

**SJM 5 A STAFF MEASURE SUMMARY**

**Carrier:** Sen. Dembrow

**Senate Committee On Energy and Environment**

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**Action Date:** 03/11/21

**Action:** Be adopted with amendments. (Printed A-Eng.)

**Vote:** 4-1-0-0

**Yeas:** 4 - Beyer, Dembrow, Findley, Taylor

**Nays:** 1 - Robinson

**Fiscal:** No fiscal impact

**Revenue:** No revenue impact

**Prepared By:** Beth Reiley, LPRO Analyst

**Meeting Dates:** 2/25, 3/4, 3/11

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**WHAT THE MEASURE DOES:**

Urges Congress to pursue viable solutions to the threat posed by climate change and to pass the Energy Innovation and Carbon Dividend Act.

**ISSUES DISCUSSED:**

- Outdated reference to bill number
- Policy enacted at federal level
- Policy would be revenue neutral

**EFFECT OF AMENDMENT:**

Removes whereas clauses related to effects of 1.1 degree Celsius increase above late 19th century levels and the sixth mass extinction of species. Clarifies references to the Energy Innovation and Carbon Dividend Act.

**BACKGROUND:**

In January 2019, House Resolution 763, the Energy Innovation and Carbon Dividend Act (Act) was introduced in Congress. The Act imposes a fee on the carbon content of fuels, including crude oil, natural gas, coal, or any other product derived from those fuels that would result in the emission of greenhouse gases into the atmosphere. The fee is imposed on the producers or importers of the fuels and is equal to the greenhouse gas content of the fuel multiplied by the carbon fee rate. The rate begins at \$15 in 2019, increases by \$10 each year, and is subject to further adjustments based on the progress in meeting specified emissions reduction targets. The Act also imposes a specified fee on fluorinated greenhouse gases. The fees must be deposited into a Carbon Dividend Trust Fund and used for administrative expenses and dividend payments to U.S. citizens or lawful residents. The Act would decommission fees once emission levels and monthly dividend payments fall below specified levels.

Senate Joint Memorial 5 A would urge Congress to pursue viable solutions to the threat posed by climate change and to pass the Energy Innovation and Carbon Dividend Act.