

June 9, 2009

The Honorable Charles Rangel  
Chairman, Committee on Ways and Means  
United States House of Representatives  
1102 Longworth House Office Building  
Washington, DC 20515

Dear Chairman Rangel,

On behalf of the millions of members represented by our organizations, we are writing to urge the Ways and Means Committee to take legislative action that helps lead our country and the rest of the world in combating global warming. We believe that the environmental, economic, public health and international security threats of global warming require full and fair consideration by the multiple Committees of jurisdiction in the House of Representatives.

As the Committee moves forward, we urge you to focus in the following areas:

**Economy Wide Cap on Global Warming Emissions**

The impacts of global warming are already being felt. If we fail to act now, global warming will become much worse, dramatically impacting people in the United States and around the world by causing irreversible damage to the environment, the global economy, public health and international security. Fortunately, we can still reduce pollution quickly enough to prevent this from happening. The Ways and Means Committee can and should adopt policies that aggressively cut global warming emissions based on the best available science.

**Investing in People and a Clean Energy<sup>1</sup> Transition**

To meet the climate challenge, we will need to ensure that individuals and communities are kept as whole as possible while we transition to a carbon free economy. Carbon pricing systems tend toward regressivity – disproportionately effecting low-income families. Climate change also disproportionately affects low income and vulnerable people – at home and abroad.

The Ways and Means Committee has the ability to counteract both carbon pricing regressivity and the disproportionate impacts of climate change, ensuring that families, communities, and workers are revitalized as we transition to a clean energy economy. We urge the Committee to prioritize protecting the most economically vulnerable and impacted communities and workers, both domestically and internationally and to provide broadly based assistance to consumers. In addition, we need investments in transitioning to a clean energy economy both domestically and abroad. We encourage

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<sup>1</sup> We define clean energy as energy sources such as low-impact solar, wind, and non-dam hydro, which do not add toxic burdens to communities and workers, and do not require incineration technologies.

the Ways and Means Committee, through revenue generated from a carbon pricing regime and through other revenue sources, to fund this important transition.

**Transparent and Stable Carbon Pricing**

The Ways and Means Committee has the ability to use several mechanisms to set a price on carbon including a carbon tax or fee; cap and trade, dividend or auction or a hybrid approach. Regardless of the mechanism, the setting of carbon prices must be transparent, stable, and predictable, while minimizing to the greatest extent possible the ability of private entities to manipulate the carbon price.

**Polluters Must Pay**

In any carbon pricing regime, entities seeking to emit global warming pollution must pay for the right to pollute. In a permitting system, this requires that 100 percent of permits are auctioned or sold. The Committee should not allow firms to use offsets as an alternative compliance mechanism or tax deduction. We believe that offsets are not a measurable or verifiable method of reducing greenhouse gas emissions and that they violate the “polluter pays” principle by providing polluters with profitable means to continue to pollute.

As the House of Representatives continues its work on global warming legislation, we look forward to working with you and the Committee to put forward legislation that meets these principles.

Sincerely,

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| Carbon Tax Center                         | The Energy Project                        |
| Center for Biological Diversity           | Environmental Investigation Agency        |
| Chesapeake Climate Action Network         | Friends Committee on National Legislation |
| Citizens Against Ruining the Environment  | Friends of the Earth                      |
| Climate Crisis Coalition                  | Global Exchange                           |
| Coal River Mountain Watch                 | Greenpeace                                |
| Coalition on Human Needs                  | Green Delaware                            |
| Community Action New Mexico               | Greenwich Citizens Committee, Inc.        |
| Columban Center for Advocacy and Outreach | Institute for Local Self-Reliance         |

International Forum on Globalization

Physicians for Social Responsibility

International Rivers

Progressive Democrats of America

Jewish Reconstructionist Federation

Public Citizen

League of Women Voters of the United States

Public Citizen Texas

Maryknoll Office for Global Concerns

Redwood Alliance Climate Action Project

Massachusetts Environmental Energy Alliance

Rainforest Action Network

Montana Environmental Information Center

The Shalom Center

National Consumer Law Center, on behalf of its low-income clients

Stand Up/Save Lives Campaign

Neighbors Against the Burner

Sustainable Energy and Economy Network

Nuclear Information Research Service

Texas Climate Emergency Campaign

Oil Change International

TURN—The Utility Reform Network

Pacific Environment

Unitarian Universalist Association of Congregations

Cc: Speaker of the House, Nancy Pelosi  
Majority Leader, Steny H. Hoyer