

# S.1924

## AN ACT TO COMBAT CLIMATE CHANGE

SENATOR MICHAEL BARRETT (D – LEXINGTON)



### BILL OVERVIEW

**REQUIRES** the Governor to use existing authority to establish a 'market-based mechanism' for the transportation and building sectors.

**CALLS** for a price on carbon emissions from transportation of \$60 per ton of CO<sub>2</sub>.

If officials opt for a "revenue positive" pricing approach to transportation the bill **PROPOSES** to spend the resulting revenue on new transit infrastructure, energy efficiency, public education, and environmental justice priorities.

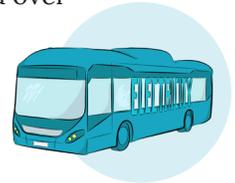
### ECONOMIC & JOB GROWTH

With a carbon fee, Massachusetts residents would spend billions of dollars less on imported fossil fuels, and instead spend more on in-state businesses. As a result over 12,000 jobs will be created, and gross state product will rise by \$600M.



### FUNDING TRANSPORTATION PRIORITIES

S.1924 directs billions of dollars to a Commonwealth Transportation Fund over the next decade, which facilitates further GHG reductions through investment in the MBTA, Regional Transit Authorities (RTAs) and other forms of clean transportation. The bill also creates new funding for rebates under the Massachusetts Offers Rebates for Electric Vehicles program.



### INVESTMENT MECHANISM

When fully implemented the bill's \$60 per ton carbon price will raise over \$2.5 billion annually. 60% of investment will go to the Commonwealth Transportation Fund, 30% to education aid to cities and towns, 5% to the new environmental health and justice trust fund, and 5% for energy efficiency projects.



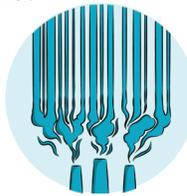
### FIXING PUBLIC EDUCATION

Public schools in Massachusetts are chronically underfunded, with some estimates placing underfunded education costs at \$1 billion to \$2 billion a year. The bill directs hundreds of millions of dollars in new direct funding for school aid under Chapter 70.



### WHY PRICE CARBON?

To reach our goals of reducing carbon pollution, Massachusetts must shift from fossil fuels to clean energy such as solar and wind. The vast majority of economists agree that the most cost-effective way to cut carbon emissions is to add a pollution charge to fossil fuel prices. Such a charge would give energy producers, businesses, and households a strong incentive to shift to clean energy – while having the freedom to decide how to do so.



### PROVIDING FOR EQUITY

The bill provides for the mitigation of disproportionate financial burdens on low to middle-income households, rural residents, and businesses through directing rebates to businesses and residents of the Commonwealth.



### TACKLING CLIMATE CHANGE

Additionally, this bill will put Massachusetts on track to meet its emissions mandates of cutting greenhouse gas emissions to 25% below 1990 levels by 2020 and to at least 80% below 1990 by 2050. The bill establishes a carbon price of \$15 per ton in its initial year with incremental annual increases of \$5 per year up to \$60 per ton.