PSR Maine Carbon Price Policy Statement

Physicians for Social Responsibility Maine Chapter (PSR Maine) recognizes that global climate change is the greatest public health challenge of the 21st century and that the combustion of carbon-based fuels (oil, gas, coal) is the greatest contributor to climate change.

The only effective way to address climate change, and the resulting serious health threats, is to decrease and eventually eliminate the use of carbon-based fuels for energy while simultaneously fostering conservation and the development of clean energy sources. PSR Maine supports legislation that mandates a gradually increasing price on carbon-based fuels based on their true costs to health.

A few implementations of carbon pricing have already demonstrated the effective reduction of carbon dioxide emissions without economic disruption and have been used with initial good results by the European Union and the Regional Greenhouse Gas Initiative (RGGI).¹ British Columbia adopted a carbon tax² that is revenue-neutral, meaning that every dollar generated by their carbon tax is returned to its citizens through reductions in other taxes.³

There is additional evidence from two studies commissioned by the Citizens’ Climate Lobby (CCL) and Citizens’ Climate Education Corporation (CCEC). These studies demonstrate, through modeling, that the institution of a carbon price can be effective at creating jobs, protecting low income citizens, and reducing health care costs, while meeting the goal of reducing carbon emissions in the time frame called for by science.⁴

PSR Maine understands that a successful plan to move a carbon price forward in the United States must meet the following criteria:

1. The carbon price should be collected as far upstream as practical (from producers and distributors rather than from the individual consumer) or at port of entry to the United States.

2. The price should start low and increase steadily and predictably over time to achieve the goal of reducing carbon emissions in the United States to 80 percent below 1990 levels by 2050.

3. The carbon price should be implemented without increasing the burden on vulnerable communities. These burdens include higher transportation costs, heating and cooling costs, the disproportionate impacts of pollution and climate change on vulnerable communities, and the price of food.

4. All revenues generated from the carbon price must be carefully considered so that middle- and low-income Americans are protected from any negative economic impacts.

5. The international competitiveness of United States businesses should be protected by using carbon-content-based tariffs.

6. A carbon price plan must be coordinated with a plan to enhance the use of non-carbon-based sources of energy, through subsidies for conservation and sustainable energy sources.

¹ http://www.rggi.org/
² A 10-dollar tax was levied per ton of carbon dioxide in 2008 and raised to 30 dollars by 2012. It has reduced emissions by 5 to 15 percent with negligible effects on aggregate economic performance. https://nicholasinstitute.duke.edu/sites/default/files/publications/ni_wp_15-04_full.pdf
³ http://www.fin.gov.bc.ca/tbs/tp/climate/carbon_tax.htm