

RESOLUTION NO. NS-29,350

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CRUZ, CALIFORNIA  
A RESOLUTION OF THE CITY OF SANTA CRUZ SUPPORTING NATIONAL REVENUE-  
NEUTRAL CARBON FEE AND DIVIDEND LEGISLATION

WHEREAS, the Santa Cruz City Climate Action Plan sets forth 1,000 steps (or 256 actions) to reduce dependence on carbon-based fuels to be taken by residents, businesses, institutions and government entities; and

WHEREAS, municipalities throughout our state are developing and abiding by similar climate action plans to comply with California's climate action goals as expressed in Assembly Bill 32 and the 2017 Climate Change Scoping Plan Update which sets a climate target of 40% reduction in greenhouse gases by 2030 compared to 1990 levels; and

WHEREAS, California's climate goals are leading the nation and are aligned with the rest of the world in the global effort to fight climate change; and

WHEREAS, having determined that the Carbon Fee and Dividend legislative principles proposed by the non-partisan Citizens' Climate Lobby would provide an efficient approach for shifting away from the incentives that keep the United States (U.S.) reliant on fossil fuel and would, thereby, contribute to and support the rapid deployment of cleaner energy alternatives; and

WHEREAS, having determined that this approach would be fair to everyone and would protect middle and low-income households by providing them with a dividend that, on average, would exceed increased energy costs for two-thirds of all households (specifically the lowest income two thirds) during the transition to cleaner energy; and

WHEREAS, per the non-partisan study by Regional Economic Models, Inc. (REMI), this approach would ensure a substantial increase in private investment in cleaner energy options because they will become significantly less expensive relative to fossil fuels within a known time frame. The proliferation of sustainable energy alternatives in relation to yearly increasing costs for fossil fuel would encourage consumers and businesses to keep their carbon footprint smaller while keeping energy affordable; and

WHEREAS, a 2014 report of the Intergovernmental Panel on Climate Change concludes that, since the 1950s, the increased temperatures in the atmosphere and in the ocean have led to rises in sea levels and accelerated ocean acidification with increased concentrations of greenhouse gases on a global level that are unprecedented for a period of similar duration throughout the known climatological record; and

WHEREAS, according to a recent report of the United States Global Change Research Program, "Leaders and residents of coastal regions are increasingly aware of the high vulnerability

RESOLUTION NO. NS-29,350

of coasts to climate change and are developing plans to prepare for potential impacts on citizens, businesses, and environmental assets.” The many direct climate change impacts anticipated for Santa Cruz County include higher sea levels with increased coastal erosion, increases in air temperatures, possible shifts in precipitation, severe storms, drought with a secondary impact being an increased risk in exposure to wildfire, salt water intrusion and its disruption to fresh ground water and agriculture, and ocean acidification; and

WHEREAS, having determined that the immediate adoption of the Citizens’ Climate Lobby Carbon Fee and Dividend Legislation in the United States would grow the economy by adding over two million new jobs, would help make us a world leader in cleaner energy technologies, and would help establish the U.S. as a leader in future global climate negotiations.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The United States Congress immediately enact legislation and that the United States President sign into law a fee on carbon-based fuels at their point of entry into our economy (the mine, the well head, the port); and
2. That the fee should begin low, at \$15/ton of CO<sub>2</sub>e emitted when burned, and rise by \$10/ton per year to achieve the goal of reducing U.S. CO<sub>2</sub> emissions to 10% of 1990 levels by 2050; and
3. All fee revenue should be returned to households as a dividend to protect low and middle-income households from the impact of rising prices due to the fee; and
4. The international competitiveness of U.S. businesses should be protected by using carbon content-based border tariffs and refunds; and
5. The response in combating climate change to mitigate its worst effects should be implemented with the speed appropriate to the gravity and urgency of the situation, and for that reason, the Mayor shall send a letter no later than 30 days after passage of this Resolution to the Governor and all Mayors and City Councils, County Boards of Supervisors, School Boards, and State and Federal Legislators in Santa Cruz, Monterey, and San Benito Counties urging their support and adoption of a Carbon Fee and Dividend policy over the signatures of the Members of the City Council of Santa Cruz.

RESOLUTION NO. NS-29,350

PASSED AND ADOPTED this 23<sup>rd</sup> day of January, 2018, by the following vote:

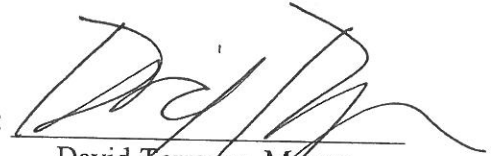
AYES: Councilmembers Krohn, Mathews, Chase, Noroyan; Vice Mayor Watkins;  
Mayor Terrazas.

NOES: None.

ABSENT: Councilmember Brown.

DISQUALIFIED: None.

APPROVED:

  
David Terrazas, Mayor

ATTEST:

  
Bonnie Bush, Interim City Clerk Administrator

