

PROGRAM FOR PUBLIC CONSULTATION

SCHOOL OF PUBLIC POLICY, UNIVERSITY OF MARYLAND



SATURDAY, FEBRUARY 27, 2021

PRESENTED BY





Methodology

Field Dates: January 25 – February 21, 2021

Sample Size: 449 Adult Residents of New York's 25th Congressional District

Reducing Air Pollution

HIGH PRIORITY

LOW PRIORITY

We have a responsibility to improve conditions of people suffering from negative health effects of poor air quality.

Lots of anti-pollution legislation already in place; More could hurt businesses and cost jobs.



Reducing Air Pollution FINAL RECOMMENDATION

How high a priority should it be for the government to work to reduce the air pollution that has negative effects on health?



Reducing Greenhouse Gases

HIGH PRIORITY

LOW PRIORITY

Most climate scientists agree greenhouse gases pose major threats; We must act now to prevent costly damage, plus it's beneficial to increase energy efficiency. More climate change research is needed, so it's premature to change the way we produce energy, which could hurt businesses and cost jobs.



Reducing Greenhouse Gases

HIGH PRIORITY

LOW PRIORITY

Cleaner air improves health and quality of life. Clean energy creates many jobs. The US must move to clean energy to stay competitive. Efforts to reduce CO² will cause government red tape & slow the economy. People can drive businesses to change by buying energy-efficient products.



Reducing Greenhouse Gases

How high a priority should be for the government to work to further reduce greenhouse gases, especially carbon dioxide?



Tax Incentives

To encourage people and companies to adopt clean energy or energy-saving technologies.

- Some are currently in place.
- Most will expire soon.
- Could be renewed, expanded.

Tax Incentives

ARGUMENT IN FAVOR

ARGUMENT AGAINST

Clean energy technologies aren't being adopted fast enough to forestall the dangers of climate change. The benefits outweigh the costs so it's in our interest to adopt these technologies quickly. Energy tax credits already cost the government around \$20 billion a year. Many companies and individuals can afford clean energy and energysaving technology without tax breaks.



Tax Credits: to Energy Companies

...for electricity produced with clean energy: equal to up to 5-10% of cost of electricity

Tax Credits: to Energy Companies

...for the cost of equipment that produces or stores clean energy: up to 30%

Tax Credits: to Energy Companies

...for the production of transportation fuel that produces 25% fewer emissions than the current average: up to \$1 per gallon

Tax Credits: Residential Buildings

...for building a new energy-efficient home or residential building: up to \$3,000

Tax Credits: Residential Buildings

...for making energy-saving improvements such as fuel-efficient lighting, doors, windows, or insulation: up to \$6,500

Tax Credits: Residential Buildings

...for installing a new energy-efficient heating or air conditioning system: up to \$1,500

Tax Credits: Commercial Buildings

...for building new energy-efficient commercial buildings: up to \$4.75 / square foot

Tax Credits: Commercial Buildings

...for making energy-saving improvements to commercial buildings: up to \$9.25 / square foot

New Tax Credits: New Technologies

...for developing first-of-its-kind clean energy technologies: up to 30%

New Tax Credits: New Technologies

...for the cost of installing first-of-its-kind clean energy technology: up to 40%

New Tax Credits: New Technologies

...for the sales price of clean energy produced using first-of-its-kind technology: up to 60%

New Tax Credits: Electric Buses

... for the sales price of each bus sold: equal to 10%

New Tax Credits: New Electric Cars

New Tax Credits: Used Electric Cars

...for people earning \$30,000 or less, a tax credit for purchasing a **used electric car**: up to \$5,000

New Tax Credits: Charging Stations

...for the cost of **installing a charging station** that can be used by anyone: up to 75%

Efficiency Standards

PROPOSAL:

Government to require businesses to meet higher efficiency standards for new cars and trucks.

Regulations & Efficiency Standards

ARGUMENT IN FAVOR

ARGUMENT AGAINST

Can't rely on businesses to make necessary changes on their own. When everyone is required to make changes, it's fair because businesses and consumers bear costs equally. Government requirements create expensive and inefficient bureaucracies. Businesses already have the incentive to create more efficient products.

PROPOSAL:

Fuel Efficiency of Cars & Light Trucks

By 2025, newly built cars and light trucks would be required to **emit half the carbon dioxide** of a 2010 model car or truck.

Would ultimately add \$1,800 to the cost of the vehicle.

But owner would **save an estimated \$5,700 on gasoline** over the car's lifetime.

FINAL RECOMMENDATION

Do you favor or oppose the proposal to gradually raise the fuel efficiency requirement for light cars and trucks through 2025?

PROPOSAL: Fuel Efficiency of Heavy-Duty Trucks, Vans, Tractors

A higher fuel efficiency standard for heavy-duty trucks, vans, tractors and similar vehicles, through the year 2027.

By 2027, a new vehicle in this class would **cost an extra \$1,855.**

But would save the owner about \$400-500 annually in lower fuel costs.

FINAL RECOMMENDATION

Do you favor or oppose a higher fuel efficiency standard on heavy-duty vehicles?

PROPOSAL:

Minimum Renewable Requirement

Another option is for government to require electric companies to have a **minimum portion of their electricity** come from **renewable sources** that produce little or no air pollution or greenhouse gases, such as **solar**, **wind**, **or biogas**.

Such minimums have been established in 30 states, DC and Puerto Rico, and 8 states have voluntary requirements.

The **costs** of these programs have been substantially **passed on to consumers**, **increasing their price of electricity by 1-2%**.

Minimum Renewable Requirement

Do you favor your own state requiring that electric companies have a minimum portion of their electricity come from renewable sources such as solar, wind, or bio-gas?

Carbon Fee

Here's how the carbon fee would work:

Companies that produce coal, oil or natural gas, would be charged a fee of **\$35 for each ton of carbon dioxide** emitted from the fuels they burn, and an equivalent amount for other greenhouse gases.

This will increase the price for energy companies burning fossil fuels.

To reduce costs, energy companies will likely **switch to using more renewable sources.**

Energy companies will not be able to make up for all increased costs by switching to renewable energy. They will likely pass on some of the higher price of energy to consumers.

So, things like electricity and gas will increase slightly in price, as will products and services that rely on a lot of fossil fuel energy, such as airplanes.

Here's how the rebate would work:

To make up for the increased costs to consumers, all revenue generated from the carbon fee would be given back to citizens in monthly rebate checks.

All adults would receive the same size check (about \$450 a year), and all children would receive a half-size check.

Taking into account increased consumer prices and the monthly rebate checks:

- low and middle income people will come out ahead
- upper-middle income people will break even,
- upper-income people will come out slightly behind

Effects on Environment and Economy

- Reduce air pollution
- Slow climate change, and decreasing prevalence of severe storms, droughts, heat waves, etc.

Could save the economy \$20-40 billion/year by 2030.

- Reduce the number of jobs in the coal industry
- Increase in jobs in the renewable energy industry
 Overall, little to no effect on total level of employment.

ARGUMENT IN FAVOR

ARGUMENT AGAINST

Reducing carbon emissions is important for our health and for the environment. Economists, business leaders and climate experts agree that a carbon fee is the best solution. A carbon fee will make coal and oil too expensive, causing companies to go out of business and job losses in those industries. Unfair to coal & oil workers.

ARGUMENT IN FAVOR

ARGUMENT AGAINST

Carbon fee will increase demand in the US for clean energy and energy-saving technology, create new high paying jobs for American workers, and make US competitive globally. The US only produces 14% of all greenhouse gases. A big reduction effort will be very costly and do little good without other countries doing their part.

ARGUMENT IN FAVOR

ARGUMENT AGAINST

US emits more CO² per capita than most countries. Also, the US is a global leader, and if the US acts strongly on reducing GHGs, others will follow. The government shouldn't control people's behavior through taxes. Those want to reduce CO² should buy / make products that are more environmentally friendly.

Carbon Fee & Rebate FINAL RECOMMENDATION

- Government would charge companies that produce coal, oil or natural gas a fee (\$35 ton) based on the amount of CO² and other GHGs emitted when fuels they produce are burned
- All money from fee would be given to citizens equally in the form of a monthly rebate check (about \$450/person/year; \$37.50/month)

Suspending Regulations on Emissions

If a carbon fee & rebate plan were adopted:

- Suspend most existing regulations requiring energy companies to limit their carbon emissions
- No new regulations on carbon dioxide emissions

Suspending Regulations on Emissions

ARGUMENT IN FAVOR

ARGUMENT AGAINST

Companies need lots of flexibility to adapt to the new carbon fee as best they can. They shouldn't be burdened with additional regulations.

Reducing emissions requires every tool in the toolbox. Removing the regulations could eliminate any benefit of the carbon fee.

Suspending Regulations on Emissions FINAL RECOMMENDATION

If a carbon fee & rebate is adopted, would you favor or oppose a proposal that would:

- suspend most existing regulations requiring energy companies to limit their carbon emissions; and
- not allow government to impose any new regulations on carbon dioxide emissions?

