade brokers.
10. Far reaching by taxing all fossil fuels used for energy generation.
11. **Reduces redundant regulation** with a pause to Federal EPA authority to regulate the CO2 that are covered by the fee, unless after 10 years emission targets are not being met.

EFFECTIVE

12. **Will create a 40% reduction in CO2 by the 12th year** it is implemented, by gradually increasing the fee, it is forecast that the EICDA specifically
13. **Economists agree** that a gradually increasing carbon fee is a highly effective, market-based, easy-to-implement method of reducing carbon emissions.
14. Leaves room for additional carbon emission reduction legislation, particularly keeping federal automobile CAFÉ standards in place to address demand elasticity for the use of gasoline.

ACHIEVABLE (It can be passed)

15. **Supported by businesses** – The U.S. Chamber of Commerce has issued a statement in support of federal legislation to reduce carbon emissions, with explicit support for market-based solutions. A carbon fee is the simplest market-based approach.

+ 1 Most likely solution to gain bi-partisan support with

- Support from the business community for a market-based approach
- Protection for farmers
- Reduction of redundant regulations
- Simplicity
- Social equity by returning dividends back to those most in need in a greater share than they pay in

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