RESOLUTION NO. 2019-037

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA ANA IN SUPPORT OF HR 763 THE ENERGY INNOVATION AND CARBON DIVIDEND ACT OF 2019

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANTA ANA AS FOLLOWS:

Section 1. The City Council of the City of Santa Ana hereby finds, determines and declares as follows:

- A. WHEREAS, according to the Environmental Protection Agency (EPA), global carbon emissions from fossil fuels have significantly increased since 1900. Since 1970, carbon dioxide emissions have increased by about 90%.
- B. WHEREAS, the United States is one of the top global carbon dioxide emitters.
- C. WHEREAS, the continued release of greenhouses gases into the atmosphere is a real and growing concern;
- WHEREAS, failing to reduce and/or limit the amount of greenhouse gas emissions into the atmosphere could have severe ramifications for the world's environment;
- E. WHEREAS, in January 2019, Representative Deutch introduced HR 763 a bill to create a Carbon Dividend Trust Fund for the American people in order to encourage market-driven innovation of clean energy technologies and market efficiencies which will reduce harmful pollution and leave a healthier, more stable, and more prosperous nation for future generations.
- F. WHEREAS, HR 763 also called the Energy Innovation and Carbon Dividend Act of 2019 enjoys bipartisan support in the United States House of Representatives;
- G. WHEREAS, HR 763 aims to reduce carbon emissions in the United States by 33% in 10 years and 90% by the year 2050.
- H. WHEREAS, HR 763 would impose a fee for the carbon content in covered fuels including crude oil, natural gas, coal, or any other product derived from crude oil, natural gas, or coal, which shall be used to emit greenhouse gases to the atmosphere. The fee is equal to the greenhouse gas content of the fuel times by the carbon fee rate. The rate would begin at \$15 in 2019 and increase \$10 yearly.

- I. WHEREAS, the fee would apply to covered entities including refineries, importers of any petroleum or petroleum product, any coal mining operation, any importer of coal, any entity entering pipeline quality natural gas into the natural gas transmission system, and any importer of natural gas, any entity required to report the emission of a fluorinated gas and any entity or class of entities which, as determined by the Secretary of State, is transporting, selling or otherwise using a covered fuel in a manner which emits a greenhouse gas to the atmosphere and which is not covered by the carbon fee, the fluorinated greenhouse gas fee, or the carbon border fee adjustment.
- J. WHEREAS, the fees are to be deposited into a Carbon Dividend Trust Fund and used for expenses and dividend payments to U.S. citizens and permanent residents.
- K. WHEREAS, HR 763 is co-sponsored by several Orange County Representatives including Representative Harley Rouda, Representative Gil Cisneros, and Representative Katie Porter.

<u>Section 2</u>. The City Council of the City of Santa Ana hereby finds determines and declares that the City of Santa Ana supports the adoption of HR 763, the Energy and Carbon Dividend Act of 2019.

<u>Section 3</u>. If any surcharge or fee, section, subsection, sentence, clause, phrase or word of this Resolution is for any reason held to be invalid by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Resolution. The City Council hereby declares that it would have passed and adopted this Resolution, and each and all provisions hereof, irrespective of the fact that one or more provisions may be declared invalid.

<u>Section 4</u>. This Resolution shall take effect immediately upon its adoption by the City Council, and the Clerk of the Council shall attest to and certify the vote adopting this Resolution.

ADOPTED this 4th day of June, 2019.

Migrael A. Pulido

Mavor

APPROVED AS TO FORM: Sonia R. Carvalho, City Attorney

By: Lawa A. Rossini

Laura A. Rossini

Senior Assistant City Attorney

AYES:

Councilmembers

Penaloza, Pulido, Sarmiento, Solorio (4)

NOES:

Councilmembers

Iglesias, Villegas (2)

ABSTAIN:

Councilmembers

None (0)

NOT PRESENT:

Councilmembers

None (0)

CERTIFICATE OF ATTESTATION AND ORIGINALITY

I, NORMA MITRE, Acting Clerk of the Council, do hereby attest to and certify that the attached Resolution No. 2019-037 to be the original resolution adopted by the City Council of the City of Santa Ana on June 4, 2019.

Date: June 10, 2019

Norma Mitre

Acting Clerk of the Council

City of Santa Ana