



# Carbon Pollution Fee and Rebate

*With a carbon pollution fee and rebate system, low and moderate income residents will come out ahead.*

Want to tackle climate change but feel the problem is too big? Yes, it's huge, but we must act urgently! Putting a fee on carbon pollution is an effective way to quickly:

- Breathe cleaner air, reduce greenhouse gas emissions and accelerate the switch to renewable energy
- Benefit low-income people who are most vulnerable to climate change; and
- Create more jobs and attract clean energy investment!

## But is it realistic?

Conservative and liberal economists agree that the most effective and efficient way to address climate change and build a stronger economy is to put a price on carbon pollution. For example, Henry Paulson, Secretary of Treasury under George W. Bush, explains that a carbon fee “will unleash a wave of innovation to develop technologies, lower the costs of clean energy and create jobs.”



## How Does Carbon Pollution Pricing Work?

When you buy gasoline or heating fuel, you are paying for drilling, refining and transporting but not for the cost of what the fuel does to our health and our environment.

Carbon Pricing uses a “fee” to capture those costs, which reduces demand for fossil fuels and the harmful emissions they generate.

It then “rebates” or passes on the revenues directly to residents and employers, including businesses, nonprofits, and municipalities.

## Will fuel be more expensive?

Yes, initially the cost will increase by a small amount and then rise gradually each year. However, there's a rebate, so most people will end up with more money in their pockets, especially low-income people who tend to use less energy and are most affected by climate change. Since every resident gets the same rebate, everyone has an incentive to use less fossil fuel in order to keep more of the money.

## If you get the money back, then what's the point?

The fee reduces fossil fuel use and inspires new, renewable energy projects. People make choices every day between driving and taking public transportation, and between buying a fuel-efficient car or an SUV – all based on cost. AAA has shown that even a small hike in gasoline prices causes people to drive less and buy more fuel-efficient vehicles. Carbon pollution pricing also attracts new investment in technological innovations because fuel efficiency and renewable energy will be more cost-effective and desirable in the marketplace.

## Help solve climate change in 3 easy steps:

1. Sign up for Action Alerts from *Massachusetts Campaign for a Clean Energy Future* (the carbon pricing coalition), *Climate XChange*, and *Climate Action Now*.
2. Call or write Governor Baker and your Massachusetts senators and representatives to tell them you support “carbon pollution fee and rebate” as the most effective and efficient way to quickly move our economy away from fossil fuels and toward a renewable energy future.
3. Ask your friends and family in Massachusetts to call or write Governor Baker and their senators and representatives.

## Sounds too good to be true. Are you sure?

Yes! It's already been successful. Since 2008, British Columbia, Canada has used a system similar to the one being proposed in Massachusetts. Carbon emissions in the province have dropped by 16% and their economy is outperforming the rest of Canada. They also have attracted more than 150 clean energy companies and have a growing share of the Canadian clean energy market.

## How do we make this happen in Massachusetts?

Massachusetts can be a model for legislation across the nation, and we have an excellent chance to pass legislation in the current session, but legislators need to hear your support. Please call or email your State Senator and Representative to show your support for “carbon pollution pricing.”

## Want to get more involved?

### Contact MA Campaign for a Clean Energy Future

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