

Legislation is Needed to Avert The Climate Crisis

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Table of Contents

Contents

Abstract	3
Summary	4
Motivation	4
Position	8
Basis for United Methodist Church Federal Legislative Team Position	10
Introduction	10
Method	10
Results	13
Recommendations	16
References	17
Appendices	18
Appendix 1, Strategy Document	19
Appendix 2, Guiding Principles for Federal Climate Legislation Selection	20
Appendix 3, Method to Evaluate Federal Climate Legislation	22
Appendix 4, Notes Energy Innovation and Carbon Dividend Act – H.R. 763	24
Appendix 5, Notes on Climate Action Rebate Act – S. 2284/H.R. 4051	28
Appendix 6, Notes Reclaim Act – S. 1232/H.R. 2156	32
Appendix 7, Interfaith Carbon Pricing Principles	34

Abstract

The Federal Legislative Team of the Creation Justice Movement of the United Methodist Church was commissioned to focus on legislation that addresses the climate crisis. This team's analysis resulted in selecting federal policy which effectively mitigates the effects of climate change. Legislation currently exists within bills in the 116th Congress of the United States that will be effective in reducing carbon emissions while ensuring that vulnerable populations are supported:

- The Energy Innovation and Carbon Dividend Act, H.R. 763. This legislation places a price on carbon, which will be effective in reducing greenhouse gases, especially carbon dioxide, to near zero by 2050 – the level recommended by the Intergovernmental Panel on Climate Change.
- Climate Action Rebate Act, S. 2284/H.R.4051. This legislation places a price on carbon, which will be effective in reducing greenhouse gases, especially carbon dioxide, to near zero by 2050 – the level recommended by the Intergovernmental Panel on Climate Change.
- RECLAIM Act, H.R. 2156. This legislation creates favorable conditions for economic development in communities distressed because of the loss of coal mining.

The Federal Legislative Team finds that this legislation is consistent with the Social Principles of the United Methodist Church of 2016 and the draft proposal of 2020. Members of Congress need to be encouraged to co-sponsor and vote to pass these bills into law. These laws, once enacted, would take a dramatic step toward reducing the risk of climate change. The United States Congress needs to regain a world leadership position by passing bi-partisan legislation on climate change as recommended by the Federal Legislative Team.

Therefore, we ask the Climate Justice Coordinating Committee to review and enact our federal legislation recommendations (see on page 16) and advise on next steps of seeking United Methodist endorsement and advocacy.

The recommended next steps are to communicate the importance of federal legislation widely within the United Methodist Church to build a movement to advocate for God's creation by taking action that will be effective in averting the climate crisis. This team prays that its work and recommendations provide the basis for the United Methodist Church to endorse and advocate for specific federal legislation.

Summary

Motivation

During the July 2019 Creation Care Summit, held in Nashville, Tennessee, United Methodists gathered from across the United States and other nations to focus on care for the Earth and on environmental justice. The energy and creativity of that gathering explored the marriage of faith and environmental care resulting in calls for faith in action. One of the outcomes was the commissioning of the Federal Legislative Team, to answer the following questions:

- Is there a Federal policy worthy of our advocacy that is effective in meeting the reality of climate change?
- Has Federal Legislation been proposed that averts climate change while considering the environmental justice principles of the United Methodist Church?

This report answers these questions.

Science has established irrefutable facts that our near-term, continued use of fossil fuels will result in Earth being unable to support life as we know it. The Intergovernmental Panel on Climate Change (IPCC) outlined actions that must be taken to protect God’s creation so that our descendants can inherit a livable world. Institutions with reputations for integrity agree that greenhouse gas emissions, especially carbon dioxide, must be dramatically reduced. Per the IPCC, carbon dioxide emissions must “ be brought to zero by mid-century to stay within the small remaining carbon budget for limiting global warming to 1.5°C.”¹ The IPCC’s dire warning is supported by U.S. government analyses conducted by the National Aeronautics and Space Administration (NASA) as well as the National Oceanic and Atmospheric Administration (NOAA). According to NOAA’s website, if no actions are taken global temperatures are predicted to rise between 3-4 degrees centigrade by 2100 – a world that would not support life as

FAITH IN ACTION

Consider how God worked through:

Midwives **Shiprah** and **Puah**, whose acts saved children from Pharaoh’s decree
Reluctant **Moses**, who with his brother **Aaron**, challenged power and freed the Israelites

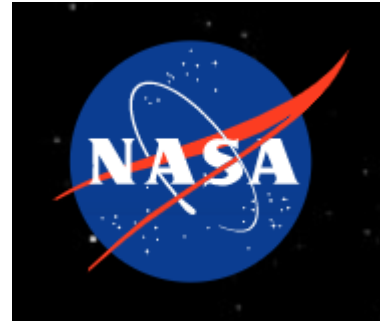
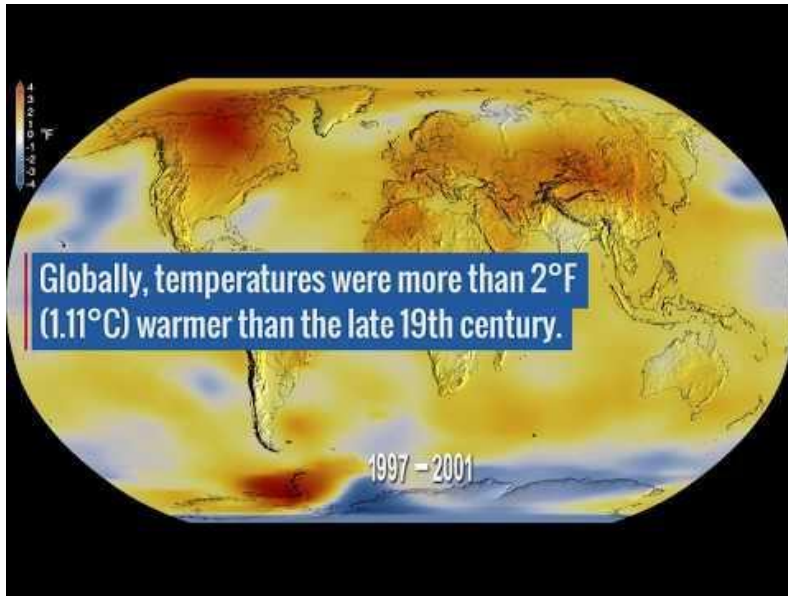
The prophets, from **Amos** to **Jeremiah**, who publicly proclaimed truths and cast a faithful vision for their community

Queen Ester, who used her access to power for the benefit of her people

Jesus, who persuaded with parables, stood with the marginalized, and directly resisted the empire of his day

*Mel Caraway, Retired
UMC Pastor*

¹ Intergovernmental Panel on Climate Change, Special Report: Global Warming of 1.5°C, Summary for Policymakers, Chapter 2, Mitigation Pathways Compatible with 1.5°C in the context of sustainable development, September 22, 2019 <https://www.ipcc.ch/sr15/chapter/chapter-2/>



we know it.² Quoting from the U.S. Global Change Research Program’s Fourth National Climate Assessment summary finding on the impact on communities:

“Climate change creates new risks and exacerbates existing vulnerabilities in communities across the United States, presenting growing challenges to human health and safety, quality of life, and the rate of economic growth.”³

This science supported by research makes it clear that carbon dioxide and other greenhouse gases are causing harm today and will cause catastrophic harm in the future unless dramatically curtailed. The need for action on climate has been known for at least three decades – the IPCC issued its first report in 1990.

The economics of pollution are skewed in favor of the polluter. Under the current laws of the United States, any corporation, utility or individual can dump unlimited quantities of carbon dioxide into the atmosphere with no penalty. We continue to burn fossil fuels, because the cost of the harm is not reflected in anyone's cost. We are all complicit – we collectively behave as if putting a ton of carbon dioxide into the atmosphere is free and of no consequence. Even though there are well-known consequences, the dramatic action that is needed has not been taken by the Federal government.

It is therefore clear that there are many barriers to passage of effective legislation in the United States. These barriers cannot be overcome unless more American citizens are engaged. It is equally clear that the threat is real, and the time we have to act is becoming perilously short to

²NOAA Global Climate Dashboard, Climate Projections Tab <<https://climate.gov>>

³U.S. Global Change Research Program, Fourth National Climate Assessment, Volume II, Impacts, Risks, and Adaptation in the United States, *Report in Brief*, Summary Findings, 1. Communities, pg. 12, 2018.



save a livable planet for future generations. Dramatic citizen action is necessary to enact legislation that will reduce the use of fossil fuels with the result of reducing carbon emissions.

Numerous economists agree that “a carbon tax offers the most cost-effective lever to reduce carbon emissions at the scale and speed that is necessary.” They go on to say, “A carbon tax should increase every year until emissions reduction goals are met and be revenue neutral to avoid debates over the size of government.” This widely-published statement includes the following words that reflect the Church’s Social Principles regarding environmental justice: “To maximize the fairness and political viability of a rising carbon tax, all of the revenue should be returned directly to U.S. citizens . . . the majority of American families, including the most vulnerable, will benefit financially by receiving more in ‘carbon dividends’ than they pay in increased energy prices.”⁴

Some may raise the concern that imposing a fee on carbon will violate the principle of ‘do no harm’. When evaluating how to cause the least harm, especially to the vulnerable, consider that climate change will result in all people being besieged by more frequent and severe natural disasters that destabilize our structures, our supply chains, and our electrical grids, with disproportionate impact on the poor and persons of color.

Consider our fellow American citizens having to flee coastal communities uninhabitable due to permanent sea level rise. Consider the competition to live in places less affected by climate change. Consider our Pentagon officials who have warned us over and over that climate change is a threat multiplier. Because a changing climate makes resources scarcer through droughts and food shortages, it will increase global conflict and wars. Also, consider how we are trapped, unwittingly complicit, in a system that is creating an uninhabitable planet for future generations.

The experience caused by COVID-19 will pale against the devastation we are facing with climate change. Statistics show that the COVID-19 virus has infected and killed people of color at significantly higher rates than white people (partially because of pre-existing conditions due to air pollution from fossil fuels). This situation, along with systemic inequality, injustice, and racism seen in the recent police killing of unarmed black people, has led to widespread protests. The long-standing injustices that have been exposed will be further exacerbated by

“Jesus told the story of one who crossed a social boundary to help a “neighbor.” Today, we are called to care for our neighbors of the future, which means shifting our thinking to cross the boundary of time and swinging into action now on behalf of all Creation. Our children, grandchildren, and their children count on us to be faithful with our Earth”.

UMC Justice Movement

⁴ Original co-signatories include: 4 Former Chairs of the Federal Reserve (all), 27 Nobel Laureate Economists, 15 Former Chairs of the Council of Economic Advisers, 2 Former Secretaries of the U.S. Department of Treasury, The Wall Street Journal, Economists’ Statement on Carbon Dividends, January 17, 2019.



climate change. A 'do nothing' option would cause irreversible harm to all peoples on earth as well as God's creation. There is great urgency to act on climate change.⁵

The Federal Legislative Team recognizes the good work done by all those concerned for the environment who have adopted environmentally sustainable behavior: composting, using less energy at home, buying a fuel-efficient car, divesting of fossil fuel stock, talking about climate change with friends and neighbors. All of these behaviors are worthy of our time. However, taking these actions cannot pacify us into thinking that they will be sufficient to avert climate change. To effectively avert the climate crisis, public policy in the form of legislation must be enacted.

By analogy, all of the energy and protests about the lack of civil rights for black Americans in the 60's was not enough to ensure those rights. Civil Rights legislation, including the Civil Rights Act of 1964, the Voting Rights Act of 1965, and the Fair Housing Act of 1968, mandated specific actions to begin the long journey of respecting the rights of African Americans. Similarly, we must have a law that takes action on climate change, a law that strongly encourages everyone and every industry to curb their carbon dioxide emissions. Individual actions by those who are concerned is not sufficient to combat the grave consequences of climate change.

The Federal Legislative Team also recognizes our Christian responsibility to take care of the earth and all that is in it, as expressed in the writings in the 2016 and the proposed 2020 Social Principles of the United Methodist Church. An excerpt regarding Global Climate Stewardship is:

"We acknowledge the global impact of humanity's disregard for God's creation. Rampant industrialization and the corresponding increase in the use of fossil fuels have led to a buildup of pollutants in the earth's atmosphere. These "greenhouse gas" emissions threaten to alter dramatically the earth's climate for generations to come with severe environmental, economic, and social implications. The adverse impacts of global climate change disproportionately affect individuals and nations least responsible for the emissions. We therefore support efforts of all governments to require mandatory reductions in greenhouse gas emissions and call on individuals, congregations, businesses, industries, and communities to reduce their emissions."⁶

These Social Principles enabled the Federal Legislative Team to "stand on the shoulders" of the Church's position to make recommendations. The Church's Social Principles identify climate change as a global threat, speak to its causes and establish justice parameters for any solution.

⁵ Narrative is modified from personal communication with Frankie Fachilla frankiefachilla@gmail.com

⁶ Social Principles: The Natural World <http://ee.umc.org/what-we-believe/the-natural-world>

The language is specific; it advocates for action at the federal level to enact policies and laws that will effectively avert climate change.

These Social Principles, however, do not recommend specific legislative action. Therefore, the Federal Legislative Team was commissioned to identify such specific legislation. This report provides the basis to request advocacy and endorsement of particular bills. The Church can marshal engagement to remove barriers to passage of effective climate legislation.

Position

The Federal Legislative Team has concluded that to protect God's creation a price must be placed on greenhouse gas (especially carbon) emissions that are causing climate change. There are two bills in the 116th Congress that would dramatically reduce emissions by placing a price on emissions and returning all or part of the money that is collected from the fossil fuel industry to Americans. Analysis by the Federal Legislative Team finds that either of these two bills would be effective in dramatically reducing carbon emissions. If enacted into law, either of these bills would result in the required emission reduction that the Intergovernmental Panel on Climate Change finds is required to avert the climate crisis threat. They would also support vulnerable populations by providing guaranteed income to offset any short-term increase in the cost of fossil fuels while providing support for adoption of life styles that produce less carbon emissions.

- The Energy Innovation and Carbon Dividend Act, H.R. 763
- Climate Action Rebate Act, S. 2284/H.R.40512

The Federal Legislative Team determined that both of these policies are written in accord with the Social Principles of the United Methodist Church.

We realize that no single bill will solve all the issues associated with climate change. So, we also analyzed other bills that target associated justice issues. Since restitution is also important in solving the broader climate crisis, the Federal Legislative Team also selected:

- RECLAIM Act, H.R. 2156, This legislation is intended to create favorable conditions for economic development in communities distressed due to loss of coal mining.

The Federal Legislative Team understands that effective climate legislation will not be passed in 2020 and that the political climate makes it difficult to pass any effective legislation. We find it is critical to inform Methodists that there are federally-proposed options to act on climate before the upcoming elections in November 2020. The outcome of the elections will be pivotal in efforts to pass climate legislation. Federal action would dramatically improve the likelihood that our children will be able to enjoy a survivable climate more like the one we have enjoyed.

More United Methodists need to understand the urgency of action on climate – an informed electorate is necessary for democracy to function. Most United Methodists are



not aware of the consequences of inaction on climate nor are they informed enough to make connections between the problem and legislative policy that helps solve the problem in a manner consistent with the Social Principles. We feel it is the obligation of the United Methodist Church to communicate the urgency for action on climate in a way that the complete story can be understood by all its membership.

If one of these bills, or a very similar bill, is enacted into law in the United States the threat of climate change may still be averted. By placing a price on greenhouse gas emissions, especially carbon dioxide, the United States would provide world leadership. No country can solve climate change alone. Based on historical precedent on other global problems, it is reasonable to believe that the United States must assume international leadership to remedy this global problem. It is difficult to imagine world-wide solutions being implemented if the United States removes itself from action.

The World Needs United States Leadership

THE CLIMATE CRISIS CANNOT BE AVERTED
UNLESS THE UNITED STATES CONGRESS
ENACTS LEGISLATION THAT DRAMATICALLY
REDUCES CARBON DIOXIDE EMISSIONS.

It is equally reasonable to believe that for the United States to pass a law, United Methodists, other Christians, and persons of other faith traditions must advocate for effective climate policy. To get a new result – eliminate fossil fuel burning – we must behave differently toward those who have the votes to pass federal legislation. The carbon fee legislation identified by the Federal Legislative Team would result in dramatic, near-term emission reduction while supporting vulnerable populations, because the net revenue of funds collected from the fossil fuel industry would be returned to American citizens. Other policies may be written in the future that will be worthy of our support, but today the recommended bills are good and deserve our advocacy. The solution to the climate crisis passes through the Congress of the United States. There is no alternative path.

The recommended next steps are to communicate the importance of federal legislation widely within the United Methodist Church to build a movement to advocate for God’s creation by taking action that will be effective in averting the climate crisis. This team prays that its work and recommendations provide the basis for the United Methodist Church to endorse and advocate for specific federal legislation.

Basis for United Methodist Church Federal Legislative Team Position

Introduction

The Federal Legislative Team was established in July of 2019 in Nashville, Tennessee at the Creation Care Summit. Along with other initiatives, it was commissioned because care of creation and action on climate change are intertwined. Attendees at the Summit concluded and documented that a requirement for creation care is federal legislative policy, which takes action on climate change. The resulting Strategy Document stated the primary goals:

- Pass meaningful climate legislation that reverses the climate crisis.
- Identify this legislation and then advocate for the same in a unified campaign to all United Methodists.
- Get more United Methodists engaged in the legislative process at the national level.

These goals continued to guide the Federal Legislative Team (see Appendix 1, Strategy Document).

Method

Initially, the team conducted a literature review of existing federal legislation that could have a meaningful impact on climate change or the effects of climate change. Team members reviewed sources on research studies, non-profit and institutional websites, and comments by knowledgeable individuals to analyze bills introduced in the 116th Congress (2019–2020).

- Friends Committee for National Legislation (FCNL) report focuses on bills that place a price on the content of carbon in fossil fuels. Some bills analyzed by FCNL also included action on other greenhouse gas emissions. The FCNL spreadsheet listed seven (7) bills.⁷
- Resources for the Future (RFF) published a listing of six (6) carbon pricing bills and provides an associated analysis. All 6 of these bills are also listed on the FCNL spreadsheet.⁸
- The Center for Climate and Energy Solutions factsheet compares eight carbon tax and cap-and-trade proposals on market-based approaches to pricing carbon (e.g. carbon tax, cap-and-trade, and a clean energy standard).⁹

⁷ "Carbon Pricing Legislation Comparisons," Friends Committee for National Legislation, August 20, 2019 <https://www.fcnl.org/updates/carbon-pricing-legislation-comparisons-2237>

⁸ "The Year of the Carbon Pricing Proposal," Resources for the Future, Marc Hafstead, August 2, 2019 <https://www.resourcesmag.org/common-resources/the-year-of-the-carbon-pricing-proposal/>

⁹ "Carbon Pricing Proposals in the 116th Congress," Center for Climate and Energy Solutions, Jason Ye, September, 2019. <https://www.c2es.org/site/assets/uploads/2019/09/carbon-pricing-proposals-in-the-116th-congress.pdf>

- The Center for Global Energy Policy at Columbia University prepared a useful comparison of leading bills that place a price on carbon dioxide emissions.¹⁰

With this information we felt confident that we were "covering the water front" of relevant bills being considered in Congress.

Social Principles: Global Climate Stewardship

"We acknowledge the global impact of humanity's disregard for God's creation. Rampant industrialization and the corresponding increase in the use of fossil fuels have led to a buildup of pollutants in the earth's atmosphere. These "greenhouse gas" emissions threaten to alter dramatically the earth's climate for generations to come with severe environmental, economic, and social implications. The adverse impacts of global climate change disproportionately affect individuals and nations least responsible for the emissions. We therefore support efforts of all governments to require mandatory reductions in greenhouse gas emissions and call on individuals, congregations, businesses, industries, and communities to reduce their emissions."

The Federal Legislative Team created and used a rigorous process to evaluate the identified legislation by establishing evaluation criteria. A compilation of principles was used to identify criteria that the Federal Legislative Team evaluated and scored. Evaluation criteria are grouped in categories: 1) criteria based on the Social Principles of the United Methodist Church; 2) criteria based on the effectiveness of the legislation in reducing carbon dioxide emissions and other greenhouse gases, and the general impact on the economy. The resulting evaluation criteria were written so that the team could score each criterion individually.

Criteria specific to the Church Social Principles are based on the 2016 and the 2020 versions of the Social Principles.¹¹ Evaluation criteria are based on these principles, which include strong support for action on the climate crisis. These criteria are compiled in the Guiding Principles Document (see Appendix 2).

The second set of criteria is specific to the effectiveness of the legislation in reducing carbon dioxide emissions and other greenhouse gases and the general impact on the economy. These criteria are compiled in the Evaluation Document (see Appendix 3).

After establishing and compiling evaluation criteria in the Guiding Principles Document and the Evaluation Document, the team selected seven bills

¹⁰"An Assessment of the Energy Innovation and Carbon Dividend Act," Dr. Noah Kaufman, John Larsen, Peter Marsters, Hannah Kolus, and Shashank Mohan, Columbia University Center for Global Energy Policy, November 6, 2019 <https://energypolicy.columbia.edu/research/report/assessment-energy-innovation-and-carbon-dividend-act>

¹¹ "Social Principles of the United Methodist Church," 2106 and the 2020 versions

that were most likely to be effective and comport with the Social Principles such as helping resolve climate justice issues. Three carbon pricing bills and four climate justice bills were selected for more in-depth study. Each team member read these seven bills with the evaluation criteria in mind.

Three methods can be used at the Federal level to reduce carbon emissions: carbon pricing; cap-and-trade; and regulations. Each of these basic approaches come with traditional political supporters. The Federal Legislative Team studied legislative policies that use carbon pricing – sometimes referred to carbon fee or carbon tax. The rationale for this choice follows:

- Today there is no cost for dumping unlimited quantities of carbon dioxide into the atmosphere; the cost of disposal of greenhouse gases is called an ‘externality’. The polluter does not pay – everyone else pays because of uncontrolled pollution and more rapid climate change. The selected bills establish a cost for greenhouse gas emissions. Through this change in the ‘free market’, cheaper and cleaner alternatives are incentivized, developed and deployed. Economists and models that project carbon emission reduction support this approach as being the most effective near-term approach.
- Cap-and-trade is also used to reduce carbon emission. A cap is established beyond which the emissions are illegal for various individual corporations and utilities. This process has been implemented and it now understood that cap-and-trade is complicated and subject to gamesmanship. Uncertainty continues regarding who sets the limits and who is allowed to lobby for special consideration. Another disadvantage is that cap-and-trade cannot reasonably establish caps for individuals, so our transportation system, at over 40% of our carbon dioxide emissions, cannot be easily managed by cap-and-trade. Finally, there is little bi-partisan interest in Congress on a cap-and-trade approach to reducing carbon emissions.
- Regulations that control emissions and their reduction can be established at the Federal level. There is little bi-partisan interest in Congress for a regulatory approach to controlling carbon emissions. Once regulations are imposed, enforcement is monitored by the Federal government. For example, vehicles can be regulated to get a certain mileage or even be zero emissions. Vehicle manufacturers are held responsible for ensuring that new products meet emission standards, which are reduced by law over time. Utilities could be forced by regulation to reduce carbon emissions.

Currently there are no regulations to control carbon dioxide emissions in the U.S. The Obama Administration attempted to implement regulations to control carbon emissions from fixed utilities: The Clean Power Plan (CPP). It did not apply to cars and trucks. This most prominent effort to reduce carbon dioxide emissions through regulation could not be implemented, because a law suit was filed by 26 states resulting in the Supreme Court staying the implementation of CPP.

The Federal Legislative Team discussed these issues in depth while considering the Social Principles. It is important for the United Methodist Church to take immediate action on the climate crisis by supporting climate change legislation. Legislation should include climate justice, such as repair of the harm from climate change that is and will be disproportionately harming low-income communities and communities of color.

Results

The Federal Legislative Team's analysis resulted in selecting federal policy which is effective in reducing greenhouse gases, especially carbon dioxide, to the level recommended by the Intergovernmental Panel on Climate Change. Our analysis indicates that the selected legislation does not solve all the climate justice concerns – additional legislation is needed to reduce carbon emission in order to resolve all issues concerning environmental justice or climate impacts. Our analysis found that legislation currently exists within bills in the U.S. 116th Congress that would be effective in reducing carbon emissions while ensuring that vulnerable populations are supported:

- The Energy Innovation and Carbon Dividend Act, H.R. 763
- Climate Action Rebate Act, S. 2284/H.R.40512
- RECLAIM Act, H.R. 2156. This legislation does not price carbon, but is intended to create favorable conditions for economic development in communities distressed due to loss of coal mining.

The Federal Legislative Team finds that this legislation is consistent with the Social Principles of the United Methodist Church of 2016 and the draft proposal of 2020. This legislation is also consistent with Interfaith Carbon Pricing Principles that were endorsed by 21 faith organizations (Appendix 7). Interviews with two of these organizations informed the development and findings of this position paper.

We live in a social system where many of the values we hold dear depend upon the laws of the land. A collective of concerned progressives, even if expanded significantly, cannot fix the foundations of the damage to the earth. We must engage the vast center of the country to garner enough support for a law to stop carbon emissions and the resulting harm to everyone, especially communities of color and lower income individuals.

Laws passed by Congress and the President are needed. We must engage with both sides of the aisle for durable change. It is for these reasons that we focused on pricing carbon, a carbon tax if you prefer, as the most effective approach to significantly reducing carbon emissions. This approach has significant support in Congress today. Since we need a law compelling all to participate in the solution, we must work with Congress. They make the laws of the land.

Energy Innovation and Carbon Dividend Act, H.R. 763¹²

This act accomplishes deep reductions in carbon dioxide emissions by placing a fee on fossil fuel, as it is extracted, based on the quantity of carbon dioxide created when burned. This tax increases annually. The net revenue will be returned to the American people in the form of a monthly dividend. Once enacted, the bill would reduce CO₂ emissions by 40% over the next 12 years, which is consistent with meeting the goals of the Intergovernmental Panel on Climate Change. Increases in the fee continue until emissions are reduced by 90% compared to 2015 emissions. Independent analysis by Resources for the Future supports the projection of emissions reduction. Fluorinated hydrocarbons, which are strong greenhouse gases, are also charged a fee. Analysis by REMI, a third-party firm specializing in the impact of government action, shows that the economic impact of this bill creates net jobs incremental to the do-nothing case. The economy will improve even when costs to society from climate change, are not included in the analysis. These societal costs, which would be mitigated with aggressive climate action, are expected to be significant because of more intense climate change in the do-nothing case.

Dividends are paid on a per person basis – all Americans receive the same payment making this dividend payment progressive. Environmental justice was considered as this bill was developed. For example, dividend payments do not affect Federal means-tested programs like Medicaid and Supplemental Nutrition Assistance Program (SNAP). In fact, analysis shows that the dividend will exceed any increase in cost of energy for over 60% of the population. This results from lower-income and middle-class Americans having a lower carbon foot print than higher income individuals. A fee on fossil fuels will eventually eliminate the root cause of many environmental justice issues. Coal-fired power plants, which tend to be located in lower-income communities, will continue to become non-competitive. The bill would contribute to the current movement to shut down coal fired power plants because they are becoming unprofitable. Shutting down coal fired power plants improves and saves the lives of those effected by pollution emitted from these plants. Coal mining, coal ash dumping and natural gas fracking will no longer be economically profitable. For these reasons, this bill will help vulnerable populations.

More information describing this bill is contained in the notes (see Appendix 4).

¹² Congress.Gov, H.R. 763 – Energy Innovation and Carbon Dividend Act of 2019
<https://www.congress.gov/bill/116th-congress/house-bill/763>

Climate Action Rebate Act, S. 2284/H.R.4051^{13,14}

This act accomplishes deep reductions in carbon dioxide emissions by placing a tax on fossil fuel based on the quantity of carbon dioxide created when burned. When enacted into law, CO₂ emissions would decrease by 90% of 2017 greenhouse gas emissions by 2050. Increases in the tax would continue until emissions are reduced by 90% of 2017. Fluorinated gasses, strong greenhouse gases, are taxed under the bill. Given the similarity of this bill to H.R. 763 it is expected that the overall economy will improve vs. a do-nothing scenario.

Of the revenue collected, 70% is returned to the American people in the form of a monthly dividend. The dividend is paid to low- and middle-income families only. Those with joint modified adjusted joint incomes above \$150,000 will receive no dividend making the bill very progressive. Climate adaptation and community resiliency projects receive 20% of the revenue. Energy R&D and worker transition assistance each receive 5% of the revenue. This legislation aggressively increases the cost of carbon emissions. The bill would contribute to the current movement to shut down coal fired power plants because they are becoming unprofitable. Shutting down coal-fired power plants will improve the environmental conditions for those living near coal mining operations, coal fired utilities and active coal ash dumps. Operations that create environmental justice issues like coal mining, coal ash dumping and natural gas fracking will become less and less profitable because fossil fuel becomes increasingly costly. For these reasons, this bill will help vulnerable populations.

More information describing this bill is contained in the notes (see Appendix 5).

*RECLAIM Act, H.R. 2156*¹⁵

This act appropriates \$200 million for each of years 2020 to 2025 to help distressed coal mining communities to reclaim their land and water. Funding is to be provided to States and Indian Tribes that qualify. The bill helps communities adversely affected economically by the recent reduction in coal mining activity, as demonstrated by employment data, per capita income, or other indicators of economic distress. The bill is intended to create favorable conditions for the economic development and to promote the general welfare through community development for communities distressed due to loss of coal mining. Funds would support documented projects in communities that have historically relied on coal mining for a substantial portion of their economy and in which the economic contribution of coal mining has significantly declined.

More information describing this bill is contained in the notes (see Appendix 6).

¹³ Congress.Gov H.R. 4051 – Climate Action Rebate Act of 2019 <https://www.congress.gov/bill/116th-congress/house-bill/4051?q=%7B%22search%22%3A%5B%22H.R.4051%22%5D%7D&s=3&r=1>

¹⁴ Congress.Gov S. 2284 – Climate Action Rebate Act of 2019 <https://www.congress.gov/bill/116th-congress/senate-bill/2284?q=%7B%22search%22%3A%5B%22S.2284%22%5D%7D&s=4&r=1>

¹⁵ Congress.Gov H.R. 2156 – Revitalizing the Economy of Coat Communities by Leveraging Local Activities and Investing More Act of 2019 <https://www.congress.gov/bill/116th-congress/house-bill/2156?q=%7B%22search%22%3A%5B%22H.R.+2156%22%5D%7D&s=5&r=1>

Recommendations

The Federal Legislative Team recommends that the United Methodist Creation Justice Movement accept the following actions to encourage the United Methodist Church to advocate for action on climate change and environmental justice:

- Communicate the need for pricing carbon as a necessary and critical requirement to address the climate crisis.
 - Acknowledge that even the most heroic individual efforts of those concerned for the environment will not reverse the trend toward an unlivable planet.
- Communicate that there are two bills in the 116th Congress that will result in deep cuts in carbon dioxide emissions consistent with the target established by the Intergovernmental Panel on Climate Change.
 - The Energy Innovation and Carbon Dividend Act, H.R. 763
 - The Climate Rebate Act, S. 2284/H.R.40512
- Communicate the likelihood of the same bills or similar bills being introduced in the 117th Congress. It is expected that the legislation, as re-introduced, will have greater bi-partisan support.
- Keep informed of progress and changes as bills move through the Energy and Commerce, Foreign Affairs, and Ways and Means Committees.
- Communicate that these two bills are consistent with Social Principles of the United Methodist Church – in fact, they would lessen harm from climate change for the "least of these".
- Communicate support for the Reclaim Act, H.R. 2156, that would create jobs in communities affected by the fossil fuel industry, supports revitalization in economically-distressed mining communities, and contributes to healthier communities through the restoration of land and water.
- Keep informed as new legislation is introduced that acts on climate justice and climate change.

Leaders of the United Methodist Creation Justice Movement are encouraged to embrace these recommendations and then engage with the governing structure of the United Methodist Church to communicate these results. The United Methodist Church is in a position to educate its membership on solutions to the climate crisis while making progress on environmental justice. Advocacy for specific bills that deeply reduce carbon dioxide emissions and other greenhouse gas emissions, which return the net revenue to the American people, will build the political will to act on climate change. We must act now to influence politics in 2020 so we have an opportunity to pass Federal law(s) on climate change in 2021.

References

- Friends Committee for National Legislation (FCNL) Spreadsheet⁷
- Resources for the Future (RFF) Article⁸
- Center for Climate and Energy Solutions Article⁹
- Center for Global Energy Policy at Columbia University Study¹⁰
- Interfaith Carbon Pricing Principles Paper (see Appendix 7)
- REMI (Regional Economic Modelers) study for by Citizens Climate Lobby
<https://citizensclimatelobby.org/laser-talks/remi-general-findings/>

Appendices

Appendix 1 - Strategy Document

Appendix 2 - Guiding Principles Document

Appendix 3 - Evaluation Document

Appendix 4 - Energy Innovation and Carbon Dividend Act Notes and Scoresheet

Appendix 5 - Climate Action Rebate Act Notes and Scoresheet

Appendix 6 - Reclaim Act Notes and Scoresheet

Appendix 7 - Interfaith Carbon Pricing Principles

Appendix 1, Strategy Document

Strategy: Drafted July 2019 at the Creation Care Summit in Nashville, Tennessee

- Federal Climate Legislation:
Support or Develop Federal Legislation to Deal with Climate Change

What is the Primary goal or objective of this strategy? Why do this? What will it accomplish?

- Pass meaningful climate legislation that reverses the climate crisis.
- Identify this legislation and then advocate same in a unified campaign to all United Methodists.
- Get more United Methodists engaged in the legislative process at the national level.

What are the specific next steps that we must take to meet this goal?

- Learn about and evaluate legislation that exists and either support, modify or rewrite.
 - Legislation to be effective, economically viable, consistent with United Methodist Social Principles and our convictions as followers of Jesus.
- Engage national boards and agencies (United Methodists Women, Church and Society or Others) in identifying and evaluating potential legislation.
- Identify United Methodist advocates in various regions of the country.
- See if there is something to learn from other denominations.

What resources are needed to accomplish this goal?

- Trainers
- Money to support this work
- Committed staff time from at least one of the national boards and agencies
- Washington based lobbyist
- Communication leadership
- Campaign strategist (designated person)

Who will lead it?

- Lynn Jobe and Paul Slentz
- Others on the team. Andrea Zink, Jeanette Berry, Matthew Zaragoza, John Hill
- Editor's note: Other members are needed.

When will the group first meet?

- By August 13

Note: This is the Strategy document. January 26, 2020

Appendix 2, Guiding Principles for Federal Climate Legislation Selection

The following principles will guide the work of the United Methodist Creation Justice Movement Legislative Team tasked by the 2019 Summit with identifying and advocating for federal legislation that combats climate change and its destructive impacts.

These principles are derived from the current Social Principles of the United Methodist Church (*2016 Book of Discipline*) and proposed revisions to those Principles which will be presented to the 2020 General Conference. They are also based on the committee's understanding of what it means to be followers of Jesus the Christ -- loving God and neighbor and practicing faithful stewardship of the good gift of creation.

Guiding Principles

- Scripture affirms that all of creation is good and of intrinsic worth beyond its utility to humankind. Therefore, in addition to caring for present and future generations of human beings, people of faith are called to protect all living things and the ecosystems of which they are a part from the destructive impacts of climate change.
- Scripture and reason teach us the deep interconnectedness and interdependence of all living things -- that the health of any part of creation, including humankind, is dependent upon the health of the whole.
- Scripture and our Wesleyan tradition make it clear that Christian discipleship requires special care for and just treatment of especially vulnerable people. The implications for federal climate legislation include:
 - Giving special attention to the impacts of climate change on the poor in the U.S. and throughout the world, understanding that deep reductions of greenhouse gas emissions are required to help those least capable to protect themselves.
 - Taking measures to repair the harm already done to impoverished communities by climate change.
 - Providing opportunities for vulnerable populations to participate fully in the emerging clean energy economy through job training and other economic development strategies.
 - Aiding communities that are economically dependent on the extraction, refinement and/or energy production of fossil fuels make a transition to a clean-energy economy.
 - Recognizing the need to assist poorer nations and indigenous peoples in taking measures to mitigate and adapt to climate change. The fairness of this is especially evident in the fact that these nations and peoples have contributed the least to the primary cause of climate change (greenhouse gas emissions) and yet are disproportionately suffering from its consequences.
- Combating climate change will require changes in personal and community behavior. It is essential that each individual take steps to reduce his/her carbon footprint. However,

Federal Legislation is Needed to Avert the Climate Crisis



individual actions will be insufficient to deal with the global nature of this crisis. For this reason, a systemic response expressed in public policy to deeply reduce greenhouse gas emissions at all levels of domestic government and internationally is essential.

- In line with our Wesleyan tradition that affirms the place of reason in the life of faith, we support the scientific community in its work of defining the causes of climate change and in recommending solutions.

Note: This is the *Guiding Principles* document. January 26, 2020

Appendix 3, Method to Evaluate Federal Climate Legislation

The method listed below to select federal legislation to address climate change is informed by the Strategy document drafted at the Creation Care Summit in July of 2019 and the Guiding Principles document referencing the Social Principles of the United Methodist Church.

We recognize that no piece of legislation is likely to be totally consistent with all the Social Principles established by the United Methodist Church. We also recognize that not every piece of legislation can or should encompass every principle and solve all issues related to climate change. In light of these realities, we will advocate for legislation that best fits these Principles, understanding that in an imperfect world legislation that effectively addresses the climate crisis can receive the Church’s support even when it is not perfect. Recognizing that there is no perfect legislation that will accomplish everything, legislation can be supported in a piece-wise process.

The proposed method for evaluating Legislation takes into account several factors. Each of the factors representing the Social Principles or the Policy Effectiveness of the legislation in reducing the greenhouse gas emissions will be given a qualitative evaluation. The Legislative Team will then recommend the best legislation to the appropriate approving bodies (to be determined) of the United Methodist Church.

Methods to Evaluate Legislation

Legislation must meet one of the two criteria below to be evaluated further.

- Legislation that leads to, or is related to, the steep reduction of greenhouse gas emissions with a reasonable probability of achieving net zero emissions by 2050. It is recognized that this type of legislation is of primary importance.
- Legislation associated with climate change or climate justice (remediation for poorer neighborhoods dealing with fossil fuel pollution is an example). These less-universal responses to climate change offer stepping stones to more significant support for CO2 reduction legislation and are useful in their own right.

Based on the Guiding Principles

Qualitative criteria for evaluating these factors. Legislation is ranked by color based on whether it supports criteria. “fully supports—blue”; “partially supports—green”; “marginally supports to no support—yellow”; “undermines—red”.

- Legislation pays special attention to the impacts of climate change on the poor and seeks to involve them in determining solutions.
- Legislation takes measures to repair the harm already done to impoverished communities by climate change.

- Legislation provides opportunities for vulnerable populations to participate fully in the emerging clean energy economy through job training and other economic development strategies.
- Legislation aids communities that are economically dependent on the extraction, refinement and/or energy production of fossil fuels make a transition to a clean-energy economy.
- Legislation assists poorer nations and indigenous peoples in taking measures to mitigate and adapt to climate change.

Based on Policy Effectiveness of the Legislation

Qualitative criteria for evaluating these factors. Legislation is ranked by color based on whether it supports criteria. “fully supports—blue”; “partially supports—green”; “marginally supports to no support—yellow”; “undermines—red”.

- Legislation exists in bill form and has co-sponsors in the House and in the Senate.
- Likelihood of passing seems reasonable. There are bi-partisan bill sponsors or the bill has aspects typically supported by both Democrats and Republicans.
- The legislation is expected to maintain or improve the US macro economy including net incremental jobs.
- Initial Tax Rate (price per metric ton of CO2 eq) and annual adjustments have been evaluated to achieve steep greenhouse gas reductions. An automatic tax rate adjustment mechanism exists if reduction targets are not met.
- Revenue use is evaluated to be effective in maintaining a strong economy.
- Beyond carbon dioxide, other greenhouse gases are covered.
- Exemptions under the legislation are limited and seem appropriate.
- Carbon capture credits is encouraged by the legislation.
- Border adjustments exist to protect American businesses from unfair competition from foreign businesses.
- The legislation's impact on existing regulations contribute toward an integrated solution with no loopholes.
- State laws incrementally reducing greenhouse gases are not preempted.
- The US can provide global leadership through adopted legislation but can pass the selected legislation unilaterally.

Note: This is the *Evaluation* document. January 26,2020

Appendix 4, Notes Energy Innovation and Carbon Dividend Act – H.R. 763

Attention paid to impacts on poor:

60% of population receives more in dividends than the sum of increases in prices due to the carbon tax. Coal fired utilities become quickly non-competitive improving and saving lives of those effected by coal operations tending to be the poorer folks. Dividends are paid on a per person basis. All Americans receive the same payment and is thus progressive. Dividend payments do not affect federal means tested programs like Medicaid and SNAP. First, the bill does no harm. Second, it gives a bit of net money to a large majority of the poor and middle class and to all of those with a low carbon foot print.

Repairs harm to impoverished communities:

No reparations are made. However, the bill does, per the Columbia report, (<https://energypolicy.columbia.edu/research/report/assessment-energy-innovation-and-carbon-dividend-act>) eliminate coal fired electricity generation within 10 years and thereby improves the environmental conditions for those living near coal mining operations, coal fired utilities and active coal ash dumps. Per REMI (Regional Economic Modelers, Inc. June 9, 2014) 13,000 premature deaths are avoided each year due to better air quality.

Vulnerable people have opportunity to participate in clean economy:

There will be incremental job opportunities in all sectors of the economy. Per REMI net employment is up 2.2 million jobs at year 10 after the bill becomes law.

Aids communities dependent on fossil fuel extraction:

There is no direct aid. However, most new environmental degradation due to the mining and burning coal will end.

Assists poorer nations and indigenous peoples:

CO2 emissions drop thus assisting Pacific Island nations, coastal communities and indigenous people of Alaska and others living near the arctic circle due to thawing permafrost. Often these groups depend on direct and seasonal output from the land or the sea. Climate change risks disruption to their direct environmental dependency.

Legislation exists in bill form:

Yes.

Reasonable likelihood of passing:

80 cosponsors but only one Republican in House. Climate Solutions Caucus established in Senate with 7 Republicans and 7 Democrats. Will likely need a new president to pass. The 2020 election is critical.

Helps communities adapt to climate change:

Not addressed in the bill.

Accomplishes deep reductions in greenhouse gas emissions:

The statutory emissions schedule is to decrease CO2 to 90% of 2016 GHG emissions by 2050. Increases continue until emissions are reduced to 90% of 2016. Independent analysis supports the expectations of the bill. Fluorinated gases are also taxed.

Initial tax rate with annual adjustments achieves CO2 reduction:

Yes. Tax rate starts at \$15 per metric ton of carbon dioxide equivalent emissions and increases by \$10 per metric ton each succeeding year. The statutory emissions schedule is to decrease CO2 to 90% of 2016 GHG emissions by 2050. Increases continue until emissions are reduced to 90% of 2016. Annual tax increases are adjusted for inflation. Additionally, the bill stipulates the National Academy of Sciences will forecast in year 10 the expected reduction in emissions for year 2050 and make recommend further action if needed. The second study is due after 18 months and will evaluate the use of biomass for energy and the resulting impacts on carbon sinks and biodiversity. Recommendations are to be made to address any adverse impacts.

The legislation is expected to maintain improve economy:

Yes. Per the Remi Study 2.2 million jobs are created by year 10 of legislation.

Revenue use helps keep economy strong:

Yes. All the money is returned equally to all Americans. They spend it. Per Remi, GDP improves slightly vs. the do-nothing case. The Columbia report estimates that the GDP goes down slightly with no value given for the climate benefits.

Tax rate adjusts if CO2 targets unmet:

Yes. Tax rate goes from \$10 per metric ton to \$15 per metric ton per year.

Beyond CO2, other GHG's are covered:

Partially. Covers fossil fuel and fluorinated gases. Does not cover leaked methane.

Exemptions are limited:

Yes. A refund is offered on fuel used on farms and fossil fuels used by the military.

Carbon capture is encouraged:

Policy accommodates CO2 capture and sequestration by refunding the tax placed on the carbon fuel that was burned. There are no subsidies or other incentives offered.

Border adjustment exists:

Yes. Countries not having a carbon tax are levied "tariffs" on emissions-intensive goods at our border and US exporters are credited to maintain their competitiveness with other non-taxing countries.

Impact on regulations offers no loopholes:

The bill pauses the EPA regulations on CO2 which are covered under the bill. After 10 years if H.R. 763 does not prove to be more effective, the regulations are legislatively reinstated. This has an impact on the Clean Power Plan. H.R. 763 covers all CO2 emissions. The CPP covers only the power sector. The CPP which has never been implemented, and might never be as it has been challenged in court and its implementation has been stayed by the Supreme Court, was slated to reduce only power sector emissions by 32% by 2030 as its ultimate objective. H.R. 763 is scheduled to reduce all emissions by 30% by 3030 with steep reductions to follow. According to a Columbia report (above link) on H. R. 763, it reduces emissions in the power sector by 80% by 2030.

State laws not preempted:

States are not inhibited from implementing incremental state laws or regulations to control GHGs.

US can provide global leadership:

Upon passage, the US has the border adjustment to encourage other nations to join, and it will have also gained moral leverage to lead others. It is expected that if the US passes this legislation, other nations will implement similar programs.

Federal Legislation is Needed to Avert the Climate Crisis



Evaluation Scoresheet					H.R. 763 - Energy Innovation and Carbon Dividend				
Legislation Being Evaluated:					Jan	Andrea	Paul	Lynn	Average
Based on the Guiding Principles					5	7	4	4	5
Attention paid to impacts on poor					2	2	2	2	2
Repairs harm to impoverished communities					0	1	1	0	0.5
Vulnerable people have opportunity to participate in clean economy					1	2	1	1	1.25
Aids communities dependent on fossil fuel extraction					1	1	0	0	0.5
Assists poorer nations and indigenous peoples					1	1	0	1	0.75
Questions Common to Non-Carbon Pricing and Carbon Pricing Legislation					6	7	4	5	5.5
Legislation exists in bill form					2	2	2	2	2
Reasonable likelihood of passing					1	1	0	1	0.75
Helps communities adapt to climate change					1	2	0	0	0.75
Accomplishes deep reductions in Green House Gas Emissions					2	2	2	2	2
Based on Policy Principles of the Carbon Pricing Legislation					19	20	19	19	19.25
Initial tax rate with annual adjustments achieves CO2 reduction					2	2	2	2	2
The legislation is expected to maintain improve economy					2	2	2	2	2
Revenue use helps keep economy strong					2	2	2	2	2
Tax rate adjusts if CO2 targets unmet					2	2	2	2	2
Beyond CO2, other GHG's are covered					1	1	2	1	1.25
Exemptions are limited					1	2	1	2	1.5
Carbon capture is encouraged					2	2	2	1	1.75
Border adjustment exists					2	2	2	2	2
Impact on regulations offers no loopholes					1	1	0	1	0.75
State laws not preempted					2	2	2	2	2
US can provide global leadership					2	2	2	2	2
TOTALS					30	34	27	28	29.75
Scoring									
Legislation fully supports					2				
Legislation partially supports					1				
Legislation marginally supports to no sup					0				
Legislation undermines					-1				

Appendix 5, Notes on Climate Action Rebate Act – S. 2284/H.R. 4051

Attention paid to impacts on poor:

Dividend targets low- and middle-income families. Those with joint modified adjusted joint incomes above \$150,000 will receive no dividend. This is very progressive. Coal fired utilities become quickly non-competitive improving and saving lives of those effected by coal operations tending to be the poorer folks. Dividends are paid on a per person basis to those qualifying.

Repairs harm to impoverished communities:

Yes. 5% of the revenue collected is for transition assistance for workers and communities affected by the carbon tax. Additionally, the bill does, per the Columbia report, (<https://energyppolicy.columbia.edu/research/report/assessment-energy-innovation-and-carbon-dividend-act>) eliminate coal fired electricity generation within 10 years and thereby improves the environmental conditions for those living near coal mining operations, coal fired utilities and active coal ash dumps. Per REMI 13,000 premature deaths are avoided each year due to better air quality.

Vulnerable people have opportunity to participate in clean economy:

A portion of the 5% transition assistance goes toward job training for workers in fossil fuel industry.

Aids communities dependent on fossil fuel extraction:

A portion of the 5% transition assistance goes toward economic development in communities depressed by the carbon tax. Additionally, most new environmental degradation due to the mining and burning of coal will end.

Assists poorer nations and indigenous peoples:

CO2 emissions drop thus assisting Pacific Island nations, coastal communities and indigenous people of Alaska and others living near the arctic circle due to thawing permafrost. Often these groups depend on direct and seasonal output from the land or the sea. Climate change risks disruption to their direct environmental dependency.

Legislation exists in bill form:

Yes.

Reasonable likelihood of passing:

Identical bills established in the House and the Senate. There are 6 cosponsors in the House and 2 cosponsors in the Senate. All are Democrats. The bill must get more support and

support of some Republicans. Will need a new president to pass. The 2020 election is critical. Seems unlikely.

Helps communities adapt to climate change:

Not addressed in the bill.

Accomplished deep reductions in greenhouse gas emissions:

The statutory emissions schedule is to decrease CO2 to 90% of 2017 GHG emissions by 2050. Increases continue until emissions are reduced to 90% of 2017. Fluorinated gasses are taxed under the bill.

Initial tax rate with annual adjustments achieves CO2 reduction:

Yes. Tax rate starts at \$15 per metric ton of carbon dioxide equivalent emissions and increases by \$15 per metric ton each succeeding year. The statutory emissions schedule is to decrease CO2 to 90% of 2017 GHG emissions by 2050. Increases continue until emissions are reduced to 90% of 2017. Annual tax increases are adjusted for inflation.

The legislation is expected to maintain improve economy:

Yes. Much analysis says H.R. 763 maintains the economy. This bill is similar enough to expect it will also maintain the economy.

Revenue use helps keep economy strong:

Yes. 70% of the revenue is for dividends to people, 20% is for infrastructure (mostly highways but many others including safe drinking water), 5% is for energy innovation, 5% for transition assistance for workers and communities affected by the carbon tax. The carbon dividend begins to be reduced for an individual with modified adjusted gross income above \$80,000 for an individual or joint filer above \$130,000. It is very likely the dividends will be spent.

Tax rate adjusts if CO2 targets unmet:

Yes. If in one year the emissions are higher than that year's target, the following year tax will be at a \$30 rate vs. \$15 rate.

Beyond CO2, other GHG's are covered:

Partially. Covers fossil fuel, solid biomass and fluorinated gases. Does not cover leaked methane.

Exemptions are limited:

Yes. None noted.

Carbon capture is encouraged:

Policy accommodates CO2 capture and sequestration by providing 5% of the revenue for innovation. Carbon Capture is listed as one such possible innovation.

Border adjustment exists:

Yes. Countries not having a carbon tax are levied "tariffs" on emissions-intensive goods at our border and US exporters are credited to maintain their competitiveness with other non-taxing countries.

Impact on regulations offers no loopholes:

Existing regulations are unaffected by this bill.

State laws not preempted:

States are not inhibited from implementing incremental state laws or regulations to control GHGs.

US can provide global leadership:

Upon passage, the US has the border adjustment to encourage other nations to join, and it will have also gained moral leverage to lead others. It is expected that if the US passes this legislation, other nations will implement similar programs.

Federal Legislation is Needed to Avert the Climate Crisis



Evaluation Scoresheet					S. 2284/ HR 4051 - Climate Action Rebate				
Legislation Being Evaluated:					Jan	Andrea	Paul	Lynn	Average
Based on the Guiding Principles					8	5	8	7	7
	Attention paid to impacts on poor				2	2	2	2	2
	Repairs harm to impoverished communities				2	0	2	1	1.25
	Vulnerable people have opportunity to participate in clean economy				1	1	1	1	1
	Aids communities dependent on fossil fuel extraction				2	2	2	2	2
	Assists poorer nations and indigenous peoples				1	0	1	1	0.75
Questions Common to Non-Carbon Pricing and Carbon Pricing Legislation					6	6	6	4	5.5
	Legislation exists in bill form				2	2	2	2	2
	Reasonable likelihood of passing				0	0	0	0	0
	Helps communities adapt to climate change				2	2	2	0	1.5
	Accomplishes deep reductions in Green House Gas Emissions				2	2	2	2	2
Based on Policy Principles of the Carbon Pricing Legislation					20	17	17	20	18.5
	Initial tax rate with annual adjustments achieves CO2 reduction				2	2	2	2	2
	The legislation is expected to maintain improve economy				2	2	2	2	2
	Revenue use helps keep economy strong				2	2	2	2	2
	Tax rate adjusts if CO2 targets unmet				2	1	2	2	1.75
	Beyond CO2, other GHG's are covered				1	1	2	1	1.25
	Exemptions are limited				2	2	2	2	2
	Carbon capture is encouraged				2	2	2	1	1.75
	Border adjustment exists				2	2	2	2	2
	Impact on regulations offers no loopholes				2	1	0	2	1.25
	State laws not preempted				1	0	0	2	0.75
	US can provide global leadership				2	2	1	2	1.75
TOTALS					34	28	31	31	31
Scoring									
	Legislation fully supports				2				
	Legislation partially supports				1				
	Legislation marginally supports to no sup				0				
	Legislation undermines				-1				

Appendix 6, Notes Reclaim Act – S. 1232/H.R. 2156

Attention paid to impacts on poor:

Appropriates \$200 million for each of years 2020 to 2025 to help distressed coal mining communities to reclaim their land and water. The monies are slated to be provided to States and Indian Tribes qualifying for the funds.

Repairs harm to impoverished communities:

Bill addresses communities adversely affected economically by a recent reduction in coal mining activity, as demonstrated by employment data, per capita income, or other indicators of economic distress.

Vulnerable people have opportunity to participate in clean economy:

Opportunity is created by the specified projects required to access the funds from this bill.

Aids communities dependent on fossil fuel extraction:

The bill is intended to create favorable conditions for the economic development and to promote the general welfare through community development for communities distressed due to loss of coal mining. The monies are intended to support documented projects in communities that have historically relied on coal mining for a substantial portion of its economy and in which the economic contribution of coal mining has significantly declined.

Assists poorer nations and indigenous peoples:

Indigenous peoples affected by coal mining have an equal opportunity to access funds for projects on their lands.

Legislation exists in bill form:

Yes.

Reasonable likelihood of passing:

The bill has 66 cosponsors in the House with strong bipartisan support and 7 democratic cosponsors in the Senate.

Helps communities adapt to climate change:

Not addressed in the bill.

Federal Legislation is Needed to Avert the Climate Crisis



Evaluation Scoresheet					S. 1232/H.R. 2156 - Reclaim Act				
Legislation Being Evaluated:					Jan	Andrea	Paul	Lynn	Average
Based on the Guiding Principles					6	7	8	8	7.25
	Attention paid to impacts on poor				2	2	2	1	1.75
	Repairs harm to impoverished communities				2	2	2	2	2
	Vulnerable people have opportunity to participate in clean economy				0	1	0	1	0.5
	Aids communities dependent on fossil fuel extraction				2	2	2	2	2
	Assists poorer nations and indigenous peoples				0	0	2	2	1
Questions Common to Non-Carbon Pricing and Carbon Pricing Legislation					7	6	3	4	5
	Legislation exists in bill form				2	2	2	2	2
	Reasonable likelihood of passing				1	1	1	2	1.25
	Helps communities adapt to climate change				2	2	0	0	1
	Accomplishes deep reductions in Green House Gas Emissions				2	1	0	0	0.75
Based on Policy Principles of the Carbon Pricing Legislation					n/a	n/a	n/a	n/a	n/a
	Initial tax rate with annual adjustments achieves CO2 reduction				n/a	n/a	n/a	n/a	n/a
	The legislation is expected to maintain improve economy				n/a	n/a	n/a	n/a	n/a
	Revenue use helps keep economy strong				n/a	n/a	n/a	n/a	n/a
	Tax rate adjusts if CO2 targets unmet				n/a	n/a	n/a	n/a	n/a
	Beyond CO2, other GHG's are covered				n/a	n/a	n/a	n/a	n/a
	Exemptions are limited				n/a	n/a	n/a	n/a	n/a
	Carbon capture is encouraged				n/a	n/a	n/a	n/a	n/a
	Border adjustment exists				n/a	n/a	n/a	n/a	n/a
	Impact on regulations offers no loopholes				n/a	n/a	n/a	n/a	n/a
	State laws not preempted				n/a	n/a	n/a	n/a	n/a
	US can provide global leadership				n/a	n/a	n/a	n/a	n/a
TOTALS					13	13	11	12	12.25
Scoring									
	Legislation fully supports				2				
	Legislation partially supports				1				
	Legislation marginally supports to no sup				0				
	Legislation undermines				-1				

Appendix 7, Interfaith Carbon Pricing Principles

Carbon Pricing Principles Introduction

It is imperative that the United States demonstrate global leadership and accountability to address the dangers of climate change. One way this global leadership can be demonstrated is by passing ambitious legislation to reduce greenhouse gas emissions domestically. Faith organizations recognize that carbon pricing is one of many legislative and administrative tools that can be used to reduce U.S. greenhouse gas emissions and address injustices related to climate change both in the U.S. and abroad. Any carbon pricing policy should function to reduce greenhouse gas emissions to mitigate climate threats. Revenue generated should be used to negate climate impacts to vulnerable populations such as helping low- and middle-income households offset increased energy costs, increase community resilience to climate impacts and facilitate a just transition to renewable sources of energy.

In an effort to ensure that carbon pricing policy proposals are informed by vulnerable members of our communities and by those most impacted by climate change and the extraction of fossil fuels, we have developed the following principles:

Guiding Principles 1. Stewardship: We have a responsibility to be caretakers of the natural world and to preserve ecosystems for future generations. Any carbon pricing proposal must ensure that the U.S. is on track to prevent the catastrophic impacts of climate change globally. Catastrophic warming would devastate God's creation and endanger the future of the planet.

2. Sustainability: We must cultivate and maintain a healthy and abundant planet that meets the needs of current and future generations. We seek to put our world on the path to a sustainable future by enabling biological and social systems that support life. Any carbon pricing proposal must advance economic justice so all communities can flourish for generations to come. To address the growing pattern of overconsumption, we prioritize systems and lifestyles of sufficiency.

3. Justice and Human Dignity: We strive for justice and human dignity with the understanding that all people are children of God, but the burden of environmental degradation, pollution, and lack of access to resources falls disproportionately on marginalized communities. In the spirit of justice, any carbon pricing proposal must not harm those populations that feel the worst impacts of climate change and are least able to respond. Instead, carbon pricing policies should be a net benefit to vulnerable populations.

4. Dialogue: As people of faith, we are uniquely able to serve as bridge-builders by finding common ground and reaching across political divides. Addressing climate change is not the responsibility of one person, one political party or one country, but U.S. leadership is essential for united global action. We are rooted in the practice of emphasizing our common values in order to advance cooperation and overcome partisanship at both the national and international levels.

Any carbon pricing policy that utilizes a carbon tax needs to include the following:

- A carbon tax must be structured so as not to harm the health or economic wellbeing of vulnerable communities including communities of color, rural communities, Tribal Nations and indigenous communities, immigrant communities, those who are disabled or struggling with chronic health conditions, those not living in the wage economy and those living in poverty. Any carbon pricing mechanism can therefore, not be fiscally regressive.
- Emission targets should be ambitious based on the best assessments provided by the scientific community that will avoid the catastrophic impacts of climate change.
- An adjustment mechanism should be included to respond if the emission targets are not being met.
- Existing environmental and climate change protections should not be rolled back nor should limitations be placed on future regulation of greenhouse gas emissions as part of a carbon pricing effort.
- Where carbon pricing is the most effective tool, a carbon tax must be applied to as many sectors as possible to ensure that polluting industries do not escape paying the tax. This includes addressing border leakage and trade policy exemptions.
- The process for identifying and implementing solutions in any carbon tax proposal should be participatory and transparent for all stakeholders, including indigenous communities and people living near power plants and other fossil fuel infrastructure. Transparency includes making public the economic analyses used to develop the carbon pricing mechanism that shows the impact on all entities and communities.
- The pricing mechanism itself should be transparent and have government accountability built in to ensure that goals are being met.

Endorsed By:

Christian Reformed Church
Office of Social Justice
Church World Service
Coalition on the Environment and Jewish Life
Columban Center for Advocacy and Outreach (*Catholic*)
Creation Justice Ministries
Franciscan Action Network
Friends Committee on National Legislation
Interfaith Center on Corporate Responsibility
Interfaith Power & Light
Leadership Conference of Women Religious
Maryknoll Office for Global Concerns
Maryknoll Sisters Eastern USA Region

Federal Legislation is Needed to Avert the Climate Crisis



Menonite Central Committee U.S. Washington Office
Presbyterian Church (U.S.A), Office of Public Witness
United Church of Christ, Justice and Witness Ministries
The United Methodist Church – General Board of Church and Society
Union for Reform Judaism
United Methodist Women
Unitarian Universalists for Social Justice
Young Evangelicals for Climate Action