

Mollie S. Burke  
Testimony on H.394  
House Natural Resources, Fish, and Wildlife  
Summary of the bill

**Purpose:**

This bill asks JFO to conduct a study to analyze fiscal impacts of carbon pricing and cap and trade to reduce GHG emissions caused by fuels used in transportation, heating, cooling, and ventilation and to report to the General Assembly.

**Section I.**

JFO shall analyze fiscal impacts of implementing carbon pricing and cap and trade to reduce GHG emissions.

**Study shall:**

1. Evaluate costs and benefits of carbon tax model, and include analysis of B.C. and Ireland
2. Evaluate cost and benefits of cap and trade model, including analysis of Western Climate Initiative or an expansion of RGGI.
3. Compare the two types and see which model might be most likely to improve economic development, including analysis of regressive carbon tax
4. Evaluate tax incentives and potential for tax structures to spur economic development, including an analysis of effects of regressive carbon tax
5. Evaluate feasibility and outcome of expanding RGGI to transportation, etc. fuels
6. Evaluate whether revenues may offset sales, income, or property tax
7. Evaluate other ways to mitigate effects on low income Vermonters

Authorization of up to \$100,000 for resources to conduct the study  
Legislative Council shall provide legal assistance

Report on or before January 15, 2018 with findings to various House and Senate committees.

**Section II.** Bill takes effect on passage