

CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL
SUBJECT: CLEAR ACT – SUPPORTING CARBON LIMITS AND
ENERGY FOR AMERICA’S RENEWAL (S.2877)
STAFF PRESENTER: PAT FRUIHT, ASSISTANT TO THE CITY MANAGER
CITY MANAGER’S OFFICE

AGENDA ACTION: MOTION

ISSUE(S)

Should the Council support, by motion, the Carbon Limits and Energy for America’s
Renewal (CLEAR) Act?

COUNCIL GOALS/STRATEGIES

“Sustain City leadership in environmental initiatives and make an impact on greenhouse
gas reduction strategies.”

BACKGROUND

1. In December 2009, Senator Cantwell introduced the CLEAR Act which would cap the emissions of greenhouse gases in 2012 by requiring oil, coal and natural gas companies to purchase monthly permits that would allow them to sell their fuels.
2. Seventy-five percent of the money from the permits would be returned to the public every month in the form of a dividend check and the remainder would go towards renewable energy studies and conservation programs.

ANALYSIS

1. Proponents believe that by driving up the cost of fossil fuel and making renewables more competitive, it will cause the emissions to decline.
2. Opponents are worried that the new bill could potentially thwart innovation. By limiting Wall Street’s role in the trading of carbon credits, they believe that new technologies will not be nurtured in development.

3. Under this proposal, consumers will receive an annual rebate check for about \$1100. Once the additional cost of the fuel is deducted it is estimated that the consumer will still be ahead by at least \$100 per year.
4. Congress member Lynn Woolsey and Congress member Mike Thompson are co-sponsors of a similar bill in the House.

RECOMMENDATION

It is recommended by the City Manager's Office that the Council support, by motion, the CLEAR Act and authorize the Mayor to send a letter of support to our members of Congress.

Author: Pat Fruht