

Representative Raymond P. Ward proposes the following substitute bill:

JOINT RESOLUTION SUPPORTING FEDERAL CARBON

FEE AND DIVIDEND PROGRAM

2022 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Raymond P. Ward

Senate Sponsor: _____

LONG TITLE

General Description:

This joint resolution addresses pollution, its impact on the environment, and ways to efficiently promote clean air technology.

Highlighted Provisions:

This resolution:

- ▶ describes the impact that pollution has on the environment;
- ▶ recognizes the value of energy;
- ▶ recognizes the negative impacts of government regulation and support of specific technologies;
- ▶ addresses international aspects of CO₂ emissions;
- ▶ supports the use of nation-wide border adjusted carbon fees and dividends as the best way to encourage the development of clean energy technologies;
- ▶ supports the principle of coupling a border adjusted carbon fee and dividend program with a decrease of individual regulations on and government support for individual industry segments or specific companies;
- ▶ opposes any requirement of reparations from the fossil fuel industry; and
- ▶ supports a loosening of federal requirements placed on the mining industry to



26 facilitate acquisition of the minerals needed for clean energy technologies.

27 **Special Clauses:**

28 None

29

30 *Be it resolved by the Legislature of the state of Utah:*

31 WHEREAS, CO₂ is produced by large industries and small industries, and each of us as
32 individuals in the products that we purchase and the energy that we use;

33 WHEREAS, CO₂ and other pollutants contribute to the warming of the environment;

34 WHEREAS, this global warming is not a hypothetical future, but is already happening,
35 as evidenced by an increase in average temperature over the last 60 years by 1 degree
36 Fahrenheit globally, 2 degrees Fahrenheit in Utah, and 7 degrees Fahrenheit in the Arctic
37 Circle;

38 WHEREAS, on a global scale, continued warming will almost certainly lead to many
39 unpredictable, but adverse outcomes;

40 WHEREAS, on a local level, increased heat would certainly mean decreased snow in
41 the winter and decreased available water supply due to increased evaporation losses in the
42 summer;

43 WHEREAS, humanity could not have attained the current level of prosperity without
44 the energy derived from fossil fuels, and abundant affordable energy is necessary for humanity
45 to continue to survive and prosper;

46 WHEREAS, there are many possible paths forward to generate the needed energy,
47 without creating CO₂ emissions, including:

- 48 • solar power with battery storage;
- 49 • on and off-shore wind power;
- 50 • geothermal energy;
- 51 • clean hydrogen production;
- 52 • hydrocarbon production paired with carbon capture;
- 53 • nuclear energy;
- 54 • pump storage of intermittent forms of renewable energy; or
- 55 • other as yet unidentified technologies;

56 WHEREAS, instead of asking government bureaucracies to guess which of these

57 methods of producing clean energy would be the most effective and then to create arbitrary
58 incentives for their preferred alternative, there would be a better chance of arriving at the best
59 outcome if producers of CO₂ pollution were required to pay their fair share of the damage
60 caused by the CO₂ and, once the cost of the pollution is added in, allow individuals and private
61 investors to choose which products they wish to purchase and invest in;

62 WHEREAS, to avoid increasing the burden on those least able to bear the cost, it is not
63 advisable to simply tax carbon, but rather to return the money collected from a carbon fee to
64 the taxpayer via a dividend program;

65 WHEREAS, it is in the United States' strong national interest to remain the world's
66 leading energy innovator and no other nation is as well suited for that role;

67 WHEREAS, to be effective, any national climate solution must hold other major
68 emitters like China, Russia, and India accountable for their carbon pollution;

69 WHEREAS, these other countries often exploit their weaker environmental standards
70 by sending cheaper products to the United States, at the expense of United States
71 manufacturers, our workers, and the environment;

72 WHEREAS, United States manufacturers have made greater progress at lowering their
73 emissions, so much so that they generate only one-third the carbon emissions of China's
74 producers and one-fourth the emissions of Russia's producers; and

75 WHEREAS, to avoid disadvantaging United States manufacturers and energy producers
76 and to avoid off-shoring pollution to other countries, it is necessary to couple any carbon fee
77 and dividend program with a national border tax adjustment, so that the CO₂ pollution
78 produced in other countries pays its fair share when it crosses the border into our country to be
79 sold:

80 NOW, THEREFORE BE IT RESOLVED that the Legislature of the state of Utah
81 expresses support for a nation-wide border adjusted carbon fee and dividend program as the
82 best way to require that producers of CO₂ pollution pay for the impact that CO₂ has on the
83 environment while enlisting the power of the free market to identify and encourage the best
84 carbon free solutions.

85 BE IT FURTHER RESOLVED that the Legislature supports the principle that any
86 border adjusted carbon fee and dividend program be coupled with a decrease of individual
87 regulations on energy production and decreased government support for individual industry

88 segments or particular companies.

89 BE IT FURTHER RESOLVED that the Legislature opposes any requirement of
90 reparations from the fossil fuel industry, while our economy transitions to forms of energy
91 production that result in less CO₂ pollution.

92 BE IT FURTHER RESOLVED that the Legislature supports a loosening of the federal
93 requirements placed on mining in order to acquire the minerals needed for clean energy
94 technologies.

95 BE IT FURTHER RESOLVED that a copy of this resolution be sent to the Utah
96 congressional delegation.