RESOLUTION URGING THE UNITED STATES CONGRESS TO ENACT A REVENUE-NEUTRAL CARBON TAX

May 24, 2016

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

WHEREAS National Academy of Sciences has stated that “It is now more certain than ever, based on many lines of evidence, that humans are changing Earth’s climate. The atmosphere and oceans have warmed, accompanied by sea-level rise, a strong decline in Arctic sea ice, and other climate-related changes.”

WHEREAS, The global atmospheric concentration of CO2 has now surpassed 400 parts per million—the highest level in the last 800,000 years; and

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

WHEREAS, The 2014 National Climate Assessment found that continued warming of the atmosphere will cause New Jersey to experience heat waves; sea-level rise; flooding; threats to infrastructure; and harms to agriculture; and

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

WHEREAS, the Essex County Board of Freeholders has declared in Resolution R-2015 that climate change poses threats to New Jersey and Essex County and that it supports efforts to address climate change; and

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

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

WHEREAS, To begin to correct this market failure, Congress can enact a national carbon tax on fossil fuels, based on the amount of CO2 the fuel will emit when burned; and
WHEREAS, For efficient administration, fossil fuels can be taxed once, as far upstream in the economy as practical, or at the port of entry into the United States; and

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

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

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

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

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

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

RESOLVED, That the Montclair Environmental Commission urges the United States Congress to enact without delay a tax on carbon-based fossil fuels; and, be it

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

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

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

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

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X - Indicate Vote ABS - Abstain N.V. - Not Voting AB - Absent

I HEREBY CERTIFY the foregoing to be a true copy of a resolution adopted by the Council of the Township of Montclair, in the County of Essex, at its meeting held on May 24, 2016.

Linda S. Wanat