

Rep. Raul M. Grijalva
Co-Chair of The Congressional Progressive Caucus
1511 Longworth HOB
Washington, DC 20515

Rep. Mark Pocan
Co-Chair of The Congressional Progressive Caucus
1421 Longworth HOB
Washington, DC 20515

June 21, 2018

Re: Removing Carbon Tax from the People's Budget

Dear Members of the Progressive Caucus,

The undersigned environmental justice, community, civil rights and environmental organizations are writing on behalf of our millions of progressive members and supporters to urge you to remove the price on Corporate Carbon Pollution (carbon tax) from The People's Budget FY 2019.

Today, communities of color, lower-income neighborhoods and Native Americans are disproportionately impacted by nearby frontline air pollution emitters. A carbon tax gives the state and polluters imprimatur for these companies to merely pay a small tax to continue spewing airborne pollutants that significantly damage the health of these disadvantaged communities while continuing to contribute to the ever-present climate emergency. We expect the Progressive Caucus to find better, more equitable solutions that reduces emissions, while also increasing equity and justice.

While we applaud your effort to generate robust revenues to combat the urgency of climate change, the inclusion of a carbon tax would make it much more difficult-and for some groups representing environmental justice communities, impossible – to endorse or promote the People's Budget proposal that includes the inequitable, discriminatory, ineffective and ultimately regressive carbon tax proposal that gives a green light for the biggest climate scofflaws to pay to pollute and maintain a harmful status quo.

It is naïve to presume that polluters only lack a sufficient market indicator or pricing signal to discourage their climate killing emissions. Carbon pricing and other market mechanisms such as cap and trade, emissions trading and others rely on market forces that have already delivered a substantial and disparate toxic burden faced by socially and economically disadvantaged communities. A carbon tax provides a government license to pollute — and to increase pollution as long as taxes are paid. That is why carbon pricing schemes have been ineffective at reducing pollution and safeguarding our communities. We would encourage you to review the landmark report entitled: *Carbon Pricing: A Critical Perspective for Community Resistance*

released last year by the Indigenous Environmental Network and Climate Justice Alliance (<http://www.ienearth.org/wp-content/uploads/2017/11/Carbon-Pricing-Final-Print-Final-HiRez.pdf>)

Carbon taxes would be highly regressive, irrespective of the proposed unworkable rebate schemes. Lower-income families dedicate a larger proportion of their income on energy, so a carbon tax hits economically struggling family the hardest. These households are already forced to make difficult financial choices between food and rent, and medicines and education.

The Progressive Caucus should be skeptical of relying on a carbon tax that has been endorsed by many large oil and gas companies, the World Bank, a Who's Who of Republican thought leaders and, most recently, the College Republicans. Some support carbon taxes as a revenue raiser to pay for corporate tax cuts; the companies endorse carbon taxes because they know that it will have no real impact on their production, profits or pollution.

The adoption of false, industry-friendly market approaches, like carbon taxes and carbon cap-and-trade programs, are not true climate solutions, only illusions of solutions. The most effective way to fight climate change is through commonsense regulation that requires polluters to reduce their carbon emissions, while increasing incentives for the expansion of clean, renewable energy sources like wind and solar. This approach restored America's waterways with the Clean Air Act and dramatically reduced airborne contaminants with the Clean Air Act.

Raising revenue from pollution will not reduce emissions, it will merely make the government dependent on the polluters' tax revenues to fulfill other budgetary needs. And industry will simply continue business as usual, exposing socially and economically disadvantaged communities to more toxic pollutants while passing on costs to struggling families.

Carbon tax revenue could never adequately compensate America for the destruction that extraction and pollution has on frontline communities hit first and worst by climate change. The regressive Trump tax cut and misguided Republican budgetary priorities provide ample revenue opportunities to replace a carbon tax. Moreover, an immediate cessation of the \$20 billion in annual subsidies could be re-invested in frontline communities and renewable energy infrastructure.

We urge you to remove carbon tax from the People's Budget and replace it with progressive income, corporate or financial revenue raisers and ask that the Progressive Caucus continue to advocate for policies and proposals that actually curb and vastly reduce emissions, and those that prioritize more equitable, effective and just transition from fossil fuels.

Sincerely,

Food & Water Watch
Climate Justice Alliance
Indigenous Environmental Network
National Nurses United
Our Revolution
People Demanding Action
Progressive Democrats of America

Bronx Climate Justice North
Church Women United in New York State
Citizens For A Clean Pompton Lakes
Citizens United for Renewable Energy (CURE),
Council on Intelligent Energy & Conservation Policy
Daughters of Wisdom
Don't Gas the Pinelands!
Elmirans & Friends Against Fracking
Environmental Justice Task Force of the WNY Peace Center
Gas Free Seneca
iEat Green
Justice Action Mobilization Network/ Faith in Solar
Lower Raritan Watershed Partnership
Maryland Environmental Health Network
Newark Science and Sustainability
NJ State Industrial Union Council
North American Climate, Conservation and Environment (NACCE)
Nuclear Age Peace Foundation
Our Revolution New Mexico and Frack Free Four Corners
Patuxent Riverkeeper
People for a Healthy Environment
Sisters of St. Dominic of Blauvelt, New York
The Climate Mobilization NYC
WATERSPIRIT
Weather Medic Inc