



State of Connecticut
HOUSE OF REPRESENTATIVES
STATE CAPITOL
HARTFORD, CONNECTICUT 06106-1591

REPRESENTATIVE JONATHAN STEINBERG
136TH ASSEMBLY DISTRICT

LEGISLATIVE OFFICE BUILDING
ROOM 3004
HARTFORD, CT 06106-1591

CAPITOL: 860-240-8585
TOLL FREE: 800-842-8267
CELL: 203-722-7477

E-MAIL: Jonathan.Steinberg@cga.ct.gov

CHAIR
Public Health Committee

MEMBER
Energy & Technology Committee
Transportation Committee
Insurance Committee

Testimony in Support of HB 5363

Senator Kennedy, Senator Miner, Representative Demicco, Representative Harding and members of the Environment Committee: thank you for the opportunity to once again consider a program which would have a significant impact on our collective effort to reduce carbon emissions and the health impacts of the resulting pollution.

With notable exceptions, most people now accept that climate change is happening and that humans are playing a role. *87% of small business owners now believe that the consequences of climate change could harm their businesses in the future*, from higher energy costs to stress on the grid to severe storms. Some businesses are already pricing carbon internally because they recognize the long-term costs.

A year has passed since we last discussed the prospect of a carbon pricing program for Connecticut. We are one year closer to ambitious deadlines for achieving huge reductions in carbon emissions, as defined in DEEP's Comprehensive Energy Strategy, the Governor's Climate Change Council and other commitments we've made regionally and nationally. In my opinion, it will be impossible to achieve these goals if we don't embrace bold initiatives. Carbon pricing is such an answer.

Last year, you may recall that legislators from other states spoke on behalf of such a plan. This year, a number of Connecticut legislators have joined the new Carbon Costs Coalition, a nine-state consortium which pledges shared principles and objectives even while acknowledging slight differences in legislation among states.

This year, in response to feedback from legislators and our experience with energy funds diversions, we propose to make the program revenue neutral. This means that virtually all proceeds from the carbon emissions charges will be returned to the consumers of Connecticut. This is not a mere concept: British Columbia's program has returned virtually 100% of charges collected to taxpayers.

The concept of a pricing plan is also not a partisan issue. Many more conservative theorists have now come around to the idea, believing that it's the most market-driven way to promote responsible environmental behavior. 98% of major economics surveyed agree that -- *the fastest, least expensive, and most predictable way to reduce greenhouse gas emissions is to "price" the external health and economic costs that emissions impose on society.* (U. Chicago IGM Forum Survey, 2012).

Granted, it still represents somewhat of a pioneering effort, so sensible suggestions for improvements to the language are welcome. Proponents of a carbon pricing plan recognize that its success is predicated on addressing the reasonable concerns of the business community, many of which are already doing the right thing. Ideally, a carbon pricing plan will bring diminishing returns over time, as more and more businesses invest in technology and processes which will contribute to significant emissions reductions.

The net result is a win for both the environment and the community while encouraging those businesses which have embraced a responsible approach to energy efficiency.

Thank you for your consideration of this legislation and what it represents to the people of Connecticut and New England.

A handwritten signature in black ink, appearing to read 'Jonathan Steinberg', with a stylized flourish at the end.

Jonathan Steinberg
State Representative
136th District