

1 Introduced by Committee on Natural Resources, Fish, and Wildlife

2 Date:

3 Subject: Conservation and development; climate change; greenhouse gases;  
4 emission reduction; evaluation of approaches

5 Statement of purpose of bill as introduced: This bill proposes to require the  
6 Joint Fiscal Office to conduct a study, with independent professional  
7 assistance, on the costs and benefits to Vermont of various approaches to  
8 reducing greenhouse gas (GHG) emissions and submit a report of its findings  
9 to the General Assembly. It also proposes that the Governor have a duty to use  
10 existing avenues, such as the Coalition of Northeastern Governors, to advocate  
11 for regional and interstate solutions to GHG reduction.

12 An act relating to a study of approaches to greenhouse gas reduction

13 It is hereby enacted by the General Assembly of the State of Vermont:

14 Sec. 1. GREENHOUSE GAS REDUCTION; JOINT FISCAL OFFICE;  
15 STUDY; REPORT

16 (a) Study. The Joint Fiscal Office shall conduct a study to analyze the  
17 fiscal impacts of adopting and implementing various approaches to reducing  
18 greenhouse gas (GHG) emissions caused by Vermont's consumption of fuels  
19 used in transportation, heating, cooling, and ventilation.

20 (1) The study shall evaluate:

1           (A) the costs and benefits for Vermont of a carbon tax approach,  
2           including an analysis of the carbon taxes enacted in other jurisdictions, such as  
3           British Columbia and Ireland;

4           (B) the costs and benefits for Vermont of a cap and trade approach,  
5           including an analysis of programs such as the Western Climate Initiative or an  
6           expansion of the Regional Greenhouse Gas Initiative (RGGI); and

7           (C) the costs and benefits for Vermont of other regulatory or market-  
8           based approaches that may exist.

9           (2) The study shall compare the approaches evaluated under subdivision  
10          (1) of this subsection, including their comparative ability to achieve significant  
11          reductions in greenhouse gas emissions; impact on economic development,  
12          innovation, and job creation in the State; and effect on the cost of living in  
13          Vermont.

14          (3) The study shall consider both interstate and Vermont-only  
15          approaches to GHG reduction.

16          (4) The study shall evaluate tax incentives and tax structures that may  
17          spur economic development and include an analysis of the effects of a  
18          regressive carbon tax.

19          (5) The study shall evaluate the feasibility and outcome of expanding  
20          RGGI to include emissions from transportation, heating, cooling, and  
21          ventilation.

1           (6) The study shall evaluate whether revenues may offset the sales,  
2           income, or property tax.

3           (7) The study shall evaluate methods to provide assistance to mitigate  
4           effects on Vermonters with low income.

5           (b) Funds. In conducting the study, the Joint Fiscal Office shall retain  
6           independent, professional assistance for which up to \$100,000.00 is authorized.  
7           Persons retained shall work under the direction of the Joint Fiscal Office.

8           (c) Legislative Council. The Office of Legislative Council shall be  
9           available to the Joint Fiscal Office to provide legal assistance.

10          (d) Executive Branch. In conducting this study, the Joint Fiscal Office  
11          shall be entitled such assistance and relevant information from the Executive  
12          Branch or any agency thereof as the Office considers necessary.

13          (e) Report. On or before January 15, 2019, the Joint Fiscal Office shall  
14          submit a report of the study with its findings to the Senate Committees on  
15          Finance and on Natural Resources and Energy, the House Committees on  
16          Natural Resources, Fish, and Wildlife and on Ways and Means, and the Senate  
17          and House Committees on Transportation.

18          Sec. 2. GOVERNOR; ADVOCACY; REGIONAL CARBON SOLUTIONS

19          The Governor or designee shall use all available fora to advocate for  
20          regional or interstate solutions to reducing greenhouse gas (GHG) emissions,  
21          such as a regional carbon tax or cap and trade system. Such fora include the

1 Coalition of Northeastern Governors, the annual conference of New England  
2 Governors and Eastern Canadian Premiers and its regional climate change  
3 initiative, and the Regional Greenhouse Gas Initiative.

4 Sec. 3. EFFECTIVE DATE

5 This act shall take effect on passage.