

1 [Urging Enactment of a Revenue-Neutral Carbon Tax]

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3 **Resolution urging the United States Congress to enact a revenue-neutral carbon tax.**

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5 WHEREAS, The Intergovernmental Panel on Climate Change (IPCC) has stated in its
6 recently released 5th Assessment Report, *Climate Change 2013: The Physical Science Basis*,
7 that “Warming of the climate system is unequivocal,” and “It is extremely likely that human
8 influence has been the dominant cause of the observed warming since the mid-20th century;”
9 and

10 WHEREAS, In May of 2013, the global atmospheric concentration of CO2 reached 400
11 parts per million—the highest level in the last 800,000 years; and

12 WHEREAS, In May of 2014, two separate scientific papers were published in the
13 journals *Science* and *Geophysical Research Letter* that documented dramatic retreats of
14 Antarctic glaciers and predicted that large-scale destruction of the West Antarctic ice sheet
15 was likely now inevitable and would lead to sea level rises of ten feet or more; and

16 WHEREAS, The 2004 *Climate Action Plan for San Francisco* found that continued
17 warming of the atmosphere would cause San Francisco to experience flooding; threats to City
18 infrastructure, the sewage system, Bay wetlands, and marine life; as increased asthma and
19 respiratory illness due to higher ozone levels; increased insurance and mitigation costs; and
20 negative impacts to the fishing and tourism industries; and

21 WHEREAS, Conservative estimates by the world’s climate scientists state that to
22 achieve climate stabilization and avoid cataclysmic climate change, emissions of greenhouse
23 gases (GHGs) must be brought to 80% below 1990 levels by 2050; and

24 WHEREAS, The Global Warming Solutions Act of 2006 commits the State of California
25 to reduce greenhouse gas emissions to 1990 levels by 2020, and the Governor’s Executive

1 Order S-3-05 further calls on the State establishes as State policy to reduce greenhouse gas
2 emissions 80% below 1990 levels by 2050; and

3 WHEREAS, The City and County of San Francisco Board of Supervisors adopted
4 Resolution No. 158-02 committing the City and County of San Francisco to a greenhouse gas
5 emissions reductions goal of 20% below 1990 levels by the year 2012; and

6 WHEREAS, Under Resolution No. 158-02, the Mayor and Board of Supervisors of the
7 City and County of San Francisco actively support the Kyoto Protocol; and

8 WHEREAS, The failure of the world's nations to ratify the Kyoto Protocol or any other
9 meaningful climate regulations combined with escalating impacts of climate change
10 demonstrate that broader, more powerful policies are needed to supplement local and
11 regional efforts to reduce emissions; and

12 WHEREAS, Presently the environmental, health, and social costs of carbon emissions
13 are not included in prices paid for fossil fuels, but rather these externalized costs are borne
14 directly and indirectly by all Americans and global citizens; and

15 WHEREAS, To begin to correct this market failure, Congress can enact a national
16 carbon tax on fossil fuels, based on the amount of CO2 the fuel will emit when burned; and

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

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

23 WHEREAS, The Citizens' Climate Education Corporation (CCEC) contracted a third
24 party, Regional Economic Modeling, Inc. (REMI) to do a nation-wide macroeconomic study on
25 the impact of a revenue-neutral carbon tax; and

1 WHEREAS, REMI's study predicted that, after 10 years, a revenue-neutral carbon tax
2 would lead to a decrease in CO2 emissions by 33 percent, an increase in national
3 employment of 2.1 million jobs, and an average monthly dividend for a family of four of \$288;
4 and

5 WHEREAS, Border adjustments—carbon content-based tariffs on products imported
6 from countries without comparable carbon pricing, and refunds to our exporters of carbon
7 taxes paid—can maintain the competitiveness of U.S. businesses in global markets; and

8 WHEREAS, A national carbon tax can be implemented quickly and efficiently, and
9 respond to the urgency of the climate crisis, because the federal government already has in
10 place mechanisms, such as the Internal Revenue Service, needed to implement and enforce
11 the tax, and already collects taxes from fossil fuel producers and importers; and

12 WHEREAS, A national carbon tax would make the United States a leader in mitigating
13 climate change and in the clean energy technologies of the 21st Century, and would
14 incentivize other countries to enact similar carbon taxes, reducing global CO2 emissions
15 without the need for complex international agreements; now, therefore, be it

16 RESOLVED, That the Board of Supervisors of the City and County of San Francisco
17 urges the United States Congress to enact without delay a tax on carbon-based fossil fuels;
18 and, be it

19 FURTHER RESOLVED, That the tax should be collected once, as far upstream in the
20 economy as practical, or at the port of entry into the United States; and, be it

21 FURTHER RESOLVED, That the tax rate should start low and increase steadily and
22 predictably, to achieve the goal of reducing U.S. CO2 emissions to 10% of 1990 levels by
23 2050; and, be it

1 FURTHER RESOLVED, That all tax revenue should be returned to households to
2 protect low and middle income Americans from the impact of rising prices due to the tax; and,
3 be it

4 FURTHER RESOLVED, That the international competitiveness of U. S. businesses
5 should be protected by using carbon content-based border tariffs and tax refunds.

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