

ISSUE: CLIMATE CHANGE LEGISLATION

Tell your Senators and Representatives: Congress should pursue achievable and realistic goals for emissions reductions that allow for substantial federal R&D invested in domestic solutions that create good paying American jobs and does not undermine the U.S. economy.

LEGISLATIVE STATUS: Currently, the Building Trades are active participants in the many stakeholder meetings that are being held in both the House and Senate. Hearings on this issue are underway in both chambers and committees of jurisdiction in the House and Senate are expected to consider this issue soon.

SUMMARY: A number of congressional proposals to advance programs designed to reduce greenhouse gasses have been introduced in the 110th Congress. These proposals have generally followed one of three tracks. The first is to improve the monitoring of greenhouse gas emissions to provide a basis for research and development. The second is to enact a market based greenhouse gas reduction program – “cap and trade”. The third is to enact energy and related programs that would increase the use of renewable resources in our nation’s energy production portfolio. The proposals receiving the most attention are similar to the second “cap and trade” option which would create a market based greenhouse gas reduction program.

The cap-and-trade concept has become popular with politicians because it gives business wiggle room for meeting the environmental standards. A company that cannot meet the limits can buy credits from a firm that is complying, or it can pay to offset its emissions. This system was used in the 1990 Clean Air Act amendments to restrict emissions of sulfur dioxide, which contributes to acid rain, and was notably successful.

Note: The Building Trades have not endorsed any of the numerous proposals that have been introduced.

KEY POINTS:

- **Climate change legislation should be economy-wide, and conditioned on similar actions by U.S. trading partners and developing countries.**
- **If a “cap and trade” program is implemented - revenue generated from the auction of “carbon permits” should be dedicated to finance improvement in technology, and promote domestic production and the creation of jobs.**