

Report: Carbon tax good for Northwest

By Samantha Malott, Daily News staff writer | Posted: Monday, June 9, 2014 1:00 am

A report released today by Citizens' Climate Lobby examining a proposed national fee and dividend carbon tax shows many positives for the Idaho and Washington region.

"This is good for the economy and good for jobs, specifically in Washington and Idaho," CCL Palouse Region Chapter volunteer Rob Briggs said.

The study, prepared by Regional Economic Models, Inc., looks at a carbon emissions fee system that will funnel money back into the economy through dividends to families. A starting fee of \$10 per ton of CO₂, with an increase of \$10 a ton each year, would be paid to the Internal Revenue Service. The money would then be divided equally among households, with a full share given to each adult and a half share given to children, up to two children per household.

According to the report, by 2025, the annual dividend for a family of four would be \$3,480, while carbon emissions would have declined by 33 percent.

"There are times ... when the price of something does not reflect its damage, the cost of which is borne by society. Such is the case with fossil fuels, whose price does not reflect the health, security and environmental costs that arise from their use. If we fix this price distortion - through a steadily-increasing tax - the market will gravitate toward cleaner energy and energy efficiency without the need for regulation or subsidies," the report states.

"It's a simple logic that this is more efficient," Briggs said of the proposed system. "It is the one that 97 percent of economists say is the way to do it."

Products that have high carbon content would be more expensive, such as fuel and aluminum, which will lead to consumers moving toward alternative sources, he said. These alternatives will be more labor intensive solutions, boosting employment opportunities.

By 2025, the report estimates 2.2 million jobs will be added nationally.

Locally, Briggs expects visible changes in homes, transportation, education, agriculture and employment.

In Washington and Idaho the average person spends \$1,200 a year on petroleum products.

"We will shift away from the fuels we import and to develop them more locally," he said, adding there are vast opportunities locally to create our own energy.

As electric bills rise, homeowners will search for alternative energy sources such as ground source heat pumps or solar energy, he said. People will also become more centralized and compact to increase transportation options.

"Electrifying transportation is a trend that will happen," he said.

By electrifying the railways, he said, local growers would be able to get their products out farther, for cheaper, and become more competitive in widespread markets.

Consumers will also turn toward the local growers for produce as grocery store prices rise due to high transportation costs to bring in goods from around the nation, he said.

"I think this proposal is really brilliant," Briggs said. "The technology is here, we just need the politicians to act."

Later this summer, more than 600 CCL members, including Briggs, will travel to Washington, D.C., to sit down with members of Congress and the House of Representatives to push support for the proposal.

The big message here is undoing the myth that putting a price on carbon would damage our economy - this report shows the exact opposite, he said.

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