

Testimony in Support of SJM 5

Two years ago, 45 prominent economists published a remarkable statement¹ supporting carbon fee and dividend policy like the Energy Innovation and Carbon Dividend Act (EICDA).

They said this policy “offers the most cost-effective lever to reduce carbon emissions at the scale and speed that is necessary.” They wrote that a “consistently rising carbon price will encourage technological innovation and large-scale infrastructure development,” “accelerate the diffusion of carbon-efficient goods and services,” and “promote economic growth and provide the regulatory certainty companies need for long-term investment in clean-energy alternatives.”

At the same time, “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.” These monthly dividends, which would be distributed to every US household, would “maximize the fairness and political viability” of the policy.

In short, as Citizens’ Climate Lobby likes to say, ***the policy is good for the climate, good for the economy, and good for people.***

The original statement was signed by:

- All 4 former chairs of the Federal Reserve
- 27 Nobel laureates
- 15 former chairs of the Council on Economic Advisers
- 2 former secretaries of the US Department of Treasury

The statement was subsequently endorsed by over 3,500 other economists, including 57 Oregonians.

The Energy Innovation and Carbon Dividend Act would enable us to turn the climate crisis into an opportunity to build a better climate future and a better economy. Passage of SJM 5 would put Oregon on record as supporting this policy and help convince Congress to enact EICDA.

Please pass SJM 5.

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¹ The entire statement and a list of signatories is available at <https://council.org/economists-statement/>.