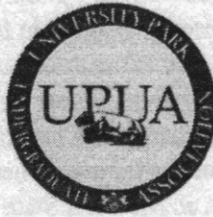


**THE UNIVERSITY PARK UNDERGRADUATE ASSOCIATION**  
**The Pennsylvania State University**

**15th Assembly  
2020 - 2021 Session**



**Resolution #43-15  
December 2<sup>nd</sup>, 2020**

*Be it decided by the Assembly of Student Representatives,  
having been brought to the floor by a vote of two-thirds (2/3rds),  
a*

**RESOLUTION**

**Support of H.R 763 - The Energy Innovation Carbon Dividend Act (EICDA)**

**Nature of the Situation:**

H.R.763 - The Energy Innovation Carbon Dividend Act (EICDA) was introduced in the US House of Representatives in January of 2019. The legislation was referred to the Subcommittee on Energy Committee on Energy and Commerce. The bill's purpose is to reduce greenhouse gas emissions by placing an incremental fee on the source of the carbon-emitting fossil fuel. With this bill, natural gas and fossil fuel usage would be taxed starting at a rate of \$15 per metric ton the first year, increasing by \$10 per metric ton annually, until either carbon emissions reach 10% of 2016 levels or the dividend falls below -\$20.<sup>1</sup> EICDA is a revenue-neutral and market-based bill that returns the revenues generated from the fee to American residents in the form of dividends in order to subsidize costs to residents on their carbon footprint. All fees generated by the dividend would be redistributed to American citizens and have no stipulation on spending.

A research report by Duquesne University's Palumbo-Donahue School of Business details that an estimated 61% of PA households would experience a net financial benefit as a result of a carbon dividend return. Specifically, 77% of PA family households with an income below \$35,000-\$95,000 would experience a net average benefit of \$126 per year from the tax. 68% of PA single occupant households with an income of \$55,000-\$95,000 would experience an average net loss of \$172 per year. Furthermore, the EICDA would create clean energy jobs as well assist

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<sup>1</sup> <https://energyinnovationact.org/wp-content/uploads/2019/01/Energy-Innovation-and-Carbon-Dividend-Act-2019.pdf>

in reinvigorating service-providing industries, resulting in an approximate 77,000 additional jobs by 2025 and 97,000 jobs by 2035.<sup>2</sup>

The implementation of a carbon tax and dividend system is a key strategy to reducing the national and global carbon emissions through economic forces and incentivizing private and public investment into the country's energy infrastructure. A carbon tax would reduce US emissions, have a modest effect on the Earth's climate<sup>3</sup>, and signal the urgency of climate change to the rest of the world. Climate change is a pressing issue with negative economic, geographical, and social implications for the current generation, as well as future generations of Penn State students. This past summer, as the Penn State delegate, President McKay signed onto the Students For Carbon Dividends Statement of Student Government Leaders. The statement, being the largest statement of Student Government Leaders in United States history, was organized "to endorse the breakthrough, bipartisan climate solution known as carbon dividends."<sup>4</sup>

#### **Recommended Course of Action:**

The University Park Undergraduate Association (UPUA) on behalf of the Penn State undergraduate student body, hereby supports H.R.763 - The Energy Innovation Carbon Dividend Act (EICDA) and urges Federal Legislators to vote in support of its passage. The UPUA will continue to support the renumbering of this bill into the next congressional session.

The UPUA in collaboration with the Department of Outreach and the Governmental Affairs Committee, are hereby charged with the formation and execution of a SoftEdge advocacy campaign in support of H.R. 763 to all PA Congressional House Legislators [APPENDIX A].

The UPUA Department of Outreach is charged with disseminating the SoftEdge Campaign to other PA institutions of higher education and disseminating information through the relevant channels.

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<sup>2</sup> <https://duquesnesmba.files.wordpress.com/2020/01/eicda-updated-1.10.2020.pdf>

<sup>3</sup> <https://www.cbo.gov/publication/44223>

<sup>4</sup> <https://www.s4cd.org/statement>



47 Respectfully submitted,

**Daniel Risser**  
At-Large Representative  
Vice Chair of Governmental Affairs

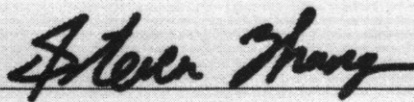
**Tom Dougherty III**  
At-Large Representative  
Chair of Governmental Affairs

**Cameron McColgan**  
At-Large Representative

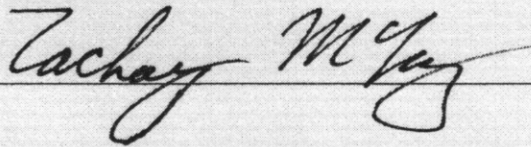
**Steven Zhang**  
At-Large Representative  
Speaker of the Assembly

Assembly Vote: 33/2/1

Speaker of the Assembly

A handwritten signature in black ink, appearing to read "Steven Zhang", written over a horizontal line.

President of the Student Body

A handwritten signature in black ink, appearing to read "Zachary McColgan", written over a horizontal line.

**The University Park Undergraduate Association**