Senator Bob Wieckowski, Chair
Environmental Quality Committee
California State Senate

Dear Senator Wieckowski and members of the Environmental Quality Committee,

Citizens' Climate Lobby is writing to express our support for SB775, which would make improvements to California's cap and trade program.

We would specifically like to express support for the following components of the bill:

Steadily Rising Price

We believe that a steadily rising carbon price allows consumers, businesses, and investors to make the best decisions as we transition to a clean energy economy. Price predictability can facilitate longer term planning and investments, often motivating earlier emissions reductions.

Per Capita Dividend

Citizens' Climate Lobby has long supported the concept of returning revenue from carbon pricing directly to the people via a per -apita dividend. Our analysis has shown that this is the most effective way to protect middle and lower income households from any increase in price. Studies show that such a dividend will stimulate the economy and create jobs in our local communities. A dividend will also allow the carbon price to rise to the level necessary to reach our climate goals while maintaining support from the people for all of our climate programs. We see it as a key element of a smooth and equitable climate transition.

Border Adjustment

We applaud the innovative approach of using a border adjustment to protect California's economy until carbon prices are more ubiquitous, as we hope they will be soon. We advocate for a similar border adjustment at the national level as the best way to provide a level playing field, while also motivating other countries to enact their own carbon pricing. We are excited to see California take the lead in this important aspect of carbon pricing legislation.

We look forward to California continuing its climate leadership with these improvements to its already extensive climate program.

Mark Reynolds
Executive Director
Citizens' Climate Lobby