

# Resolution in support of a Price on Carbon

WHEREAS climate change is a major issue, affecting many facets of society and the environment; and

WHEREAS the burning of fossil fuels is a major contributor to climate change; and

WHEREAS economists agree that the most cost-effective approach to reducing the greenhouse gas emissions that arise as a byproduct of economic activity is an increasing price on carbon; and

WHEREAS a price on carbon may be created by either: 1) levying a fee on fossil fuel companies, or 2) a system where fossil fuel companies are required to purchase permits; and

WHEREAS the countries of the world met in Paris in December 2015 and agreed to reduce emissions, but the Agreement placed much of the burden of achieving those reductions on countries and subnational jurisdictions including states and cities; and

WHEREAS the price of oil and coal is currently extremely low due to multiple factors including the abundance of shale gas from hydraulic fracturing (fracking), leading many fossil fuel companies including Peabody Coal to file for bankruptcy; and

WHEREAS a price on carbon will provide a price signal to consumers in terms of products they buy and to institutional investors such as pension funds, many of which have already announced plans to divest from fossil fuel investments; and

WHEREAS the Obama Administration's Clean Power Plan and other regulations are intended to reduce the amount of fossil fuel used in the electricity sector, but the Plan faces challenges in court and from coal-dependent states, and it is difficult to reduce emissions in all sectors of the economy without an economy-wide price on carbon; and

WHEREAS several Mid-Atlantic and East Coast states are participating in the Regional Greenhouse Gas Initiative (RGGI) that sets goals to reduce greenhouse gases in the electricity sector, but the Commonwealth of Virginia is not yet a member; and

WHEREAS revenues from a price on carbon can be used in a variety of ways, including supporting renewable energy, energy efficiency, sustainable transportation, assistance to disproportionately impacted communities, assistance with worker transition out of fossil fuel industries and retraining for work in renewable energy industries, and refunding revenues back to households as a "climate dividend";

RESOLVED, that the Virginia 10th Congressional District Democrats support the establishment of an escalating price on carbon as a means to provide an incentive to reduce greenhouse gas emissions throughout the economy, and to devote the revenues generated toward purposes that support the public trust.