



SUSTAINABILITY DIVISION

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SUSTAINABILITY COMMISSION STAFF REPORT

Meeting: September 20, 2018

Subject

Study Citizens Climate Lobby Fee and Dividend Carbon Tax Initiative

Recommended Action

Study Citizen Climate Lobby's Fee and Dividend Carbon Tax initiative and consider whether the City should endorse it.

Background

At its July 31, 2018 City Council Meeting (Item 2), the City Council received a verbal presentation from Diana Russell, a volunteer with the Citizens Climate Lobby (CCL) on Fee and Dividend Carbon Tax.

To view the presentation to City Council

visit: <https://cupertino.legistar.com/Calendar.aspx>. Navigate to City Council and choose the 07/31/2018 meeting date. This was Item number 2.

After the presentation, at the end of the Council meeting, the Council members recommended that the Sustainability Commission examine this issue and determine if it is something that the City would like to endorse. There was an interest from a few Council members in especially examining how this would impact Cupertino residents.

Staff has invited Diana Russell from the Citizens Climate Lobby to today's Commission meeting, to give a similar presentation.

Description

Citizens Climate Lobby's Fee and Dividend Carbon Tax would place a price on fossil carbon based fuels and return the net revenue to all U.S. households by way of a monthly dividend. The CCL proposal would start at \$15 per metric ton of CO₂e, and go up \$10 per year.

CCL projects that the size of the dividend for a family of four would be \$300 per month after 10 years. The idea is that by distributing the fees among U.S. residents, it would help offset the added cost that would be passed along to consumers due to the higher tax on fossil fuel based goods and services.

Attached are some documents provided to staff from CCL for the Commission study.

Prepared by: Misty Mersich, Sustainability Manager

Attachments:

- A- Summary of Impacts of Fee and Dividend Carbon Tax
- B- Local Financial Impact on Households of Carbon Fee and Dividend- District 17